

## Backgrounder

### 2024 January to October Financial Results:

According to internal financial statements provided to the Regional District, the Fraser-Fort George Regional Museum Society (the “Society”) recognized a net surplus of \$183,368 for the first ten months of 2024. The forecasted loss for the year is anticipated to be \$253,450 by December 31, 2024 which compares to a loss of \$417,331 in 2023.

There are non-cash related amortization items included in the revenue and expenditures projections that were not included in the Annual Budget. These non-cash amortization items total a net expenditure of \$227,694 in 2024 as compared to \$250,213 included in the 2023 Actuals. Adjusted Surplus/Loss figures have been provided in the table below for comparison.

	2024 Year to Date Actuals (Jan-Oct)	2024 Annual Forecast	2024 Annual Budget	Projected 2024 Variance to Budget	2023 Actuals
Total Revenue	\$2,277,604	\$2,580,857	\$2,784,902	(\$204,045)	\$2,787,359
Total Expenditures	\$2,094,236	\$2,834,307	\$2,515,824	(\$318,483)	\$3,204,691
<b>Surplus /(Loss)</b>	<b>\$183,368</b>	<b>(\$253,450)</b>	<b>\$269,078</b>	<b>(\$522,528)</b>	<b>(\$417,331)</b>
Net Amortization Adjustments	\$0	\$227,694	\$0	\$227,694	\$250,213
<b>Surplus /(Loss) excluding Amortization</b>	<b>\$183,368</b>	<b>(\$25,756)</b>	<b>\$269,078</b>	<b>(\$294,834)</b>	<b>(\$167,118)</b>

As of October 31, 2024, the Society had a balance of \$90,000 in their line of credit.

### 2024 Cash Flow Projections:

The Society has provided cash flow projections to the end of December 2024. Based on this information, the projected line of credit balances for the remainder of the year is anticipated to be:

- November 30, 2024 \$162,171
- December 31, 2024 \$210,268

### **2025 Cash Flow Projections:**

As of the end of October 2024, the Society has provided projections for line of credit balances from January to June 2025 as follows:

- January 31, 2025      \$166,047
- February 28, 2025    \$175,989
- March 31, 2025        \$201,974
- April 30, 2025        \$125,813
- May 31, 2025          \$180,189
- June 30, 2025         \$142,860

### **Permitted Encumbrances:**

The terms of the loan agreement state the following with regards to Permitted Debt:

a) Royal Bank of Canada Line of Credit the limit of which shall be no more than as follows:

- a. as of the date of this Agreement, \$225,000.00
- b. as of December 31, 2024, \$175,000.00
- c. as of December 31, 2025, \$125,000.00
- d. as of December 31, 2026, \$75,000.00
- e. as of December 31, 2027, \$50,000.00

b) Royal Bank of Canada Overdraft, not to exceed \$25,000.00

c) All other Debt and Obligations incurred by the Society in the operation of the Fraser-Fort George Regional Museum, which shall not exceed a total of \$225,000.00 at any time without the written consent of the RDFFG.

### **2024 Audited Financial Statements:**

It is anticipated that the Society will undergo a financial audit for 2024 and that audited financial statements will be provided to RDFFG Administration within ninety days of their December 31<sup>st</sup> fiscal year end.

### **2025 Budget:**

The Society has prepared a draft budget for 2025 which will be reviewed by the Society's Board of Directors during their next board meeting.