
**THE MORRIS AREA FOUNDATION
INC.
UNAUDITED FINANCIAL STATEMENTS
December 31, 2023**

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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, 2023, 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, 2023, 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 14, 2024

The Morris and Area Foundation
Statement of Operations
For the year ended December 31, 2023

	OPERATING FUND	MAF ENDOWMENT FUND	YIP RESTRICTED FUND	SOUTHERN HEALTH RESTRICTED FUND	MORRIS HEALTH & WELLNESS ENDOWMENT FUND	YIP ENDOWMENT FUND	MIKE HESFORD MUSIC FUND	ADMINISTRATION ENDOWMENT FUND	2023	2022
Revenue										
Administrative fees	\$ 6,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,032	4,550
Donations received	-	69,256	-	-	5,000	-	5,132	2,000	81,388	71,792
Grants	14,896	-	-	-	-	-	-	-	14,896	6,380
Investment income	821	48,183	-	6,704	6,696	728	202	827	64,161	(28,891)
	21,749	117,439	-	6,704	11,696	728	5,334	2,827	166,477	53,831
EXPENSES										
Administration fees	-	4,615	-	-	681	73	70	92	5,531	4,550
Advertising	1,719	-	-	-	-	-	-	-	1,719	2,136
Board development	-	-	-	-	-	-	-	-	-	1,000
Grants paid to qualified donees	-	14,901	-	33,589	2,290	2,671	201	-	53,652	18,820
Interest and bank charges	13	-	-	-	-	-	-	-	13	15
Investment management fees	-	4,180	-	-	613	61	48	73	4,975	4,233
Memberships, liscences and fees	525	-	-	-	-	-	-	-	525	525
Office and stationary	972	-	-	-	-	-	-	-	972	393
Professional fees	2,609	-	-	-	-	-	-	-	2,609	2,368
Salaries and wages	3,595	-	-	-	-	-	-	-	3,595	2,802
	9,433	23,696	-	33,589.00	3,584	2,805	319	165	73,591	36,842
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 12,316	\$ 93,743	\$ -	\$ (26,885)	\$ 8,112	\$ (2,077)	\$ 5,015	\$ 2,662	\$ 92,886	\$ 16,989


The Morris and Area Foundation
Statement of Changes in Net Assets
For the year ended December 31, 2023


	OPERATING FUND	MAF ENDOWMENT FUND	YIP RESTRICTED FUND	SOUTHERN HEALTH RESTRICTED FUND	MORRIS HEALTH & WELLNESS ENDOWMENT FUND	YIP ENDOWMENT FUND	MIKE HESFORD MUSIC FUND	ADMINISTRATION ENDOWMENT FUND	2023	2023
NET ASSETS - Beginning	\$ 1,107	\$ 463,395	\$ 5,478	\$ 227,324	\$ 63,530	\$ 5,588	\$ -	\$ 5,703	\$ 772,125	\$ 755,136
Excess (Deficiency) of revenue over expenses	12,316	93,743	-	(26,885)	8,112	(2,077)	2,662	5,038	92,886	16,989
Transfers	3,033	253	(5,478)	(3,810)	197	4,172	2,599	(966)	-	-
NET ASSETS - Ending	\$ 16,456	\$ 557,391	\$ -	\$ 196,629	\$ 71,839	\$ 7,683	\$ 5,261	\$ 9,775	\$ 865,011	\$ 772,125

THE MORRIS AREA FOUNDATION INC.
Unaudited Statement of Financial Position
As at December 31, 2023

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 63,571	\$ 43,928
Government remittances refundable	388	221
	63,959	44,149
INVESTMENTS (Note 3)	632,084	521,196
RESTRICTED CASH (Note 4)	196,629	232,800
	\$ 892,672	\$ 798,145
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	\$ 27,661	\$ 26,020
NET ASSETS		
Operating fund	16,456	1,107
MAF endowment fund	557,391	463,395
YIP fund	-	5,478
Southern health restricted fund	196,629	227,324
Morris health & wellness endowment fund	71,839	63,530
YIP endowment fund	7,683	5,588
Mike Hesford music fund	5,261	-
Administration endowment fund	9,752	5,703
	865,011	772,125
	\$ 892,672	\$ 798,145

APPROVED ON BEHALF OF THE BOARD:

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 Midge Anderson Director
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 Curtis Evenson Director
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THE MORRIS AREA FOUNDATION INC.
Unaudited Statement of Cash Flow
For the year ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 92,886	\$ 16,989
Net change in non-cash working capital balances	1,473	11,768
	94,359	28,757
INVESTING ACTIVITIES		
Endowments held in trust	(110,887)	(16,380)
(DECREASE) INCREASE IN CASH AND EQUIVALENTS	(16,528)	12,377
CASH AND EQUIVALENTS - Beginning	276,728	264,351
CASH AND EQUIVALENTS - Ending	\$ 260,200	\$ 276,728
CASH AND EQUIVALENTS REPRESENTED BY:		
Cash	\$ 63,571	\$ 43,928
Restricted cash	196,629	232,800
	\$ 260,200	\$ 276,728

THE MORRIS AREA FOUNDATION INC.
Notes to the Unaudited Financial Statements
For the year ended December 31, 2023

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.

THE MORRIS AREA FOUNDATION INC.
Notes to the Unaudited Financial Statements
For the year ended December 31, 2023

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 as an expense in the year of acquisition. Capital assets of NIL (2022 - NIL) were recorded as an expense during the year.

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.

THE MORRIS AREA FOUNDATION INC.
Notes to the Unaudited Financial Statements
For the year ended December 31, 2023

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

	2023	2022
Investment portfolio managed by The Winnipeg Foundation	\$ 632,084	\$ 521,196

4. RESTRICTED CASH

The restricted cash balance consists of restricted endowment funds.

	2023	2022
Southern Health Fund	\$ 196,629	\$ 227,324
YIP Fund	-	5,476
	\$ 196,629	\$ 232,800

THE MORRIS AREA FOUNDATION INC.
Notes to the Unaudited Financial Statements
For the year ended December 31, 2023

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023		2022
Grants payable	\$ 25,231	\$	23,820
Accrued liabilities	2,430		2,200
	\$ 27,661	\$	26,020
