

**THE FREDERICTON COMMUNITY FOUNDATION INC.**  
**Financial Statements**  
**Year Ended June 30, 2021**

**THE FREDERICTON COMMUNITY FOUNDATION INC.**

**Index to Financial Statements**

**Year Ended June 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

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To the Directors of The Fredericton Community Foundation Inc.

### *Opinion*

We have audited the financial statements of The Fredericton Community Foundation Inc. (the Foundation), which comprise the statement of financial position as at June 30, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

The financial statements for the year ended June 30, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 18, 2020.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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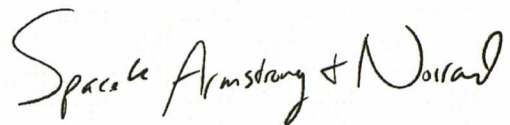
*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Fredericton, New Brunswick  
September 20, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS

**THE FREDERICTON COMMUNITY FOUNDATION INC.**

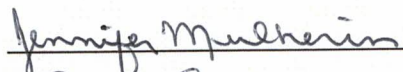
**Statement of Financial Position**

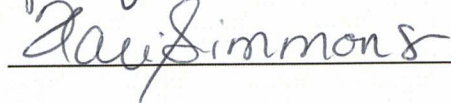
**June 30, 2021**

	2021	2020
<b>ASSETS</b>		
Cash	\$ 168,101	\$ 500,588
Investments (Note 4)	21,747,533	18,774,270
Accounts receivable	11,210	11,483
Life insurance (Note 5)	148,529	141,023
Prepaid expenses	1,887	-
	<b>\$ 22,077,260</b>	<b>\$ 19,427,364</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued liabilities	\$ 12,996	\$ 47,404
Deferred income (Note 6)	20,501	20,501
Managed funds (Schedule 1)	3,437,745	2,913,381
	<b>3,471,242</b>	<b>2,981,286</b>
<b>NET ASSETS</b>		
General Fund	4,382,415	3,964,386
Restricted Funds	2,332,753	1,020,431
Endowment Funds	11,890,850	11,461,261
	<b>18,606,018</b>	<b>16,446,078</b>
	<b>\$ 22,077,260</b>	<b>\$ 19,427,364</b>

LEASE COMMITMENTS (Note 12)

**ON BEHALF OF THE BOARD**

 Director

 Director

See notes to financial statements



**THE FREDERICTON COMMUNITY FOUNDATION INC.**  
**Statement of Revenues and Expenditures**  
**Year Ended June 30, 2021**

	General Fund	Restricted Funds	Endowment Funds	Total 2021	Total 2020
<b>REVENUES</b>					
Contributions	\$ 58,818	\$ 473,065	\$ 484,152	\$ 1,016,035	\$ 1,120,116
Interest and dividend income	142,880	416,994	-	559,874	531,366
Realized capital gain (loss)	72,079	208,599	-	280,678	57,807
Change in unrealized capital gain (loss)	542,902	1,671,117	-	2,214,019	(564,554)
Administration fees recovered (Note 9)	61,277	-	-	61,277	97,519
Other income	7,506	-	-	7,506	10,949
	885,462	2,769,775	484,152	4,139,389	1,253,203
<b>EXPENSES</b>					
Grants (Note 11)	138,219	1,449,964	-	1,588,183	871,997
Investment management fees	21,261	62,052	-	83,313	81,422
Administrative expenses (Note 10)	307,953	-	-	307,953	322,411
	467,433	1,512,016	-	1,979,449	1,275,830
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	\$ 418,029	\$ 1,257,759	\$ 484,152	\$ 2,159,940	\$ (22,627)

See notes to financial statements

**THE FREDERICTON COMMUNITY FOUNDATION INC.**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2021**

	General Fund	Restricted Funds	Endowment Funds	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>				<b>\$ 16,446,078</b>	<b>\$ 16,468,705</b>
Excess of revenues over expenses	\$ 3,964,386	\$ 1,020,431	\$ 11,461,261		
Transfers of capital during the year (Note 8)	418,029	1,257,759	484,152	<b>2,159,940</b>	<b>(22,627)</b>
	-	54,563	(54,563)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 4,382,415</b>	<b>\$ 2,332,753</b>	<b>\$ 11,890,850</b>	<b>\$ 18,606,018</b>	<b>\$ 16,446,078</b>

See Note 7 for a categorized listing of funds held at year-end.

**THE FREDERICTON COMMUNITY FOUNDATION INC.****Statement of Cash Flows****Year Ended June 30, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 2,159,940	\$ (22,627)
Item not affecting cash:		
Change in unrealized capital gain (loss)	(2,214,019)	564,554
	(54,079)	541,927
Changes in non-cash working capital:		
Accounts receivable	273	5,941
Accounts payable and accrued liabilities	(34,408)	30,737
Deferred income	-	20,501
Prepaid expenses	(1,887)	-
	(36,022)	57,179
Cash flow from (used by) operating activities	(90,101)	599,106
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(759,243)	(455,161)
Increase in cash surrender value of life insurance	(7,506)	(9,380)
Increase in managed funds	524,363	45,308
Cash flow used by investing activities	(242,386)	(419,233)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(332,487)</b>	<b>179,873</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>500,588</b>	<b>320,715</b>
<b>CASH - END OF YEAR</b>	<b>\$ 168,101</b>	<b>\$ 500,588</b>



# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

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### 1. NATURE OF OPERATIONS

The Fredericton Community Foundation Inc. (the "Foundation") is a public foundation and registered charity under the Income Tax Act (Canada) founded in 1956 for the purposes of promoting educational advancement and scientific or medical research for the increase of human knowledge and the alleviation of human suffering; to better the lot of underprivileged or delinquent persons; to provide care for needy men, women and children, and in particular sick, aged, destitute and helpless; and to provide for such other charitable purposes as may in the discretion of the Board of Directors appear to contribute to the mental, moral, cultural and physical or other improvement of the inhabitants of the City of Fredericton and surrounding areas.

As a registered charity, the Foundation is exempt from income tax and is able to issue donation receipts for income tax purposes, provided certain provisions of the Income Tax Act continue to be met.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions, and categorizes all of its funds into four general categories:

Unrestricted contributions are recognized as revenue of the **General Fund** in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions that are spendable but upon which the donor has placed certain stipulations are recognized as revenue of the appropriate **Restricted Fund**.

Contributions where the donor has stipulated that the contributed funds remain unspent into perpetuity are recognized as revenue in the **Endowment Fund**.

Managed Funds, whereby the Foundation receives and administers said funds on behalf of other charities and community organizations and does not issue a donation receipt to the provider, are classified as a liability. Amounts received are commingled with all assets of the Foundation. The Foundation earns a 0.7% administration fee, calculated quarterly, on the average balance of all managed funds.

#### Cash and cash equivalents

Cash per the statement of financial position includes available balances in the Foundation's operating bank account, and cash on-hand.

Cash and cash equivalents held in investment brokers' accounts is classified as investments on the statement of financial position, with cash equivalents defined as highly-liquid, fixed income securities.

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# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Investments

Investments are reported at fair value based on quoted market prices. Investment income includes interest, dividends, realized gains (losses) and the net change in unrealized gains (losses) for the year.

The fair value of investments denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at year-end.

Purchases and sales of investments and investment income (loss) denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the respective dates of the transactions, for purposes of calculating realized gains and losses on disposition.

Investment income is allocated to the Foundation's various funds based on the respective funds' average quarterly balance and is reported in the financial statements as follows:

#### Endowment and Restricted Funds:

- Investment income is recognized either in the General or Restricted Funds, depending on the wishes of the donor.
- The Foundation does not maintain any Endowment funds whereby the donor has stipulated that a portion of the allocated investment income be permanently maintained.

#### General Fund:

- Investment income allocated to general purpose funds is recorded as income in the General Fund.

#### Managed Funds:

- Investment income allocated to managed funds is recorded as an increase in the managed fund liability as reported on the statement of financial position.

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in revenues. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Contributed services

The operations of the Foundation depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated services and materials cannot be reasonably determined and are therefore not reflected in these financial statements.



# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

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### 3. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has an established risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of June 30, 2021.

#### *(a) Interest rate risk*

Interest rate risk is risk to the Foundation's investment income arising from fluctuations in market-determined interest rates. The Foundation has no interest-bearing debt, however, it does have significant fixed-income investments. Changes in interest rates could materially impact the value and future cash flows in respect of these investments.

#### *(b) Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Foundation is mainly exposed to risks related to fluctuations in the market prices of its investments.

#### *(c) Currency risk*

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation is exposed to foreign currency exchange risk on investments held in U.S. dollars in the Canadian dollar amount of \$5,596,531.

All financial instruments are reported at fair value.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant other price risks arising from these financial instruments.

The Foundation has established a comprehensive Investment Policy Statement (IPS) for the management of its investments. The IPS outlines roles and responsibilities for the Board of Directors, the Investment and Audit Committee, the Investment Manager and the Foundation's management with respect to management of its investments. All of the Foundation's investments are managed by independent, external portfolio managers. The compliance of these professionals with the IPS is monitored on a regular basis.

The Foundation's investment strategy is designed to maintain an investment portfolio of high quality financial assets. The Foundation manages investment risk by diversifying its portfolio among asset classes, industry sectors and individual securities. The IPS provides for target allocation ranges among asset classes. The portfolio is also diversified geographically.

### 4. INVESTMENTS

	2021	2020
Cash and cash equivalents	\$ 414,351	\$ 345,902
Fixed income investments	8,993,935	9,238,493
Canadian equity	6,474,253	4,083,852
Foreign equity	5,864,994	5,106,023
	<b>\$ 21,747,533</b>	<b>\$ 18,774,270</b>

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# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

### 5. LIFE INSURANCE

The Foundation is the beneficiary and owner named under whole life insurance policies as follows:

	Face Value	2021 Cash Surrender Value	2020 Cash Surrender Value
Whole life policies	\$ 1,125,995	\$ 148,529	\$ 141,023

The cash surrender value is recorded as an asset on the statement of financial position. As the timing of the realization of amounts in excess of the cash surrender value is not certain, the Foundation will record the benefits upon receipt of the funds.

### 6. DEFERRED REVENUE

The Philanthropy in Action dinner for the 2020 fiscal year was postponed due to the Covid-19 pandemic. Amounts received for tickets sold for the postponed event and not refunded will be accepted for the 2022 event. Non-refunded ticket sales are reported as deferred revenue.

### 7. FUNDS

Irrespective of the financial statement classification of funds into General, Restricted and Endowment, internally the Foundation's Board and management classify donor funds into the following categories:

#### Community Funds

These are funds where the donor grants discretion to the Foundation consistent with the objectives of the Foundation.

#### Donor-Advised Funds

Donors have ongoing participation in the selection of charities that will benefit from their gift.

#### Field of Interest Funds

Donors identify an area of interest to which they would like to target their support.

#### Designated Funds

Donors have the opportunity to specify, at the time the fund is established, which particular charities they would like to support.

#### Emerging Funds

Enables a donor to establish a fund in any of the above categories with an initial donation and a pledge to meet one of the minimum donation levels within five years of the initial gift. These amounts are included in restricted funds for accounting purposes.

#### Flow-Through Funds

Funds where the gift is not intended to be held in perpetuity but rather to be distributed on a pre-planned basis.

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**THE FREDERICTON COMMUNITY FOUNDATION INC.**

**Notes to Financial Statements**

**Year Ended June 30, 2021**

**7. FUNDS (continued)**

Balances of the Foundation's individual funds at fiscal year-end, including accumulated, unspent investment income are as follows:

	2021	2020
<u>Community Funds:</u>		
Community Fund	\$ 3,168,668	\$ 3,071,197
Board and Staff Legacy Fund	175,329	144,134
David Cornish Memorial Fund	56,890	47,934
Perley and Phyllis Estey Fund	131,609	110,890
Donald Morgan Memorial Fund	44,393	37,404
Frank and Mary Morrison Memorial Fund	44,578	37,560
J.T.Clark Family Foundation Fund	222,856	187,772
Killeel Family Fund	12,798	10,784
Richard and Margie Clark Family Fund	61,001	50,378
Don and Yvonne Crawford Fund	18,462	15,555
Ginger Design Fund	15,729	13,253
John and Pam Clark Fund	51,074	34,200
John L. Bird Memorial Fund	18,634	15,700
G. Bert Edney Memorial Fund	18,605	15,676
Margaret, Reg & Nancy Gilbert Fund	234,000	197,897
Madeline Holmes Fund	73,961	62,318
	<b>4,348,587</b>	<b>4,052,652</b>
<u>Donor-Advised Funds:</u>		
Mais Reynolds Fund	63,007	54,777
Jackson Wright Youth Fund	71,919	62,603
Hatheway Family Fund	121,435	42,307
Sara Burns Police Memorial Fund	700,669	601,911
NB Foundation for the Arts	209,166	181,642
Housing First Fund	479,950	837,664
Fred and Gladys Memorial Fund	273,147	107,732
MacPherson Family Fund	117,410	102,227
	<b>2,036,703</b>	<b>1,990,863</b>
<u>Field of Interest Funds:</u>		
Florence and Helen Hughes Fund	32,877	28,620
Blanchard Family Poverty Reduction Fund	82,172	61,239
Jeff McGuigan Memorial Fund	150,738	125,839
Rosemary's Legacy Fund	537,453	467,267
Creed Beattie Fund	148,296	129,099
Simmonds Family Fund	15,314	12,908
Lillian E. Covey Music Fund	577,726	502,958
FredKid Fund	12,187	10,607
Rosemary's Pantry Fund	559,295	488,139
Rosemary's Youth Fund	323,095	281,272
McDougall Family Fund	12,799	10,931
Jim and Beth Clark Fund	670,297	581,897
Isaac's Way Children in the Arts Fund	19,109	14,700

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**THE FREDERICTON COMMUNITY FOUNDATION INC.**

**Notes to Financial Statements**

**Year Ended June 30, 2021**

**7. FUNDS (continued)**

	2021	2020
<hr/>		
Field of Interest Funds:		
	<b>3,141,358</b>	<b>2,715,476</b>
<hr/>		
Designated:		
Marjorie and Ted Atkinson Music Fund	20,070	17,500
Science East Science Centre Legacy Fund	23,017	20,056
Meighan Fund	217,902	189,432
George and Ellen MacGillivray Trust Fund	178,614	155,736
Fonds Communautaire Sainte-Anne	32,723	10,370
Beairsto Family Fund	16,854	14,693
Mrs. W.G. Clark Fund	24,902	21,714
CT Simmons Youth Athletic Fund	12,004	10,290
NB Filmmakers Cooperative Limited	65,231	56,872
Musical Ventures Inc.	78,589	66,359
Connexion Artists	35,947	31,342
Rosemary's Place Fund	230,941	201,364
Northrup Frye International Literacy Festival Fund	408,195	355,495
Nancy Gwen Hicks Memorial Fund	69,935	60,974
Ben and Faye Medjuck Fund	12,999	11,321
Fredericton Trails Coalition Trail Fund	116,386	96,243
Tara Savage Memorial Trail Fund	110,441	96,291
Philip O'Leary Trust Fund	35,197	30,589
Estate of Otis Logue Fund	750,175	654,096
WAP-MAP Fund	200,972	149,502
Mrs. Pearl Colwell Fund	12,751	11,117
FCF Administration Fund	343,780	298,801
Susan Watson Fredericton SPCA Fund	62,168	54,204
Alden R. Clark Fund	17,588	15,335
John A.G. Page Fund	24,536	21,391
Ralph and Janet Shears Humanitarian Fund	367,261	354,263
Peter Adams Fund	36,953	32,217
Estate of Franklin Creighton	567,873	494,850
Duffie-Crowell Tapestry Fund	365,440	316,293
M.A.Crowell Nursing Scholarship Fund	51,391	44,806
M.A.Crowell Childrens Education Fund	91,321	79,623
Crowell Medically Disabled Fund	106,393	92,764
W. Hedley Wilson Estate Fund	31,853	27,773
Fredericton SPCA Fund	130,993	114,214
McKnight Memorial Fund	12,753	11,118
Brigadier A.C.Ross Fund	28,734	25,053
IODE A.R.Clark Scholarship Fund	63,667	55,513
John & Ethelwyn McKnight Fund	12,751	11,117
Friends of Transition House	65,014	56,633
Bill McCauley Music Scholarship Fund	49,995	43,588
Reg Wheaton Memorial Fund	71,466	62,312
Timmy Munn Minor Hockey Fund	56,316	49,057
Fredericton Playhouse Endowment Fund	61,111	53,281
Canadian Diabetes Association Fund	61,161	53,323
Bliss McDade Fund	45,938	39,544

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**THE FREDERICTON COMMUNITY FOUNDATION INC.**

**Notes to Financial Statements**

**Year Ended June 30, 2021**

**7. FUNDS (continued)**

	2021	2020
<u>Designated:</u>		
Brian Jones Fund	12,930	11,272
Kids Having Fun Fund	19,532	15,968
Rosemary's SPCA Fund	332,734	290,120
K & F Machin Fund for Animals	600,962	523,996
Fredericton Botanic Garden Fund	83,584	67,607
Dr. Gerald and Leta Clayden Fund	113,781	99,091
Albert & Barbara Fraser Fund	203,298	58,992
Isabel Adams Coburn Scholarship Fund	107,027	92,408
CAF Scholarship Fund	7,923	11,525
Cst. Robb Costello Memorial Fund	73,005	59,232
James Andow Scholarship Fund	11,430	10,091
Brendon Oreto Foundation Bursary Fund	55,177	35,146
Fredericton Chamber of Commerce Scholarship Fund	64,726	54,060
T.Washburn Memorial Scholarship Fund	489,811	420,151
Mike Fitzgerald Memorial Fund	131,940	114,538
Marianne Limpert Scholarship Fund	31,158	26,738
Timmy Munn Scholarship Fund	56,404	49,136
Provincial Artisans Bursary Fund	581,227	505,242
Frank Fraser and Blanche (Hood) Joslin Scholarship Fund	186,833	162,512
Rosemary's Bursary Fund	392,820	342,321
Robert Morimanno Scholarship Fund	31,819	10,385
Gerald & Catherine Sutherland Fund	13,651	9,621
Brian Glenn Memorial Bursary Fund	13,130	10,000
Muriel Connors Award Fund	31,796	-
	<b>9,026,999</b>	<b>7,648,581</b>
<u>Emerging Funds:</u>		
Fredericton Homeless Shelter Fund	4,188	2,000
Phyliss Prendergast Fund	5,463	-
George and Helen Colter Fund	10,430	7,848
Khushaim Fund	2,345	1,976
York Care Foundation Fund	945	796
Willie O'Ree Fund	3,353	2,727
Howey Family Fund	85	7,944
Clark Quinlan Fund	11,458	4,677
Fredericton Green Fund	4,692	3,953
100 Women Who Care Fund	7,816	6,585
	<b>50,775</b>	<b>38,506</b>
<u>Flow-Through Funds:</u>		
Flow Through Fund	1,596	-
<b>Grand total</b>	<b>\$ 18,606,018</b>	<b>\$ 16,446,078</b>

# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

### 8. INTERFUND TRANSFERS

Interfund transfers recognizes Board decisions to move amounts from one fund to another based on the Board's direction for use. The Foundation consults and, where necessary, receives consent from original donors when moving funds from one classification to another. Transfers include transfer of capital of \$54,563 due to changes in the nature of the fund(s).

### 9. ADMINISTRATIVE EXPENSE RECOVERIES

During the year, the Foundation received amounts with the intention that they defray annual administrative expenses relating to specific projects or the cost of normal operations. Administrative expense recoveries consist of the following:

	2021	2020
Emergency Community Support	\$ 12,983	\$ 30,916
Gender Equality	-	2,000
RBC Launch Community Challenge	-	1,000
Flow Through Fees	120	-
FCF Administration Fund	10,900	10,450
Meighan Administration Fund	7,965	7,025
Kindness week sponsorships	4,000	4,000
Administrative fees recovered, managed funds	21,648	19,945
Wage subsidies and recoveries	3,661	22,183
	<b>\$ 61,277</b>	<b>\$ 97,519</b>

### 10. ADMINISTRATIVE EXPENSES

	2021	2020
Advertising and promotion	\$ 3,218	\$ 4,453
Education and training	75	167
Interest and service charges	2,188	1,462
Liability and office insurance	3,141	3,250
Life insurance premiums	24,210	24,210
Membership dues	6,640	5,586
Miscellaneous	1,993	1,924
National and local meetings	464	2,548
Office expenses	25,147	33,552
Other special events	2,932	4,437
Planned giving	273	820
Professional fees	9,568	10,696
Rent	23,940	22,934
Salaries and benefits - operations	200,124	191,447
Salaries and benefits - funded project positions	4,040	14,925
	<b>\$ 307,953</b>	<b>\$ 322,411</b>

Expenses are allocated net of administrative expense recoveries (Note 9) to individual funds.



# THE FREDERICTON COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended June 30, 2021

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### 11. GRANTS

The Foundation grants to deserving community-based organizations that enhance and strengthen the quality of life of all citizens in the greater Fredericton region. Significant grants provided during the year from restricted funds are as follows:

- The Fredericton Housing First Fund for \$720,000, whose purpose is to end homelessness in Fredericton, and;
- The Emergency Community Support Fund for \$285,878, whose purpose is to support local organizations significantly impacted by the effects of the COVID-19 pandemic.

### 12. LEASE COMMITMENTS

The Foundation is party to a lease with respect to its premises, with payments of \$1,763 per month, subject to a 2% inflation increase per year. The lease terminates on February 29, 2024.

### 13. SIGNIFICANT EVENT

The outbreak of coronavirus disease (COVID-19) has resulted in the global declaration of a pandemic by the World Health Organization on March 11, 2020. Government measures in place to combat the health threat of the virus have caused material disruption to businesses globally, resulting in an economic slowdown. At this time the duration and impact of the outbreak are unknown as are the efficacy of government and central bank interventions. It is not possible to reliably estimate the length and severity of the measures nor their impact on the future financial results and condition of the foundation.

### 14. CHANGE IN FUND PRESENTATION

Previous years' financial statements reported the Foundation's activities in two funds: Community Funds, and Designated Funds. Classification of amounts into one of the two funds was based on the general directions of the particular donor for eventual usage of the funds. Both of these fund categories included amounts that were general in nature (fully spendable), restricted in use, and endowment (to be permanently maintained).

For fiscal 2021, management and the Board of Directors have determined that a presentation of amounts received and expended during the year, as well as net assets held, based on the nature of donor-stipulated usage of the funds (general / restricted / endowment) would provide more useful information to the users of the financial statements.

This change in presentation has no impact on the Foundation's previously reported net assets.



**THE FREDERICTON COMMUNITY FOUNDATION INC.**  
**Managed funds**  
**Year Ended June 30, 2021**

(Schedule 1)

	Literacy Coalition	Fredericton Public Library Fund	Fredericton Trails Coalition Fund	United Way Forever Fund	SPCA Trust Fund	Easter Seals New Brunswick (CRCD)	Brendon Oreto Foundation	New Brunswick Association for Community Living	Fredericton Association for Community Living	2021	2020
Contributions	-	-	-	43,090	-	-	-	2,125	-	\$ 45,215	\$ 152,026
Interest and dividends	12,783	11,341	1,208	51,915	1,654	6,326	7,533	1,777	6,474	101,011	93,379
Realized gains	6,504	5,703	609	25,966	834	3,190	3,799	904	3,265	50,774	9,818
Unrealized gains (losses)	56,227	49,883	5,320	228,610	7,282	27,854	33,171	7,831	28,508	444,686	(84,694)
Administrative fees	(2,738)	(2,431)	(259)	(11,125)	(355)	(1,356)	(1,615)	(381)	(1,388)	(21,648)	(19,945)
Investment management fees	(1,903)	(1,689)	(180)	(7,731)	(246)	(942)	(1,122)	(265)	(964)	(15,042)	(14,303)
Withdrawals	(15,000)	(17,734)	-	(47,898)	-	-	-	-	-	(80,632)	(90,973)
Changes during the year	55,873	45,073	6,698	282,827	9,169	35,072	41,766	11,991	35,895	524,364	45,308
Balance, beginning of year	369,805	331,223	34,651	1,497,152	47,429	181,410	216,036	50,006	185,669	2,913,381	2,868,073
Balance, end of year	425,678	376,296	41,349	1,779,979	56,598	216,482	257,802	61,997	221,564	\$ 3,437,745	\$ 2,913,381

See notes to financial statements