

THE FREDERICTON COMMUNITY FOUNDATION INC.
Financial Statements
Year Ended June 30, 2023

THE FREDERICTON COMMUNITY FOUNDATION INC.

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Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

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, 2023, 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, 2023, 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.

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.

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:

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Independent Auditor's Report to the Directors of The Fredericton Community Foundation Inc.
(continued)

- 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 26, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

THE FREDERICTON COMMUNITY FOUNDATION INC.


Statement of Financial Position

June 30, 2023

	2023	2022
ASSETS		
Cash	\$ 23,482	\$ 209,795
Investments (Note 4)	22,037,366	21,394,411
Accounts receivable	19,679	8,957
Life insurance (Note 5)	247,260	160,818
Prepaid expenses	11,610	-
	\$ 22,339,397	\$ 21,773,981
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 46,806	\$ 12,811
Deferred income	5,000	-
Managed funds (Schedule 1)	3,717,633	3,820,649
	3,769,439	3,833,460
NET ASSETS		
General Fund	4,264,094	4,096,257
Restricted Funds	1,438,210	1,346,147
Endowment Funds	12,867,654	12,498,117
	18,569,958	17,940,521
	\$ 22,339,397	\$ 21,773,981

LEASE COMMITMENTS (Note 9)

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, 2023

	General Fund	Restricted Funds	Endowment Funds	Total 2023	Total 2022
REVENUES					
Contributions	\$ 153,393	\$ 493,061	\$ 355,335	\$ 1,001,789	\$ 830,876
Interest and dividend income	158,099	506,510	-	664,609	586,706
Realized capital gain	27,875	87,919	-	115,794	430,597
Change in unrealized capital (loss) gain	65,630	218,886	-	284,516	(1,122,325)
Other income	13,149	-	-	13,149	12,288
	418,146	1,306,376	355,335	2,079,857	738,142
EXPENSES					
Grants	158,557	919,689	-	1,078,246	1,065,803
Investment management fees	22,598	72,335	-	94,933	96,407
Donor-related expenses	-	29,438	-	29,438	-
Administrative expenses (Note 8)	51,871	195,932	-	247,803	241,429
	233,026	1,217,394	-	1,450,420	1,403,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 185,120	\$ 88,982	\$ 355,335	\$ 629,437	\$ (665,497)

See notes to financial statements

THE FREDERICTON COMMUNITY FOUNDATION INC.

Statement of Changes in Net Assets

Year Ended June 30, 2023

	General Fund	Restricted Funds	Endowment Funds	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 4,096,257	\$ 1,346,147	\$ 12,498,117	\$ 17,940,521	\$ 18,606,018
Excess (deficiency) of revenues over expenses	185,120	88,982	355,335	629,437	(665,497)
Transfers of capital during the year (<i>Note 7</i>)	(17,283)	3,081	14,202	-	-
NET ASSETS - END OF YEAR	\$ 4,264,094	\$ 1,438,210	\$ 12,867,654	\$ 18,569,958	\$ 17,940,521

See Note 6 for a categorized listing of funds held at year-end.

THE FREDERICTON COMMUNITY FOUNDATION INC.**Statement of Cash Flows****Year Ended June 30, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 629,437	\$ (665,497)
Item not affecting cash:		
Change in unrealized capital gain (loss)	(284,516)	1,122,325
	344,921	456,828
Changes in non-cash working capital:		
Accounts receivable	(10,722)	2,253
Accounts payable and accrued liabilities	33,995	(185)
Deferred income	5,000	(20,501)
Prepaid expenses	(11,610)	1,887
	16,663	(16,546)
Cash flow from operating activities	361,584	440,282
INVESTING ACTIVITIES		
Purchase of investments	(358,439)	(769,203)
Increase in cash surrender value of life insurance	(86,442)	(12,289)
(Decrease) increase in managed funds	(103,016)	382,904
Cash flow used by investing activities	(547,897)	(398,588)
(DECREASE) INCREASE IN CASH FLOW	(186,313)	41,694
CASH - BEGINNING OF YEAR	209,795	168,101
CASH - END OF YEAR	\$ 23,482	\$ 209,795

See notes to financial statements

THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

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 classifies 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, 2023

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, 2023

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, 2023.

(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) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The majority of the Foundation's assets are investments traded in active markets that can be readily liquidated and therefore the Foundation's liquidity risk is considered minimal. In addition, the Foundation aims to retain a sufficient cash position to manage ongoing requirements.

(c) 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.

(d) Currency risk

Currency risk is the risk to investment 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 \$5,347,162.

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.

THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

4. INVESTMENTS

	2023	2022
Cash and cash equivalents	\$ 272,999	\$ 317,680
Fixed income investments	10,057,679	9,727,067
Canadian equity	6,359,526	6,692,130
Foreign equity	5,347,162	4,657,534
	\$ 22,037,366	\$ 21,394,411

5. LIFE INSURANCE

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

	<i>Face Value</i>	2023 <i>Cash Surrender Value</i>	2022 <i>Cash Surrender Value</i>
Whole life policies	\$ 1,503,491	\$ 247,260	\$ 160,818

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.

THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

6. 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.

During the year, contributions to flow-through funds totaled \$349,902 (2022 - \$119,767) and grants from flow-through funds totaled \$326,357 (2022 - \$115,871).

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THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

6. FUNDS (continued)

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

	2023	2022
<u>Community Funds:</u>		
100 Women Who Care Fund	\$ 7,943	\$ 7,630
Board and Staff Legacy Fund	179,146	173,405
Clark Quinlan Fund	12,937	12,185
Community Fund	3,198,872	3,086,583
David Cornish Memorial Fund	56,607	55,535
Don and Yvonne Crawford Fund	18,370	18,022
Donald Morgan Memorial Fund	44,426	43,579
Frank and Mary Morrison Memorial Fund	44,356	43,516
G. Bert Edney Memorial Fund	18,513	18,162
Ginger Design Fund	21,086	20,687
J.T. Clark Family Foundation Fund	221,747	217,547
John L. Bird Memorial Fund	18,541	18,190
John and Pam Clark Fund	163,539	59,091
Kileel Family Fund	12,735	12,494
Madeline Holmes Fund	73,593	72,199
Margaret, Reg and Nancy Gilbert Fund	231,789	227,879
Perley and Phyllis Estey Fund	130,954	128,473
Richard and Margie Clark Family Fund	66,814	62,338
	4,521,968	4,277,515
<u>Donor-Advised Funds:</u>		
Drs. Matt and Sarah Williams Fund	2,192	512
Fred and Gladys Memorial Fund	265,488	263,127
Hatheway Family Fund	71,651	90,307
Housing First Fund	289,500	331,656
Jackson Wright Youth Fund	73,596	71,386
MacPherson Family Fund	112,074	111,138
Madeleine Charnley Memorial Fund	30,992	-
Mais Reynolds Fund	60,146	59,646
NB Foundation for the Arts Fund	199,673	198,007
Ralph J. Bartlett Community Fund	37,265	34,201
Sara Burns Police Memorial Fund	671,675	664,801
	1,814,252	1,824,781
<u>Field of Interest Funds:</u>		
Blanchard Family Poverty Reduction Fund	127,599	96,436
Creed Beattie Fund	141,551	140,373
Florence and Helen Hughes Fund	31,383	31,124
FredKid Fund	11,631	11,537
Isaac's Way Children in the Arts Fund	22,229	20,313
Jeff McGuigan Memorial Fund	160,573	150,326
Jim and Beth Clark Fund	640,192	634,848
Lillian E. Covey Music Fund	551,451	546,862

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THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

6. FUNDS (continued)

	2023	2022
<u>Field of Interest Funds:</u>		
McDougall Family Fund	12,429	12,124
Rosemary's Legacy Fund	512,657	508,753
Rosemary's Pantry Fund	532,553	529,552
Rosemary's Youth Fund	308,398	305,832
Simmonds Family Fund	15,891	15,296
Willie O'Ree Fund	13,754	3,328
	3,082,291	3,006,704
<u>Designated:</u>		
Albert and Barbara Fraser Fund	198,188	196,607
Alden R. Clark Fund	16,817	16,689
Andy Williams Memorial Fund	42,101	21,701
Beairsto Family Fund	16,111	15,991
Ben and Faye Medjuck Fund	12,427	12,334
Bill McCauley Music Scholarship Fund	47,786	47,438
Bliss McDade Fund	44,944	44,083
Brendon Oreto Foundation Bursary Fund	99,689	61,207
Brian Glenn Memorial Bursary Fund	12,604	12,504
Brian Jones Fund	12,362	12,271
Brigadier A.C.Ross Fund	27,466	27,265
CT Simmons Youth Athletic Fund	11,580	11,395
Canadian Diabetes Association Fund	58,513	58,033
Connexion Artists Fund	34,361	34,107
Crowell Medically Disabled Fund	101,693	100,944
Cst. Robb Costello Memorial Fund	80,017	75,151
Dr. Gerald and Leta Clayden Fund	108,758	107,958
Duffie-Crowell Tapestry Fund	349,363	346,797
Eddie's Fund for Animals	18,450	15,000
Estate of Franklin Creighton Fund	542,784	538,797
Estate of Otis Logue Fund	717,013	711,756
FCF Administration Fund	445,136	355,506
Fonds Communautaire Sainte-Anne	31,876	31,620
Frank Fraser and Blanche (Hood) Joslin Scholarship Fund	179,553	177,582
Fredericton Botanic Garden Fund	90,474	89,282
Fredericton Chamber of Commerce Scholarship Fund	70,560	65,992
Fredericton Playhouse Endowment Fund	107,885	85,779
Fredericton SPCA Fund	125,207	124,285
Fredericton Trails Coalition Trail Fund	111,439	110,613
Friends of Transition House	62,145	61,687
George and Ellen MacGillivray Trust Fund	170,719	169,468
George and Helen Colter Fund	12,800	11,567
Gerald and Catherine Sutherland Fund	13,656	12,956
IODE A.R.Clark Scholarship Fund	60,857	60,410
Isabel Adams Coburn Scholarship Fund	108,770	104,477
James Andow Scholarship Fund	10,600	10,678
John & Ethelwyn McKnight Fund	12,195	12,101
John A.G. Page Fund	23,454	23,282

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THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

6. FUNDS (continued)

	2023	2022
<u>Designated:</u>		
K & F Machin Fund for Animals	574,396	570,183
Kids Having Fun Fund	21,187	19,911
M.A.Crowell Childrens Education Fund	87,289	86,652
M.A.Crowell Nursing Scholarship Fund	49,124	48,763
Marianne Limpert Scholarship Fund	30,633	29,936
Marjorie and Ted Atkinson Music Fund	19,184	19,043
Mary Frances Cronin Memorial Scholarship Fund	21,913	18,905
McKnight Memorial Fund	12,197	12,103
Meighan Fund	208,000	206,265
Mike Fitzgerald Memorial Fund	127,760	125,473
Mrs. Pearl Colwell Fund	12,195	12,101
Mrs. W.G. Clark Fund	23,806	23,630
Muriel Connors Award Fund	45,841	37,400
Murray and Shirley Bailey Fund	48,070	46,173
Musical Ventures Inc. Fund	75,190	74,634
NB Filmmakers Cooperative Limited Fund	62,351	61,895
Nancy Gwen Hicks Memorial Fund	66,853	66,358
Northrop Frye International Literacy Festival Fund	390,550	387,268
Peter Adams Fund	35,325	35,062
Philip O'Leary Trust Fund	33,393	33,398
Provincial Artisans Bursary Fund	561,445	553,098
Ralph and Janet Shears Humanitarian Fund	349,911	347,383
Reconciliation Fund - Penniac Sacred Lands	10,411	10,000
Reg Wheaton Memorial Fund	68,520	67,810
Robert Morimanno Scholarship Fund	63,813	47,064
Rosemary's Bursary Fund	375,284	372,380
Rosemary's Place Fund	220,729	219,113
Rosemary's SPCA Fund	318,023	315,693
Science East Science Centre Legacy Fund	23,586	22,469
Susan Watson Fredericton SPCA Fund	59,428	58,988
T.Washburn Memorial Scholarship Fund	482,130	470,668
Tara Savage Memorial Trail Fund	105,558	104,786
Timmy Munn Minor Hockey Fund	53,835	53,437
Timmy Munn Scholarship Fund	53,434	53,371
W. Hedley Wilson Estate Fund	30,441	30,222
WAP-MAP Fund	192,930	191,488
	9,105,088	8,808,436
<u>Emerging Funds:</u>		
Anne and John Waite Family Fund	400	-
Fredericton Homeless Shelter Fund	10,971	8,495
Hornsby Whitty Fund	3,099	-
Howey Family Fund	1,720	7,764
MacIntosh Family Fund	1,923	1,847
The Right Choice Realty Community Fund	5,000	-
	23,113	18,106

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THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

6. FUNDS (continued)

Flow Through Fund	23,246	4,979
Grand total	\$ 18,569,958	\$ 17,940,521

7. 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 \$66,245 due to changes in the nature of the funds.

8. ADMINISTRATIVE EXPENSES

	2023	2022
Advertising and promotion	\$ 7,507	\$ 4,440
Education and training	1,407	647
Interest and service charges	3,231	1,952
Liability and office insurance	3,858	3,411
Life insurance premiums	1,000	1,000
Dues and fees	7,524	6,807
Miscellaneous	-	2,817
National and local meetings	6,281	1,267
Office expenses	16,428	32,041
Other special events	-	3,426
Planned giving	2,336	1,521
Professional fees	29,636	10,253
Rent	19,902	23,944
Salaries and benefits - operations	203,978	205,604
Philanthropy in Action expenses	45,367	14,543
Professional Services	8,133	2,000
Total expenses incurred	356,588	315,673
Less, expense recoveries:		
Philanthropy in Action administrative expense recovery	(55,367)	(24,589)
Administrative fees recovered, managed funds	(25,938)	(26,545)
FCF Administration Fund	(10,640)	(10,165)
Meighan Administration Fund	(6,740)	(6,445)
Kindness week sponsorships	(6,500)	(6,000)
Other recoveries	(3,600)	(500)
Net administrative expenses incurred	\$ 247,803	\$ 241,429

The net administrative expenses are allocated to the individual funds on a pro-rated basis.

In previous financial statements, the net administrative expenses were shown entirely as an expense of the General Fund in the statement of revenues and expenditures. For the current year, net administrative expenses have been split between the General Fund and Restricted Funds to better reflect the nature of expenditures incurred.

THE FREDERICTON COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended June 30, 2023

9. 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.

THE FREDERICTON COMMUNITY FOUNDATION INC.
Managed Funds
Year Ended June 30, 2023

(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	Palliative Care Resource Network	2023	2022
Contributions	-	-	-	-	-	-	-	28,500	-	-	\$ 28,500	\$ 638,117
Interest and dividends	12,600	12,745	1,521	64,041	2,082	7,962	8,035	10,403	7,548	10,569	137,506	116,497
Realized gains	1,896	2,198	267	11,244	365	1,398	1,411	1,155	1,275	1,856	23,065	89,074
Unrealized gains (losses)	2,841	5,604	669	28,153	915	3,500	3,532	3,924	3,432	4,646	57,216	(260,371)
Administrative fees	(2,407)	(2,400)	(287)	(12,063)	(392)	(1,500)	(1,513)	(1,967)	(1,420)	(1,990)	(25,939)	(26,541)
Investment management fees	(1,826)	(1,820)	(217)	(9,141)	(297)	(1,136)	(1,147)	(1,494)	(1,077)	(1,509)	(19,664)	(19,200)
Withdrawals	(100,000)	(8,700)	-	(30,000)	-	-	-	(150,000)	(15,000)	-	(303,700)	(154,672)
Changes during the year	(86,896)	7,627	1,953	52,234	2,673	10,225	10,317	(109,479)	(5,242)	13,572	(103,016)	382,904
Balance, beginning of year	417,869	343,579	40,591	1,709,228	55,560	212,510	214,442	339,806	204,974	282,090	3,820,649	3,437,745
Balance, end of year	330,973	351,206	42,544	1,761,462	58,233	222,735	224,759	230,327	199,732	295,662	\$ 3,717,633	\$ 3,820,649

See notes to financial statements