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**THE MORRIS AREA FOUNDATION  
INC.**

**FINANCIAL STATEMENTS**

**December 31, 2024**

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## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

To the directors of **The Morris Area Foundation Inc.**

We have reviewed the accompanying financial statements of The Morris Area Foundation Inc. that comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The Morris Area Foundation Inc. as at December 31, 2024, and results of its operations and its cash flows for the period ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Gislason Targownik Peters*

**CHARTERED PROFESSIONAL ACCOUNTANTS LLP**

Winkler, Manitoba  
May 13, 2025

**The Morris and Area Foundation**  
**Statement of Operations**  
For the year ended December 31, 2024

	OPERATING FUND	MAF ENDOWMENT FUND	SOUTHERN HEALTH RESTRICTED FUND	MORRIS HEALTH & WELLNESS ENDOWMENT FUND	YIP ENDOWMENT FUND	MIKE HESFORD MUSIC FUND	ADMINISTRATION ENDOWMENT FUND	THOMAS SILL FLOW THRU FUND	2024	2023
<b>Revenue</b>										
Administrative fees	\$ 13,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	13,943	\$ 6,032
Donations received	-	69,203	-	100	-	200	3,200	-	72,703	81,388
Grants	7,638	-	-	-	-	-	-	22,903	30,541	14,896
Investment income	1,592	76,801	5,705	9,707	1,043	706	1,446	-	97,000	64,161
	23,173	146,004	5,705	9,807	1,043	906	4,646	22,903	214,187	166,477
<b>EXPENSES</b>										
Administration fees	-	6,198	6,704	775	83	56	127	-	13,943	5,531
Advertising	1,546	-	-	-	-	-	-	-	1,546	1,719
Board development	2,100	-	-	-	-	-	-	-	2,100	-
Grants paid to qualified donees	-	15,940	40,782	800	277	-	-	22,903	80,702	53,652
Interest and bank charges	20	-	-	-	-	-	-	-	20	13
Investment management fees	-	5,460	-	682	73	50	110	-	6,375	4,975
Memberships, liscences and fees	1,025	-	-	-	-	-	-	-	1,025	525
Office and stationary	856	-	-	-	-	-	-	-	856	972
Professional fees	2,832	-	-	-	-	-	-	-	2,832	2,609
Salaries and wages	5,947	-	-	-	-	-	-	-	5,947	3,595
	14,326	27,598	47,486.00	2,257	433	106	237	22,903	115,346	73,591
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	\$ 8,847	\$ 118,406	\$ (41,781)	\$ 7,550	\$ 610	\$ 800	\$ 4,409	\$ -	\$ 98,841	\$ 92,886

**The Morris and Area Foundation**  
**Statement of Changes in Net Assets**  
**For the year ended December 31, 2024**


	OPERATING FUND	MAF ENDOWMENT FUND	SOUTHERN HEALTH RESTRICTED FUND	MORRIS HEALTH & WELLNESS ENDOWMENT FUND	YIP ENDOWMENT FUND	MIKE HESFORD MUSIC FUND	ADMINISTRATION ENDOWMENT FUND	THOMAS SILL FLOW THRU FUND	2024	2023
NET ASSETS - Beginning	\$ 16,456	\$ 557,391	\$ 196,629	\$ 71,839	\$ 7,683	\$ 5,261	\$ 9,752	\$ -	\$ 865,011	\$ 772,125
Excess (Deficiency) of revenue over expenses	8,847	118,406	(41,781)	7,550	610	800	4,409	-	98,841	92,886
Transfers	3,627	(3,324)		(1,490)	69	(201)	1,319	-	-	-
NET ASSETS - Ending	\$ 28,930	\$ 672,473	\$ 154,848	\$ 77,899	\$ 8,362	\$ 5,860	\$ 15,480	\$ -	\$ 963,852	\$ 865,011

**THE MORRIS AREA FOUNDATION INC.**  
**Statement of Financial Position**  
**As at December 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 82,764	\$ 63,571
Accounts receivable	22,903	-
Government remittances refundable	489	388
Prepaid expenses	630	-
	106,786	63,959
<b>INVESTMENTS</b> (Note 3)	757,342	632,084
<b>RESTRICTED CASH</b> (Note 4)	195,630	196,629
	\$ 1,059,758	\$ 892,672
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 95,906	\$ 27,661
<b>NET ASSETS</b>		
Operating fund	28,930	16,456
MAF endowment fund	672,473	557,391
Southern health restricted fund	154,848	196,629
Morris health & wellness endowment fund	77,899	71,839
YIP endowment fund	8,362	7,683
Mike Hesford music fund	5,860	5,261
Administration endowment fund	15,480	9,752
Thomas Sill flow thru fund	-	-
	963,852	865,011
	\$ 1,059,758	\$ 892,672

**APPROVED ON BEHALF OF THE BOARD:**

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 Midge Anderson Director  
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Signed by:  
  
 Curtis Evenson Director  
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**THE MORRIS AREA FOUNDATION INC.****Statement of Cash Flow****For the year ended December 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 98,841	\$ 92,886
Net change in non-cash working capital balances	44,612	1,473
	<b>143,453</b>	<b>94,359</b>
<b>INVESTING ACTIVITIES</b>		
Endowments held in trust	(125,259)	(110,887)
<b>INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	<b>18,194</b>	<b>(16,528)</b>
<b>CASH AND EQUIVALENTS - Beginning</b>	<b>260,200</b>	<b>276,728</b>
<b>CASH AND EQUIVALENTS - Ending</b>	<b>\$ 278,394</b>	<b>\$ 260,200</b>
<b>CASH AND EQUIVALENTS REPRESENTED BY:</b>		
Cash	\$ 82,764	\$ 63,571
Restricted cash	195,630	196,629
	<b>\$ 278,394</b>	<b>\$ 260,200</b>

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# THE MORRIS AREA FOUNDATION INC.

## Notes to the Financial Statements

For the year ended December 31, 2024

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### 1. PURPOSE OF THE ORGANIZATION

The organization is a public foundation serving the area of the Rural Municipality of Morris, including the Town of Morris.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### Financial instruments

Financial assets and liabilities are initially measured at fair value. Subsequent measurement of financial assets and liabilities are at amortized cost unless otherwise noted. Financial assets and liabilities measured at amortized cost consist of cash, accounts receivable, and accounts payable.

It is management's opinion that the organization is not exposed to significant credit, currency, interest rate, liquidity or market risks arising from these financial instruments, unless otherwise noted.

The organization is exposed to the following significant risks:

#### Credit risk

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The organization does not hold directly any collateral as security for financial obligations of counterparts.

Credit risk associated with cash and long term investments is minimized by ensuring that the funds are invested with credit worthy financial institutions. The investment portfolio listed in note 3 is professionally managed by The Winnipeg Foundation. No single investment represents a material amount of the total portfolio.

#### Currency risk

Currency risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. In respect to it's funds invested in trust with The Winnipeg Foundation, these balances are subject to gain or losses due to fluctuations in the currency.

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## **THE MORRIS AREA FOUNDATION INC.**

### **Notes to the Financial Statements**

**For the year ended December 31, 2024**

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#### **Interest rate risk**

Interest rate risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk in respect to its funds invested in trust with The Winnipeg Foundation.

#### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to the risk mainly in respect of its receipt of funds from its donors and other related sources and accounts payable. There has been no significant change in exposure to this risk from the prior year.

#### **Investments**

The organization uses the fair value method to record investments traded on an active market. Unrealized gains and losses are reported in income.

#### **Capital assets**

Capital assets are recorded at cost and are being amortized on the declining balance basis at the following rates based on estimated useful life, except in the year of acquisition, when one-half of the rate is used:

The organization reviews capital assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

#### **Revenue recognition**

The organization follows the restricted fund method of accounting for contributions. Unrestricted donations are recognized as revenue of the Operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue of the appropriate restricted fund. Investment income arising from investments recognized as revenue in the year it is realized

Restricted contributions for expenses of future periods and for which no corresponding restricted fund is presented are deferred and recognized as revenue in the Administration fund in the same period as the related expenses are recognized.



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## THE MORRIS AREA FOUNDATION INC.

### Notes to the Financial Statements

For the year ended December 31, 2024

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#### Fund accounting

The Administration Fund's purpose is to receive revenue from donations, grants and fundraising intended to cover the operating expenses of the organization. This fund is unrestricted.

The YIP fund is an internally restricted fund to support youth.

The Southern Health Fund's purpose is to provide donations to Southern Health for improvements to the Morris General Hospital and the Red River Valley Lodge. This fund is externally restricted by an agreement.

The remaining endowment funds have the purpose of receiving contributions in perpetuity and investing the funds to generate revenue. The revenue earned is used to make grants to a variety of charitable groups for the benefit of the local community. This fund is externally restricted by the fund agreements.

#### Contributed services and materials

A substantial number of volunteers contribute a significant amount of their time each year. Due to the difficulty of determining the fair market value, contributed services are not recognized in the financial statements.

Contributed materials which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

### 3. INVESTMENTS

	2024	2023
Investment portfolio managed by The Winnipeg Foundation	\$ 757,342	\$ 632,084

### 4. RESTRICTED CASH

The restricted cash balance consists of restricted endowment funds.

	2024	2023
Southern Health Fund	\$ 195,630	\$ 196,629
	\$ 195,630	\$ 196,629

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**THE MORRIS AREA FOUNDATION INC.**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2024**

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**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2024</b>	<b>2023</b>
Grants payable	\$ 93,306	\$ 25,231
Accrued liabilities	2,600	2,430
	<b>\$ 95,906</b>	<b>\$ 27,661</b>