

Cole Harbour Rural Heritage Society

Fiscal Period: January 1, 2023 to December 31, 2023

AGM Financial Report

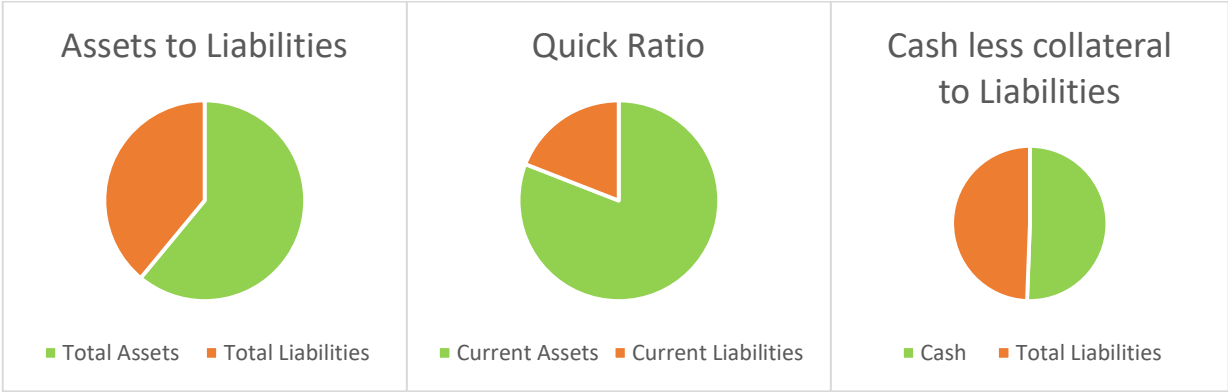


Over the past four years Cole Harbour Rural Heritage Society’s Net Income from Operations has been between \$200 and \$1,900; this is consistent with what would be expected from a not-profit organization.

This year’s net income was \$377, which is similar to prior periods. Notable differences this year include an increase in grant revenue of \$56,000, an increase in other revenue of \$35,000, and an increase in expenses of \$92,000. This led to an overall decrease in net income from the prior year.

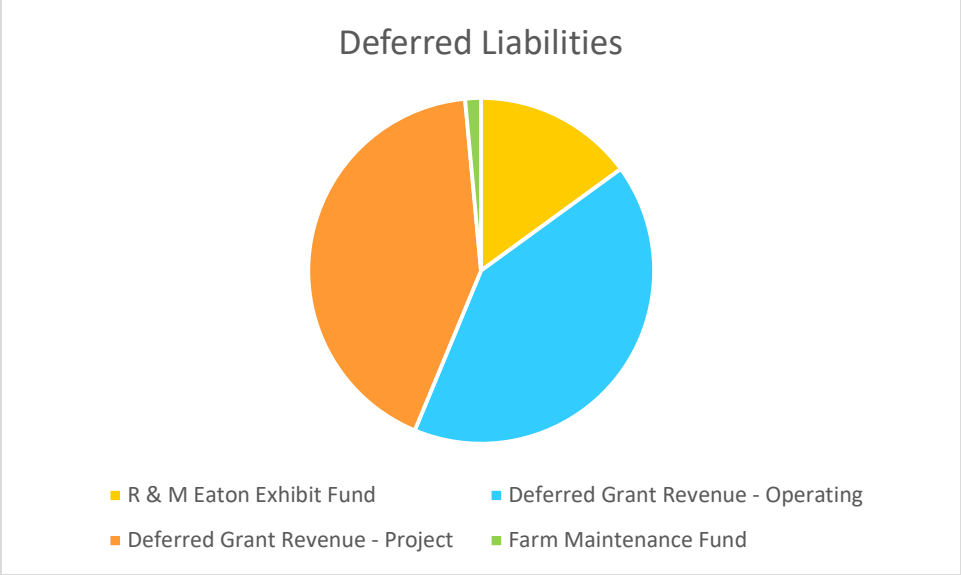
Balance Sheet

Although this year was not as profitable as prior years, CHRHS continues to have a very healthy balance sheet, as is evident by the ratios below:



\$1.57 : \$1	\$4.25 : \$1	\$1.02 : \$1
<p>The asset to liabilities ration tells us how many dollars of assets we have for every dollar of liabilities.</p> <p>A healthy ratio for a non-profit organization is 1.5:1.</p> <p>As CHRHS has a ratio of 1.57:1, it is clear that there are enough assets to cover debt.</p>	<p>The quick ratio measures current assets to current liabilities. Given that certain cash amounts have been reserved for capital projects, these have been removed from the cash balance in the ratio above.</p> <p>A healthy quick ratio for a non-profit organization 1:1.</p> <p>CHRHS has a quick ratio of 4.25:1, which indicates that there are more than enough current assets to cover current liabilities.</p>	<p>This final ratio shows the cash available to CHRHS as compared to the total liabilities of the society.</p> <p>It indicates whether CHRHS would be able to cover its liabilities if they came due immediately.</p> <p>Given that CHRHS has \$1.02 in cash for every dollar of liabilities, we can see that CHRHS would be able to cover it’s liabilities if they came due.</p>

This final balance sheet graph shows grant revenue received which has been deferred to future periods. Much of it is reserved for future capital projects such as the planned accessibility upgrades, however a large portion that was received is for current operations, which will help CHRHS cover expenses throughout the off season.



Overall, CHRHS has a very healthy balance sheet, which shows a society that's able to cover its liabilities in full, putting CHRHS in a good position for the start of the 2024 fiscal year.

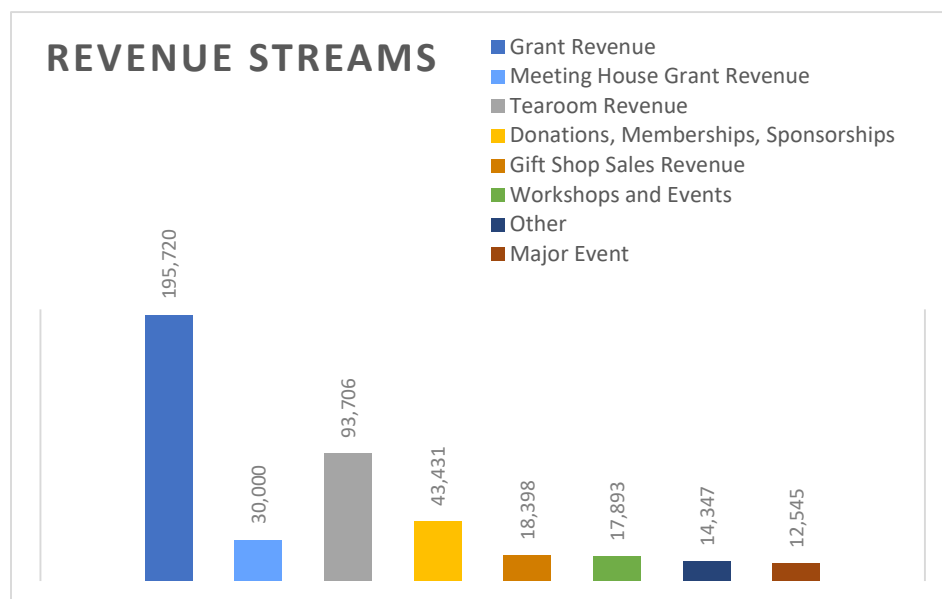
Income Statement

CHRHS's net income for the year 2023 was \$377. This is slightly lower than we would have expected, given the amount of grant revenue received and how profitable the tearoom was this year. However, a combination of planned expense increases and unplanned losses, led to a slightly lower net income than the additional revenue would indicate.

Planned increases in spending included an increase in wages, maintenance, capital projects, and fundraising. These planned expenses were designed to add value to CHRHS in support of its members, and to set up CHRHS for future revenues. As a non-profit organization, CHRHS will continue to spend additional revenues to improve the property and create value for the members of the society and the community at large. Unplanned losses include the bankruptcy of Maritime Fuels Limited, leading to the loss of prepaid fuel expense and an increase in fuel costs.

CHRHS generates revenue from grants, tearoom sales, gift shop sales, donations, workshops & events, fundraising events, and other small streams. The bulk of CHRHS's revenue has always come from grants and this is not expected to change. However, this year provincial grants were approximately \$32,000 higher than in prior years. This is due to additional Community Museum Assistance Program (CMAP) funds as well as a grant from the Provincial Archival Development Program. The increase in CMAP funds allocated to CHRHS were approximately \$20,000. CMAP allocated the additional funding to Museums already receiving funding, however they have made it clear that this is only the case for the current year, and it is their goal to make the program fairer by allocating to more museums. As such we do not expect to receive this additional funding in the future. The grant received from the Provincial Archival Development Program was \$12,000. This amount was used to implement an organization system for the Rosemary Eaton oral and textual histories.

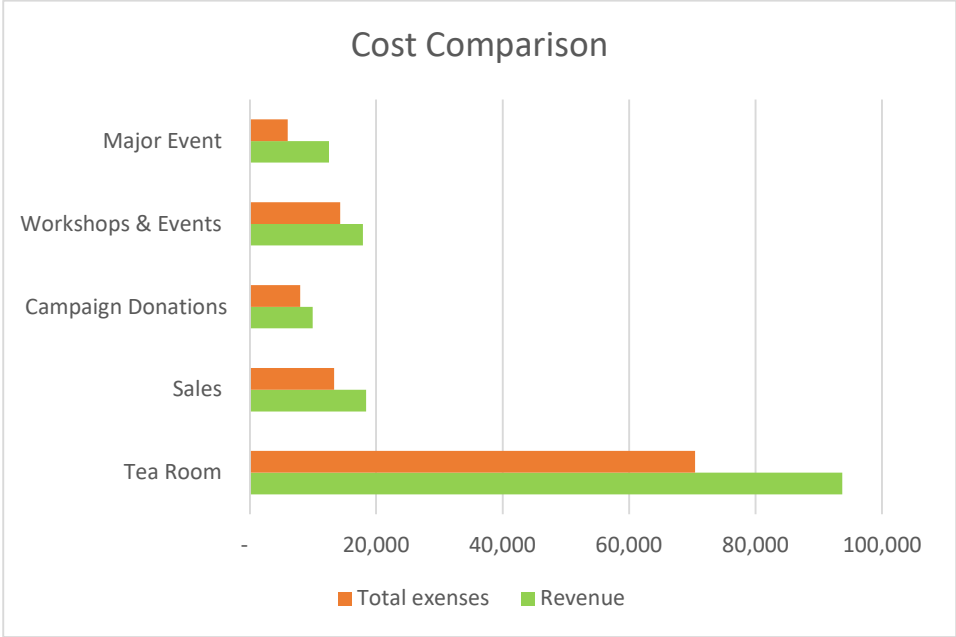
Tearoom sales, giftshop sales, and events also represent a large portion of the revenue earned by CHRHS. This demonstrates CHRHS's ability to supplement grant revenue through its own means. Finally, donations, which increased significantly this year provide CHRHS with another source of revenue to help continue its operations.



Below we have highlighted five revenue streams along with their associated costs. Please note that shared operating costs have not been included in this analysis.

	Tea Room	Sales	Campaign Donations	Workshops & Events	Major Event
Revenues	93,706	18,398	9,954	17,893	12,545
Expenses	(70,419)	(13,328)	(7,958)	(14,317)	(5,996)
Net Revenue	23,287	5,070	1,996	3,576	6,549

As can be seen, all endeavours produced income above expenses. Furthermore, due to Judith’s matching donation, the fall mailout campaign recovered all costs in the current year and is expected to generate future donations. As such, the costs associated with that campaign should be thought of as upfront investment costs, as it is our hope that they will continue to generate future donations.



Historical Analysis

	2023	2022	2021	2020	2019
Grants - Provincial	82,797	47,738	57,611	54,721	63,459
Grants - Federal	54,729	51,459	91,330	96,005	21,066
Grants - Municipal	26,000	26,000	34,475	32,400	25,400
Grants - Other	31,962	14,060	-	-	5,000
HST Recovery	5,184	5,118	1,601	1,471	4,580
Total Grant Revenue	200,672	144,375	185,017	184,597	119,505
Tea Room	93,706	77,353	25,973	20,442	70,201
Gift Shop	18,399	22,008	11,920	9,937	20,675
Membership Sales	2,240	860	690	80	531
Donations	33,644	20,514	17,805	13,494	19,088
Donations - CFNS	2,086	2,000	2,074	-	1,885
Programs & Tours	17,893	775	5,285	832	9,494
Fundraisers - Auction/Fundraisers	17,005	16,094	6,629	20,928	32,515
Facility Rental/Other	1,755	3,025	745	9,101	2,352
Fee for service	6,000	16,420	4,278	10,745	3,890
Fee for Service - Blacksmith Shop	540	-	-	-	-
Sponsorship	1,000	-	1,000	-	-
Interest Earned	868	359	51	157	342
Total Operating & Grant Revenue Expenses	395,808	303,783	261,467	270,313	280,478
Cost of Sales	42,735	37,583	13,938	14,833	28,954
Fundraising	11,291	1,385	2,290	3,927	5,534
Community Fund of NS Endowment Fund	-	-	-	5,000	-
Administration	2,482	3,451	1,916	1,765	1,595
Professional Fees	4,171	6,918	5,439	2,305	4,730
Settle Barn	-	869	3,455	9,400	1,841
Capital - Harris House	-	-	-	-	2,951
Equipment	4,036	5,337	7,608	13,233	14,746
Unrecoverable HST	6,175	3,298	3,977	4,425	3,470
Insurance	4,855	4,350	4,436	3,500	3,220
Livestock	4,402	4,073	2,568	2,377	4,990
Maintenance	32,922	8,095	27,682	23,471	10,276
Museum	21,472	10,398	9,798	4,122	11,251
Salaries & Benefits	236,734	199,926	166,899	154,227	169,210
Advertising	624	798	955	527	815
Office	2,725	2,173	2,535	2,307	2,814
Bank Fees & Interest	3,966	2,744	1,668	1,313	2,428
Miscellaneous	1,381	-	-	-	-
Capital reserve fund	5,000	-	-	10,000	-
Utilities	10,460	10,622	6,048	10,679	9,847
Total Expenses	395,431	302,020	261,212	267,411	278,672
Net Income (Loss) - Operations	377	1,763	255	2,902	1,806
Transfer from (to) Trust & Meeting House Fund	-	-	-	-	4,936
Surplus (Deficit), Beginning - Operations	23,202	21,439	21,189	18,282	11,540
Surplus (Deficit), Ending - Operations	23,579	23,202	21,444	21,184	18,282