

THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.

FINANCIAL STATEMENTS  
December 31, 2024

**Commented [AH1]:** The financial statements have been marked up to provide further guidance for fund stakeholders that might not have a background in reading financials. This is our second year posting this version of the financials and will improve each year.

If interested in providing feedback on this version, or if you have other items you would like explained in the future, we are always open to hearing more.

These statements are for the period from January 1, 2024 to December 31, 2024. Each year, our external auditor completes their audit in March to April. The Finance Committee of the Foundation takes a deep dive in their second meeting of the year (typically early May), and then the Board reviews and then will approve at their second meeting of the year (typically end of May). This process provides the Board a level of comfort that management is operating appropriately and within policy.

The annual report and audited financial statements are presented at the Foundation's Annual General Meeting (AGM) which is typically held in late June. After the AGM, the statements are posted on the website ([www.sscf.ca](http://www.sscf.ca)) and distributed to stakeholders who have requested printed copies.

Please reach out to [finance@sscf.ca](mailto:finance@sscf.ca) for any follow up or questions you may have.


MANAGEMENT'S RESPONSIBILITY FOR  
FINANCIAL STATEMENTS

The accompanying financial statements of **The South Saskatchewan Community Foundation Inc.** have been prepared by the Foundation's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The board of directors has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, **Virtus Group LLP**, and their report is presented separately.

DocuSigned by:  
  
1608E448A778457  
Donna Ziegler  
Executive Director

DocuSigned by:  
  
A694DE3188BD448...  
Adam Hicks, CPA  
Director, Finance & Strategic Operations

**Commented [AH2]:** This is signed by the two staff of the Foundation responsible and accountable for the financials of the organization.



**INDEPENDENT AUDITOR'S REPORT**

**To the Directors,  
The South Saskatchewan Community Foundation Inc.**

*Opinion*

We have audited the financial statements of **The South Saskatchewan Community Foundation Inc.**, which comprise the statement of financial position as at December 31, 2024, and the statements of operations and 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 December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*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 the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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.

*Information Other than the Financial Statements and Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

**Commented [AH3]:** This letter highlights that the Community Foundation received a "clean" audit and if there were any concerns (which there are none) noted from the independent review of the external auditors, they are legally bound to report them here. The auditors state that the financial statements are reasonably free from material misstatement which means the auditor has reviewed the financial records and found them to be accurate and reliable.

## INDEPENDENT AUDITOR'S REPORT (continued)

### *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

- 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.

May 21, 2025  
Regina, Saskatchewan

*Virtus Group LP*  
Chartered Professional Accountants



THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**  
(with comparative figures as at December 31, 2023)

Assets		2024	2023
<b>Current assets</b>			
Cash	\$	1,600,798	\$ 790,918
Accounts receivable		288,904	7,652,162
Property held for sale		10,420	-
Prepaid expenses		7,240	18,957
Impact investments - current portion (Note 5)		153,000	-
		2,060,362	8,462,037
<b>Tangible capital assets (Note 3)</b>		7,615	10,972
Investments (Note 4)		122,088,897	102,013,992
Impact investments (Note 5)		487,000	-
Intangible assets (Note 6)		2,000,000	2,000,000
	\$	126,643,874	\$ 112,487,001
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$	348,559	\$ 295,175
Charitable assets under administration (Note 7)		106,882	-
Deferred revenue		39,581	37,398
		495,022	332,573
<b>Net Assets</b>			
<b>Donor funds:</b>			
Endowment fund		91,303,631	87,301,871
Accumulated appreciation - endowment fund		21,986,087	12,895,666
Non-endowment fund		9,312,152	8,956,031
<b>Internal reserves:</b>			
General reserve		2,096,425	1,550,303
Operational reserve		500,000	500,000
Special projects reserve		620,557	620,557
Sustainability reserve		330,000	330,000
		126,148,852	112,154,428
	\$	126,643,874	\$ 112,487,001
Commitments (Note 10)			

See accompanying notes to the financial statements.

Approved on behalf of the board:

Signed by:  
Eula Clark

Signed by:  
Benson Thandanihane

**Commented [AH4]:** This statement is like a photo in time. It showcases how much the Foundation has in its control (\$127 million).

**Commented [AH5]: Accounts Receivable:** Drastic decrease is due to the Lorne & Evelyn Johnson Foundation funds received and no longer a receivable.

**Commented [AH6]: Impact Investments** represent two loans provided to two organizations and have a schedule to be repaid. This is new to the Foundation and expansion of the program is being looked at by the Board.

**Commented [AH7]: Investments** of \$122 million are what go into our investment portfolio. There is a 2024-25 investment report on our website that outlines where all this money is placed and how the Foundation manages the money.

**Commented [AH8]: Intangible Assets** are the mineral rights that we hold in honour of the four families who donated them. These are managed and the royalties earned are deposited into the associated family Legacy Funds.

**Commented [AH9]: Charitable Assets Under Administration** is a new offering by the Foundation to have other charitable organizations to access our asset pool and earn what we earn. These assets remain the property of the applicable organization that wants to access our asset pool.

**Commented [AH10]: Endowment Fund, otherwise known as Legacy Funds:** These represent all the donations received in 56 years that are protected and guided through a legal Deed of Gift. This \$91.3 million is what the Foundation will protect forever and is what is invested to earn great returns. The returns made, pay the Foundation administration to operate (between 0.5% and 1.5%), the majority of earnings go to charities through grants (3.5-5.0% per year), and the remaining goes into a surplus to help offset any years with negative investment losses. In 56 years, we have not had to rely on a donor dollar to cover our operations (in tough market years, there might be temporary dips for newer funds).

**Commented [AH11]: Accumulated Appreciation:** This is the excess of build up from the Legacy Funds that is there to buffer tough years.

**Commented [AH12]: Non-Endowment Fund:** The Flow-Through Funds as otherwise called, are where the donations can go out at anytime during the year. Lots of charities use these types of options for capital campaigns where they don't want the funds locked in forever, like a Legacy Fund. Flow-Through Funds also provide donors options who want to make an immediate impact with their gifts.

**Commented [AH13]: Reserves:** These four balances add up to just over \$3.5 million and are what extra money that the operations of the Foundation can use if revenues of the operations don't cover the yearly expenses. The Foundation is in an extremely healthy position allowing us to help build plans for our next 50 years of growth. Specifically, the special projects reserve is actively being used to maintain an enhanced marketing and growth campaign. Most of the reserves have been built from a wonderful anonymous donor who believes in the power of the Community Foundation.

**THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(with comparative figures for the year ended December 31, 2023)

	General and Internal Reserves	Endowment and Non-Endowment Funds	Total 2024	Total 2023
<b>Revenue</b>				
Contributions (Note 8)	\$ 100,689	\$ 5,553,252	\$ 5,653,941	\$ 12,064,210
Investment income	210,198	6,302,071	6,512,269	1,464,875
Royalty revenue	-	687,095	687,095	944,462
Fund administration	545	-	545	2,874
Shared services (Note 11)	13,149	-	13,149	-
Realized gain on sale of investments	161,322	4,676,036	4,837,358	645,489
Unrealized gain on investments	213,120	6,183,329	6,396,449	7,766,133
	699,023	23,401,783	24,100,806	22,888,043
<b>Expenses</b>				
Distributions	200	7,182,546	7,182,746	5,640,950
Investment management fees	19,767	768,755	788,522	610,758
Life insurance premiums	-	11,237	11,237	11,237
Amortization	6,821	-	6,821	7,160
Mineral royalty taxes	-	5,327	5,327	5,372
Direct fund expenses	-	30,762	30,762	23,542
Administration (Schedule 1)	653,111	1,427,856	2,080,967	1,477,192
	679,899	9,426,483	10,106,382	7,776,211
<b>Increase in net assets</b>	19,124	13,975,300	13,994,424	15,111,832
<b>Net assets - beginning of year</b>	3,000,860	109,153,568	112,154,428	97,042,596
Transfers (Note 8)	526,998	(526,998)	-	-
<b>Net assets - end of year</b>	\$ 3,546,982	\$ 122,601,870	\$ 126,148,852	\$ 112,154,428

See accompanying notes to the financial statements.

**Commented [AH14]:** You might have heard this statement called the Income Statement. It shows all the activity that took place during the year and provides snapshot of performance over the year from January to December, 2024. The Foundation is usually guided by the legal Deeds of Gifts for the Legacy (Endowment) and the Flow-Through (Non-Endowment) Funds and many are donor advised funds. The General and Internal Reserves are related to the operations of the Foundation and what keep the organization running.

**Commented [AH15]:** General and Internal Reserves are added to the Endowment and Non-Endowment to get the 2024 totals.

**Commented [AH16]:** Contributions is another word for donations received.

**Commented [AH17]:** Earned from the \$2M mineral rights we hold as assets.

**Commented [AH18]:** Shared Services is an exciting new social enterprise based on a cost recovery model where we are assisting other Foundations across Canada in bookkeeping, auditing, board reporting, and policy management. As of this comment, we have seven formal agreements across Alberta and BC.

**Commented [AH19]:** Investment Income, Realized Gains, and Unrealized Gains on Investments, all represent accounts relate to the money made from the investment pool. \$17.7 million was earned off investments in 2024 with over 16% investment returns.

**Commented [AH20]:** Distributions are the total charitable grants that go to the 250+ charities supported this past year.

**Commented [AH21]:** Investment management fees are the professional fees from the Investment Managers who manage the pooled assets (TDAM, PH&N, & George and Bell).

**Commented [AH22]:** Life insurance premiums are from life insurance policies held at the Foundation and donors pay the fees so it is offset by a donation in revenue by the donors.

**Commented [AH23]:** Some funds have specific and direct costs based on various agreements.

**Commented [AH24]:** Administration represents all the operational and community outreach costs of the Foundation which includes salaries, rent, training, office expenses, advertising, Vital Signs, community events, etc. The \$653K is covered from operational donations and investment earnings from our reserves, the \$1.4 million is covered from the fees off the funds held at the Foundation. There is further detail on the last page of these financials.

**THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(with comparative figures for the year ended December 31, 2023)

	2024	2023
<b>Cash provided by (used in) operating activities:</b>		
Increase in net assets	\$ 13,994,424	\$ 15,111,832
Non-cash items:		
Amortization	6,821	7,160
Unrealized gains on investments	(6,396,449)	(7,766,133)
Change in non-cash operating working capital:		
Accounts receivable	7,363,258	(7,437,091)
Property held for sale	(10,420)	-
Prepaid expenses	11,717	(13,072)
Accounts payable	106,882	134,233
Deferred revenue	2,183	(104,380)
Charitable assets under administration	53,384	-
	15,131,800	(67,451)
<b>Cash provided by (used in) investing activities:</b>		
Purchase of tangible capital assets	(3,721)	-
Proceeds on the disposal of tangible capital assets	257	-
Additions to impact loan receivable	(640,000)	-
Net increase in investments	(13,678,456)	(1,293,356)
	(14,321,920)	(1,293,356)
<b>Increase (decrease) in cash</b>	809,880	(1,360,807)
<b>Cash position - beginning of year</b>	790,918	2,151,725
<b>Cash position - end of year</b>	\$ 1,600,798	\$ 790,918

See accompanying notes to the financial statements.

**Commented [AH25]:** This measures our sources of cash and how we use it during the 2024 year. It removes anything that was not actual cash moving into or out of our accounts. As an example is gains or losses made on investments where the investments were not cashed out and therefore was not cash available in our day-to-day operations.

THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(with comparative figures as at December 31, 2023)

1. Nature of operations

The South Saskatchewan Community Foundation Inc. (the "Foundation") was incorporated on July 15, 1969, and is continued under *The Non-Profit Corporations Act, 2022*, in Saskatchewan. It uses revenue earned from donated funds to provide financial assistance for charitable, educational and cultural purposes. In the course of executing its mandate, the Foundation supports other community organizations. The Foundation is exempt from income taxes as it is a registered charity under the *Income Tax Act*.

2. Summary of significant accounting policies

The Foundation's significant accounting policies are as follows:

(a) Basis of presentation

The Foundation utilizes the restricted fund method of accounting. The Foundation classifies the resources which it holds into the following funds:

*Endowment Fund*

The Endowment Fund (Legacy Fund) reflects amounts donated or bequeathed to the Foundation where the donor identifies the funds as endowment funds that may have terms of reference that have varying time frames for the capital contributions to be held. In making such donations, donors may suggest that the contributions be used for a specific charitable purpose (referred to as "designated funds"), make specific recommendations regarding the charitable use from time to time (referred to as "donor advised"), make a contribution for the broad charitable purpose of the Foundation (referred to as "undesignated"), or make a contribution where the investment income earned net of administration expenses is used for the administration of the Foundation (referred to as "contributed") and, except in unusual circumstances, it is the practice of the Foundation to follow such suggestions where it is permitted to do so by applicable laws.

Investment income, including realized and unrealized investment gains and losses, and investment management fees are recognized in each endowment fund, in proportion to its percentage of the total investment portfolio. Distributions for each fund are set annually by the board of directors. Other expenses, such as charitable administrative fees, are allocated to each endowment fund at a tiered rate of 1.0% to 1.5% based on the size of the fund. The expenses are calculated on the closing balance at each fiscal quarter end. Administrative fees are used to support the operating activities of the Foundation.

Royalty revenues are recognized in the endowment funds that contributed the underlying mineral right assets.

*Non-Endowment Funds*

The Non-Endowment Fund (Flow-Through Fund) reflects amounts donated or bequeathed to the Foundation where there is no set length of time that the contribution must be held. The non-endowment fund operates in a similar fashion to the endowment fund, with other expenses charged at 2.0% of the grants. If there is limited or no activity, expenses are charged at the fiscal year end to match the endowment expense structure. Administrative fees are used to support the operating activities of the Foundation.

Commented [AH26]: Provides a great summary of what some of the more common terms are that we use and provide a more in-depth understanding of how we operate.



**THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(with comparative figures as at December 31, 2023)

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**2. Summary of significant accounting policies (continued)**

*General Reserve*

The General Reserve reports resources allocated for the Foundation's general operations and administration.

*Operational Reserve*

The Operational Reserve was established by the Board in 2019 to ensure the sustainability of the Foundation. Each year, at the Board's discretion, amounts can be transferred to or from the fund.

*Sustainability and Special Projects Reserves*

The Sustainability and Special Projects Reserves were established by the Board in 2021 to be used by the Foundation for specific projects as identified by the Board.

*Charitable Assets Under Administration*

The Foundation accepts amounts from other charitable and not-for-profit organizations for the purpose of investment pooling. These amounts are included in the assets of the Foundation, and the fund balances are recorded as liabilities. Investment revenue (loss) is recognized as a direct increase (decrease) in the funds. Disbursements, investment management fees, and the Foundation cost recovery from such funds are recognized as a decrease in charitable assets under administration.

With required notice, as defined by the Foundation's Charitable Assets Under Administration Policy, funds held on behalf of community organizations are payable within one week if under \$100,000 and payable within 30 days if over \$100,000. The Foundation holds sufficient liquid assets to meet all requests for withdrawals.

*(b) Financial assets and liabilities*

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry instruments at fair value. The Foundation has elected to carry all investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment and the Foundation determines that there is a significant adverse change in the expected amount or timing of future cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset and the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

*(c) Investments*

Investments are recorded at fair market value. Impact investments are recorded at carrying value.

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THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(with comparative figures as at December 31, 2023)

2. Summary of significant accounting policies (continued)

(d) Tangible capital assets  
Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on the straight line basis over the estimated useful life of the assets at the following annual rates:

Computer hardware	4 years
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(e) Intangible assets  
Intangible assets are recorded at the fair market value at the date of contribution. The carrying value is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair market value.

(f) Impact investments  
The Foundation makes program-related investments in the form of loans to charitable organizations which are funded from existing donor funds. The purpose of these investments is to have greater charitable impact by utilizing the capital itself, and not just the return on that capital, for charitable purposes.

(g) Revenue recognition  
Contributions and donations are recognized on the earlier of when they are received and when the rights of ownership have been transferred to the Foundation.

Bequests are recorded when the assets are received. Royalty revenues are recognized in the period they are received. Shared services revenues are recorded when services have been provided.

Interest on bonds and debentures, term deposits and guaranteed investment certificates are recorded on the accrual basis. Dividends are recorded as income as they are declared. Realized and unrealized gains (losses) on investments are recognized as they occur.

(h) Use of estimates  
The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of contingent assets and liabilities at the date of the financial statements and the reported assets and liabilities and disclosure of amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Tangible capital assets

	Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Computer hardware	\$ 32,104	\$ 24,489	\$ 7,615	\$ 10,972

Commented [AH27]: We rent in a co-work location and therefore have no significant assets such as a building. This is where you will see those larger assets in the future if we purchase them.

**THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(with comparative figures as at December 31, 2023)

**4. Investments**

The Foundation's objective for investments under its management is to generate a total return that achieves the granting objectives as set each year by the Board, recovers the cost of administering the funds, protects the purchasing power of the capital, and establishes a reserve for future market declines. Approximately 72% of the investment assets are managed by TDAM, 27% by PH&N and the remaining 1% is managed by CIBC. An investment consultant, George & Bell, is utilized to guide the Board's Investment Committee in investment strategies. These investments are managed under the Foundation's Investment Policy as approved by the Board and is regularly monitored and reviewed. An additional investment report is produced by the Foundation and provides additional insight into the investment pool.

**Commented [AH28]:** This year we added additional context and expanded the full disclosure of where we hold the investment portfolio and will be a regular practice moving forward.

	2024	2023
Cash surrender value of life insurance policies	\$ 36,794	\$ 34,719
Preferred shares	37,917	-
Equities:		
Bonds	11,360,590	8,923,260
Canadian equities	11,614,810	9,138,214
Global equities	35,781,450	35,341,420
Infrastructure	38,184,068	32,486,030
Mortgages	14,703,002	7,069,113
Real estate	10,370,266	9,021,236
	<u>\$ 122,088,897</u>	<u>\$ 102,013,992</u>

**5. Impact investments**

	2024	2023
Promissory note receivable, repayable in monthly payments of \$4,259, including interest at 6%, maturing December 2027.	\$ 140,000	\$ -
Loan receivable, repayable in monthly payments of \$11,067, including interest at 3% per annum, maturing January 2029.	500,000	-
	640,000	-
Less current portion	(153,000)	-
Long term portion	<u>\$ 487,000</u>	<u>\$ -</u>

**Commented [AH29]:** This is the first year with impact investments and will likely be an expanding program in the future.

**6. Intangible assets**

Intangible assets consist of mineral rights on various properties in Saskatchewan. These assets were recognized at their fair market value at the time the rights were received, totaling \$3,091,050. In 2019, an external valuation was prepared and an impairment loss of \$1,091,050 was recognized, resulting in a final net book value of \$2,000,000. No additional impairment or reversal of impairments have been recognized in the year (2023 - \$nil).

THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(with comparative figures as at December 31, 2023)

7. Charitable assets under administration

Activity during the year in charitable assets under administration funds was as follows:

	2024	2023
Balance - beginning of year	\$ -	\$ -
Funds received in trust	100,000	-
Income allocated	7,657	-
Investment management fee expense	(305)	-
Administration expense (cost recovery by the Foundation)	(470)	-
Balance - end of year	\$ 106,882	\$ -

**Commented [AH30]:** The Foundation accepts amounts from other charitable and not-for-profit organizations for the purpose of investment pooling. These amounts are included in the assets of the Foundation, and the fund balances are recorded as liabilities.

This first amount in 2024 represents one organization that has joined the Foundation but as of writing this note, we have five organizations that have joined in 2025!

8. Transfers between funds

Contribution revenue in the endowment fund does not include transfers among the endowed and non-endowed funds, as the original contribution has already been recognized as revenue. Transfers among funds net to zero, as they are a contribution to one fund and a distribution from another fund. The transfers between operating and the endowment funds were \$134,110 (2023 - \$174,008) during the year.

During the year \$nil (2023 - \$231,110) was transferred from the special projects reserve to the general reserve and \$526,988 (2023 - \$40,058) was transferred from endowed funds to the general reserve.

9. Restricted funds - endowment incentives component

The Foundation complied with its contractual obligations pursuant to the grants it has received under the Endowment Incentives component of the Canadian Cultural Investment Fund of the Department of Canadian Heritage, whereby it is required to maintain, in perpetuity, in the capital of the endowment fund, the amount of the grants received plus the equivalent amount received from the private sector. Since the program inception in 2001, the Foundation first participated in 2008 and up to December 31, 2024, \$220,211 has been received in endowment incentives grants, and is therefore required to maintain the equivalent sum received from the private sector, representing \$1,109,494. A total of \$1,320,634 will be held in perpetuity in the Foundation's restricted assets. This amount is for the benefit of three associated not-for-profit professional arts organizations who are recipients of the income generated from the Foundation's investment.

**Commented [AH31]:** This note was a requirement under the Department of Canadian Heritage and will be a regular note in future financial statements.

THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(with comparative figures as at December 31, 2023)

10. Commitments

The Foundation is committed under a lease for office space for the next two years as follows:

2025	\$	66,000
2026		33,000

**Commented [AH32]:** We signed a three-year contract for the Path Co-work location we are in at 1911 Broad Street. The lease expires in June of 2026.

11. Shared services

The Foundation has offered booking keeping and administration services to other community foundations as a fee for service based on cost recovery. This program is managed internally and has five clients.

12. Financial risk management

Exposure to credit risk, liquidity risk, interest rate risk and market risk arises in the normal course of the Foundation's operations.

The Foundation adheres to an investment policy, which is approved by the Board of Directors, which outlines the objectives, policies and processes related to its investing activities. The policy prescribes limits around the quality and concentration of investments held by the Foundation. The Board of Directors has overall responsibility for the establishment and oversight of the Foundation's risk management framework.

*Credit risk*

The Foundation's principal financial assets are cash, accounts receivable, impact investments receivable and investments. The carrying amounts of financial assets on the statement of financial position represent the Foundation's maximum credit exposure at the statement of financial position date. The credit risk on these financial assets is managed through the investment policy, which outlines the quality of investments that may be purchased. The Foundation has recognized \$nil (2023 - \$nil) as an allowance for doubtful accounts.

*Liquidity risk*

The Foundation is exposed to liquidity risk as it must ensure that there are sufficient resources available to provide distributions in accordance with donor agreements. Liquidity risk is managed through the investment policy, which requires a specific portion of the portfolio be held in liquid investments.

*Interest rate risk*

The Foundation is exposed to interest rate risk arising from fluctuation in interest rates on amounts invested in interest bearing accounts and investments. Cash, when received, is deposited into an interest bearing account. Investments consist of bonds, debentures, mortgages and real estate funds which the Foundation is exposed to changes in interest rates. Interest rate risk is managed through the investment policy.

*Market risk*

The Foundation is exposed to market risk on its equity funds, common and preferred share investments due to changing market conditions. The Foundation manages this risk by establishing and monitoring asset allocation strategies and diversifying its investments.

THE SOUTH SASKATCHEWAN COMMUNITY FOUNDATION INC.

**SCHEDULE OF ADMINISTRATION EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

(with comparative figures as at December 31, 2023)

**Schedule 1**

	2024	2023
Advertising	\$ 21,781	\$ 29,693
Bank charges	7,961	5,104
Communications	3,777	21,825
Conferences, board meetings and professional development	35,765	29,013
Contracted services - web and computer equipment	100,343	79,371
Insurance	20,232	20,372
Memberships	34,565	35,803
Office rent	80,708	64,153
Office	11,198	13,499
Professional services	60,795	97,920
Salaries and benefits	990,104	931,484
Special project expenses	603,720	91,823
Stewardship and development	76,032	26,328
Telephone and internet	12,935	13,281
Travel	21,051	17,523
	2,080,967	1,477,192
Less administration levy allocated to funds	(1,427,856)	(1,080,288)
Total administration expenses allocated to the general fund	\$ 653,111	\$ 396,904

See accompanying notes to the financial statements.

**Commented [AH33]:** While this report is not mandatory to include in our financials, we believe in complete transparency. This report is included as a more indepth review of our day-to-day operational expenses.

**Commented [AH34]:** The Board is volunteer based and no board member receives any compensation nor do they receive an honourarium, however, there are costs in terms of meetings and travel reimbursement. The most significant cost typically is the Community Foundations of Canada (CFC) bi-annual conference in which a number of board members participate.

**Commented [AH35]:** This is largely two costs, our IT database which manages our accounting, donor and grant software, and our external IT provider for services and security.

**Commented [AH36]:** This increase is due to more parking required as we bring on more staff.

**Commented [AH37]:** Salaries and benefits represent direct costs such as payroll, EI, and CPP, but also include workers compensation and the employee pension plan which is a 6% match for employees. These costs represent 12 employees.

**Commented [AH38]:** Special projects is related to the special projects reserve which was set up by the Board from a wonderful anonymous unrestricted donation a few years prior. The goal is to increase the Foundation's awareness in the community, to host events, and to further grow the positive brand of the Foundation throughout the Province.

This year the eight team summer student program operated from this, the largest event the Friendraiser was recorded here, the guerilla marketing campaign around Regina, and a large increase to the marketing campaign with YourLegacyForever.ca was funded by this project.

These costs are all expenses not part of the Foundation's typical operations and why this is broken out as a separate line item. If these costs are unable to be sustained through the reserve or an operational surplus, these projects would be reduced, reimaged, or eliminated.

**Commented [AH39]:** The \$1.4 million is what is charged to all funds throughout the year. Based on the type of fund and the size, the amounts are between 0.5% to 1.5% of the asset size of the fund to help fund administration.

**Commented [AH40]:** This is the amount of our administration (operational) costs of the Foundation covered by other sources besides the fees from funds, such as donations to operations, sponsorships, grants, and the largest source being investment earnings from the Foundation's own operational reserves.

As noticed, the amount not covered by fees is very close to the amount spent on special project expenses, demonstrating that the core operations of the Foundation are sustainably funded from the fees from funds.