

Suncor Energy Foundation

Financial Statements

December 31, 2018

Suncor Energy Foundation

Statement of Financial Position

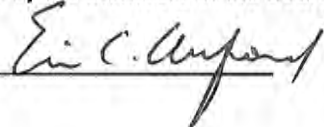
	December 31, 2018	December 31, 2017
Assets		
Cash	7,634,381	5,914,149
Receivable from Suncor Energy Inc.	1,343	1,343
GST and other receivable	10,809	5,123
Total assets	7,646,533	5,920,615
Liabilities		
Payable to Suncor Energy Services Inc. (Note 6)	375,998	226,955
Accounts payable and accrued liabilities	33,069	58,765
Total liabilities	409,067	285,720
Net Assets		
Unrestricted net assets	1,637,466	2,234,895
Internally restricted - reserve fund (Note 4)	5,600,000	3,400,000
	7,237,466	5,634,895
 Total liabilities and net assets	 7,646,533	 5,920,615

Pledged Donations (Note 5)

The accompanying notes are an integral part of the financial statements.

Approved by the Members of the Board of Directors

Member



Member



Suncor Energy Foundation

Statements of Operations and Changes in Net Assets

For the years ended	December 31, 2018	December 31, 2017
Revenues		
Contributions (Note 6)	18,455,000	16,600,000
Interest income	108,517	49,296
Total revenues	18,563,517	16,649,296
Donations		
Community Resilience	5,635,914	-
Indigenous Peoples	4,086,780	-
Energy Future	2,854,900	-
SunCares	2,276,878	-
Place Based Priority	963,325	-
Building Skills & Knowledge	-	4,256,279
Cultivating Community Leaders	-	3,932,570
Inspiring Innovation	-	3,607,200
Engaging Citizens	-	3,068,012
Local Relationship Investment	-	1,536,500
Total donations	15,817,797	16,400,561
Administration expenses (Note 6)		
Salaries and benefits	724,154	646,280
Event projects	271,576	179,220
Professional services	62,763	86,148
Rentals - office space and furniture	62,043	57,419
Travel	12,608	19,340
Miscellaneous	9,298	5,553
Communications	707	-
Total administration expenses	1,143,149	993,960
Total expenditures	16,960,946	17,394,521
Excess of revenues over expenditures	1,602,571	(745,225)
Net Assets - Beginning of year	5,634,895	6,380,120
Net Assets - End of year	7,237,466	5,634,895

The accompanying notes are an integral part of the financial statements.

Suncor Energy Foundation

Statements of Cash Flows

For the years ended	December 31, 2018	December 31, 2017
Operating activities		
Excess of revenues over expenditures	1,602,571	(745,225)
Net change in non-cash working capital (Note 7)	117,662	242,801
Cash flow provided by operating activities	1,720,233	(502,424)
Cash and cash equivalents - Beginning of year	5,914,149	6,416,573
Cash and cash equivalents - End of year	7,634,381	5,914,149
The composition of cash and cash equivalents is as follows:		
Cash	7,634,381	5,914,149
	7,634,381	5,914,149

The accompanying notes are an integral part of the financial statements.

Suncor Energy Foundation

Notes to the Financial Statements

1. Purpose

Suncor Energy Foundation (the "Foundation") was incorporated under Part II of the Canada Corporations Act as a not-for-profit organization on November 8, 1996 and commenced active operations in April 1998. The Foundation was issued a certificate of continuance under the Canada Not-for-Profit Corporations Act on January 3, 2014. The Foundation is a registered charity under the Income Tax Act of Canada and accordingly, is exempt from corporate income tax.

The Foundation's purpose is to manage the contributions of Suncor Energy Inc. and its subsidiaries' (collectively "Suncor") to areas of corporate interest. Areas of corporate interest include Energy Future, Indigenous Peoples, Suncares, Community Resilience, and Place Based Priority.

Suncor is the sole contributor to the Foundation and the Foundation is economically dependent on Suncor. The contributions from this entity are directed towards areas of corporate interest through Canadian registered charities.

The Foundation is also registered under the Charitable Fundraising Regulation of Alberta and has considered all required disclosures under Section 7(2) of the Regulation in preparing the financial statements.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with accounting standards for not for profit organizations as set out in Part III of the Chartered Professional Accountants Handbook, as issued by the Canadian Accounting Standards Board.

Use of estimates

The financial statements of the Foundation have been prepared in accordance with Canadian generally accepted accounting principles which require management to make assumptions and estimates that affect the reported amount of assets, liabilities, revenues and expenses. Actual amounts could differ from those estimates.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue in the period it is earned.

Cash and cash equivalents

Cash includes deposits with banks.

Donated services

A portion of the Foundation's work is dependent on voluntary services. As a result of the difficulty in determining their value, these contributed services are not recognized in the financial statements.

3. Financial Instruments

The Foundation initially measures financial assets and financial liabilities at their fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost. The financial assets of the Foundation include cash, receivable from Suncor Energy Inc., and GST and other receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and payable to Suncor Energy Services Inc.

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration.

Credit risk

Credit risk arises from the potential that a counter party will fail to discharge its obligations. The Foundation does not consider that it is exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation does not consider that it is exposed to significant liquidity risk.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation does not consider that it is exposed to significant market risk.

Interest rate risk

The Foundation maintains its cash in interest bearing accounts and term deposits, which are subject to interest rate changes depending on prevailing rates and the length of time the Foundation invests the related cash.

4. Internally Restricted – Reserve Fund

A reserve of \$5,600,000 (2017 - \$3,400,000) is internally restricted by the Board of Directors as a future operational reserve and must be held in cash or short-term investments.

5. Pledged Donations

Long term pledged donations are often made; these pledged donations are not recorded in these financial statements. While future donations are expected to be funded through future contributions from Suncor, the Foundation does manage the risk associated with these pledged payments by holding cash to mitigate any potential impact due to a decrease in funding from Suncor.

The amounts pledged at December 31, 2018 are comprised as follows:

2019	11,798,165
2020	8,025,726
2021	5,100,000
2022	3,350,000
2023	2,700,000
	30,973,891

6. Related Party Transactions

Suncor Energy Inc. controls the Foundation by virtue of it's ability to appoint all of the Foundation's Board of Directors (the "Board"). The Foundation's Board is comprised of Suncor senior leaders representing various business and functional units. In addition to being responsible for managing the Suncor contributions, the Board also sets the strategic direction of the Foundation, makes decisions on grant requests in excess of \$50,000 and evaluates the performance of the contributions made. During 2018 Suncor Energy Inc. contributed a total of \$18.5M to the Foundation (2017- \$16.6M).

Suncor Energy Services Inc., a wholly owned subsidiary of Suncor Energy Inc., provides office supplies, facilities, IT services, employees, accounting services and use of the company airplane to the Foundation. During the year, the Foundation recorded expenses related to these services in the financial statements as follows:

	2018	2017
Salaries and benefits	715,310	645,953
Rentals – office space and furniture	62,043	57,419
Travel	4,894	(186)
Other	(798)	16,929
	781,449	720,115

These transactions were completed in the normal course of operations on normal market terms and are measured at the exchange amount.

Receivables and payables from/to the related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

7. Non-Cash Working Capital

The increase in non-cash working capital is comprised of the following:

	2018	2017
Receivable from Suncor Energy Inc.	-	(568)
GST and other receivable	(5,685)	2,161
Payable to Suncor Energy Services Inc.	149,043	182,792
Accounts payable and accrued liabilities	(25,697)	58,416
	117,661	242,801

8. Government Remittances

Accounts payable and accrued liabilities include government remittances payable of \$nil (2017 - \$nil).

Suncor Energy Foundation

Schedule A

Donations to Energy Future Organizations to December 31, 2018

(unaudited)

Alberta Council for Environmental Education	264,650.00
Alberta Ecotrust Foundation	50,000.00
Clean Economy	150,000.00
Engineers Without Borders (Canada)	232,500.00
Green Learning Canada Foundation	60,000.00
Inside Education Society of Alberta	40,000.00
Learning For A Sustainable Future/L'Education au Service De La Terre	60,000.00
Ottawa Community Foundation	150,000.00
Richard Ivey School of Business	235,000.00
Student Energy	100,750.00
The Governors of the University of Calgary	175,000.00
The Natural Step (Canada) Inc	1,000,750.00
The Pollution Probe Foundation	276,250.00
University of Calgary	60,000.00
	2,854,900.00

Suncor Energy Foundation

Schedule B

Donations to Indigenous Peoples Organizations to December 31, 2018

(unaudited)

Actua	406,250.00
Alberta College of Art and Design	45,000.00
Alberta Recreation And Parks Association	13,000.00
Bridges Social Development	200,000.00
Calgary Public Library Foundation	400,000.00
Evergreen	375,000.00
Fort McKay School	664.00
Fort McMurray Catholic Board of Education	4,387.00
Fusion Jeunesse / Youth Fusion	51,250.00
Indspire	575,000.00
Junior Achievement of Southern Alberta	25,000.00
Level. Changing Lives Through Law / Égaliser. Changeons des Vies Par le Droit	20,000.00
Lloydminster Public School Division	560.00
Mount Royal University Foundation	200,000.00
Queen's University at Kingston	75,000.00
Reconciliation Canada - A New Way Forward Society	409,819.00
Right To Play International	101,250.00
Society for Safe and Caring Schools and Communities	5,000.00
St Mary's University	15,000.00
The Banff Centre	354,000.00
The Governors Of The University Of Calgary	25,000.00
The Lambton College Foundation	300,000.00
The St. John's Native Friendship Centre Association	1,250.00
University Of Waterloo	484,350.00
	4,086,780.00

Suncor Energy Foundation
Schedule C
Donations to SunCares Organizations to December 31, 2018
(unaudited)

Adoption Options Alberta Ltd.	100.00
Alberta Cancer Foundation	300.00
Alzheimer Society London And Middlesex	100.00
Alzheimer Society of Canada	200.00
Arthritis Society	100.00
Big Brothers and Big Sisters on Hamilton and Burlington Incorporated	100.00
Burlington Rotary Community Hospice Inc.	100.00
Calgary Humane Society For Prevention Of Cruelty To Animals	100.00
Canadian Cancer Society	500.00
Canadian Online Giving Foundation	534,575.55
Cancer Assistance Services Of Halton Hills	100.00
Centraide Bas Saint-laurent	1,000.00
Centraide du Grand Montréal	155,062.00
Central Okanagan Hospice Association	100.00
Covenant Foundation	100.00
Fondation de l'Hopital d'Argenteuil	300.00
Heart And Stroke Foundation Of Canada	200.00
La Fondation de la Residence de Soins Palliatifs L'Ouest de L'Ile Inc	100.00
Manna Homeless Society	100.00
Progressive And Co-Ordinating Organization Agricultural Society	100.00
Salem Foundation Inc	100.00
St. Stephen Protomartyr Ukrainian Catholic Church	100.00
STARS Foundation	100.00
Swift Current United Way Inc.	1,000.00
The Chronic Pain Association Of Canada	100.00
The Kensington Foundation	100.00
The Princess Margaret Cancer Foundation	100.00
The United Way Of Fort McMurray	450,139.00
The University of St. Michael's College	3,000.00
Thompson Nicola Cariboo United Way	1,000.00
United Way Alberta Capital Region	104,005.00
United Way Central And Northern Vancouver Island	1,000.00
United Way Elgin Middlesex	2,000.00
United Way Greater Toronto	345,750.00
United Way Halton & Hamilton	37,178.00
United Way Of Calgary And Area	449,113.00
United Way of Greater Toronto	1,000.00
United Way of Lethbridge & South Western Alberta Society	2,000.00
United Way Of Newfoundland And Labrador Inc	69,022.00
United Way of Northern British Columbia	2,000.00
United Way Of Sarnia-lambton	64,294.00
United Way Of Saskatoon And Area	1,000.00
United Way Of The Lower Mainland	44,439.00
United Way of Thunder Bay	1,000.00
United Way Of Winnipeg	4,000.00
	2,276,877.55

Suncor Energy Foundation

Schedule D

Donations to Community Resilience Organizations to December 31, 2018

(unaudited)

Action Secours, Vie d'Espoir	2,000.00
Alberta Children's Hospital Foundation	120,000.00
Ashoka Canada	451,250.00
Beakerhead Creative Society	200,000.00
Calgary Chamber Of Voluntary Organizations	75,000.00
Calgary Homeless Foundation	120,000.00
Canada Company	50,000.00
Capacity Canada	390,000.00
CAREERS: The Next Generation	125,000.00
Community Foundations Of Canada	101,250.00
Community Sector Council of Newfoundland and Labrador Inc.	300,000.00
Ecotrust Canada	750.00
Edmonton Chamber of Voluntary Organizations	10,650.00
Fusesocial Wood Buffalo Society	116,900.00
Fusion Jeunesse / Youth Fusion	1,250.00
Imagine Canada	97,364.00
Jump Math	216,697.00
Keyano College	200,000.00
Mars Discovery District	1,250.00
Memorial University of Newfoundland	301,250.00
Mount Royal University Foundation	171,900.00
Multicultural Association of Wood Buffalo	50,000.00
Pillar Nonprofit Network	1,250.00
Skills Society - Supporting The Citizenship Of People With Disabilities	650.00
Social Innovation Charitable Foundation	151,250.00
Southern Alberta Institute Of Technology	100,000.00
Tamarack Institute for Community Engagement	200,000.00
The Association Of Volunteer Centres Of Alberta	236,300.00
The Carold Institute	122,500.00
The University Of Calgary	133,303.00
The J W McConnell Family Foundation	1,250.00
The Riverwood Conservancy	85,000.00
The Royal Conservatory of Music	450,000.00
The United Way Of Fort McMurray	650.00
The Walrus Foundation	1,250.00
Vivo for Healthier Generations	200,000.00
Volunteer Centre of Calgary (Operating as PROPELLUS)	50,000.00
Women Building Futures Society	300,000.00
Wood Buffalo Community Foundation	500,000.00
	5,635,914.00

Suncor Energy Foundation

Schedule E

Donations to Place Based Priority Organizations to December 31, 2018

(unaudited)

Aamjiwnaang First Nation	10,000.00
Action Secours, Vie d'Espoir	2,500.00
Alberta Conservation Association	250,000.00
Boys And Girls Club Of Strathcona County	10,000.00
Bridges To Hope Inc.	5,000.00
Canadian Mental Health Association	100,000.00
Carrefour Des Pitchou	1,000.00
Centre d'Aide et de Developpement de la Famille de l'Est de Montreal (C.A.D.F.E.M.) inc.	3,000.00
Choices For Youth	5,000.00
Crossroads Hospice Society	10,000.00
Cuisine Collective à Toute Vapeur	10,500.00
Iris Kirby House	5,000.00
Je Reussis	7,500.00
Junior Achievement Of British Columbia	10,000.00
Junior Achievement of Newfoundland and Labrador	20,000.00
La Maison Dalauze Centre d'Hébergement Pour Femmes Violentées Avec Ou Sans Enfants	1,000.00
Le Chic Resto-Pop Inc.	20,000.00
Linking Generations Society of Alberta	6,000.00
L'Unité d'intervention mobile l'anonyme inc.	4,000.00
Multicultural Association of Wood Buffalo	50,000.00
Northern Lights Regional Health Foundation	330,000.00
Pathways Health Centre For Children	25,000.00
Philanthropic Foundations Canada/Fondations Philanthropiques Canada	1,825.00
St. Clair Child & Youth Services	10,000.00
St. John's Native Friendship Centre	5,000.00
The Riverwood Conservancy	20,000.00
The Trans Canada Trail Foundation	20,000.00
Walpole Island First Nation Education Program	10,000.00
Wood Buffalo Community Foundation	1,000.00
Y.E.S.S.: Youth Empowerment & Support Services	10,000.00
	963,325.00

