



SAGE Annual Financial Report
January - December 2022

The 2022 fiscal year saw SAGE maintain positive cash flow while keeping expenses low. Table 1 shows that SAGE’s total assets increased by approximately \$1,000, while net cash flow came in at just over \$5,500. The significant difference between the change in assets versus cash flow is primarily explained by the large decline in the value of SAGE’s investments during 2022. Both assets and cash flow experienced small losses in 2021, so the increase in 2022 represents a positive direction for the organization.

Table 1: Balance Sheet

	1-Jan-22	31-Dec-22	Change
Assets by account			
WF Checking Account (DC + CA)	\$3,584.90	\$6,760.06	\$3,175.16
CapitalOne360 Savings Account	\$1,631.51	\$1,633.14	\$1.63
PayPal Account	\$200.00	\$100.00	\$(100.00)
Investment Accounts (Fidelity/Coinbase)	\$8,946.81	\$5,515.31	\$(3,431.50)
UG Surplus Account	\$993.00	\$993.00	\$-
Accounts Receivable	\$613.53	\$2,000.00	\$1,386.47
Total Assets	\$15,969.75	\$17,001.51	\$1,031.76
Assets by restriction type			
Unrestricted Assets	\$12,752.92	\$13,621.68	\$868.76
Restricted Assets*	\$3,216.83	\$3,379.83	\$163.00
Total Assets	\$15,969.75	\$17,001.51	\$1,031.76
Liabilities*			
<i>Remaining Scholar Funds committed</i>	\$9,980.00		
Cash Flow			
Revenues	\$14,871.47		
Expenses	\$(9,239.82)		
Net Cash Flow	\$5,631.65		

All of SAGE’s liabilities take the form of funds committed to future years of existing scholars’ studies. SAGE currently has four scholars with remaining committed funds who are all set to graduate by 2025, representing total remaining committed funds of approximately \$9,980.

Table 1 also shows changes in unrestricted and restricted asset types in 2022. Restricted funds are classified as those that have been received from a donor but that are reserved for future tuition payments for a specific scholarship recipient. Unrestricted funds carry no such obligation and are available to be put towards any of SAGE’s expenses. The portion of SAGE’s assets that are restricted decreased slightly from 20.2% in 2021 to 19.8% in 2022, which is in line with

SAGE's historical average. This reflects SAGE's efforts to maintain sufficient financial flexibility in the near term while ensuring funding for future years.

SAGE began investing some of its funds in 2019 with the goal of creating a long-term sustainable source of funds to help cover yearly operating expenses. The performance goal for the endowment is to attain an average annual real total return (net of investment management fees) of at least 5 percent.

Table 2 shows the assets held by SAGE at the end of fiscal year 2022 along with the performance for each investment. SAGE did not make any additional investments in 2022, so Table 2 reflects the annual performance of SAGE's holdings at the beginning of the fiscal year. These investments lost \$3,431.50 in value throughout the year, which represents a loss of 38%. This is well below SAGE's target of a 5% increase, but tracks with the poor performance of the broader market. The Dow Jones Industrial, S&P 500 and Nasdaq 100 posted losses of 8.8%, 19.4% and 33.1%, respectively. This was a particularly difficult year for cryptocurrencies, which experienced the biggest losses in the portfolio. Despite the large losses in 2022, SAGE's crypto investments have appreciated relative to their cost basis. Overall, SAGE's has still seen an overall gain of 6.3% relative to the cost basis of its investments.

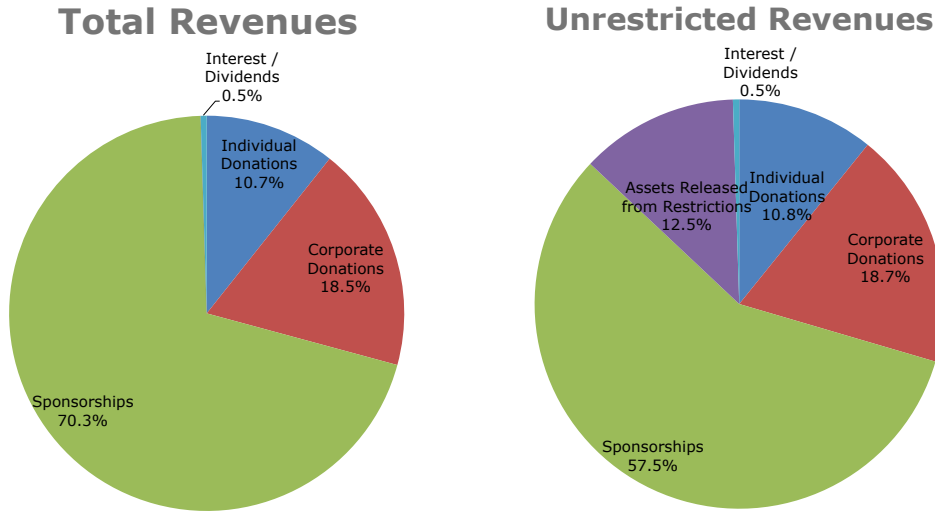
Table 2: SAGE Investment Portfolio

Asset Name	Ticker	Cost Basis	Value 1/1/22	Value 12/31/22	Change 2022	Income Earned 2022	Total Unrealized Gain/Loss
Fidelity Money Market	SPAXX	\$282.48	\$278.85	\$282.48	\$3.63	\$3.63	\$0.00
Fidelity Municipal Bond Index	FMBIX	\$519.57	\$515.71	\$467.16	(\$48.55)	\$0.00	(\$52.41)
Fidelity Long-Term Treasury	FNBGX	\$538.13	\$477.49	\$337.00	(\$140.49)	\$9.91	(\$201.13)
Fidelity Emerging Markets Index	FPADX	\$532.60	\$587.74	\$469.81	(\$117.93)	\$11.33	(\$62.79)
Fidelity Small Cap Index	FSSNX	\$540.35	\$737.26	\$587.79	(\$149.47)	\$7.30	\$47.44
Fidelity 500 Index	FXAIX	\$525.28	\$748.73	\$613.02	(\$135.71)	\$10.27	\$87.74
Liveperson	LPSN	\$77.87	\$71.44	\$20.28	(\$51.16)	\$0.00	(\$57.59)
Best Buy	BBY	\$165.95	\$209.29	\$172.45	(\$36.84)	\$6.98	\$6.50
Discovery	DISCA	\$103.56	\$94.16	\$37.92	(\$56.24)	\$0.00	(\$65.64)
M&T Bank	MTB	\$180.77	\$161.56	\$157.09	(\$4.47)	\$5.10	(\$23.68)
Cisco	CSCO	\$123.92	\$195.55	\$151.68	(\$43.87)	\$4.71	\$27.76
Cambria Tail Risk ETF	TAIL	\$620.98	\$502.04	\$434.64	(\$67.40)	\$6.46	(\$186.34)
Invesco Aerospace Defense ETF	PPA	\$493.39	\$591.22	\$647.34	\$56.12	\$5.32	\$153.95
Chainlink	LINK	\$97.01	\$768.89	\$219.29	(\$549.60)	\$0.00	\$122.28
EOS	EOS	\$97.01	\$80.42	\$28.63	(\$51.79)	\$0.00	(\$68.38)
Ethereum	ETH	\$97.01	\$2,168.73	\$715.44	(\$1,453.29)	\$0.00	\$618.43
Stellar	XLM	\$97.01	\$459.54	\$120.84	(\$338.70)	\$0.00	\$23.83
Tezos	XTZ	\$97.01	\$298.19	\$52.45	(\$245.74)	\$0.00	(\$44.56)
Total		\$5,189.90	\$8,946.81	\$5,515.31	(\$3,431.50)	\$71.01	\$325.41

Figure 1 shows a graphical breakdown of SAGE’s 2022 revenue. Total revenue is displayed on the left, showing all new donations (both restricted and unrestricted). Unrestricted revenue is shown on the right. This removes all monies earmarked for future years of sponsorships, but includes the restricted funds paid in previous years that were released from restrictions to pay scholar funds for 2022. The amount of released funds is labeled “assets released from restrictions”.

SAGE earns revenue from three primary sources – individual donations, sponsorships, and corporate donations. The largest of these for 2022 was sponsorships, which made up 70% of SAGE’s total revenue. This is an increase of approximately 3 percentage points compared to 2021. Corporate donations as a share of total revenue increased from 12% in 2021 to 18.5% in 2022, which remains below average relative to SAGE’s history. The increase is attributable to GlobalGiving.

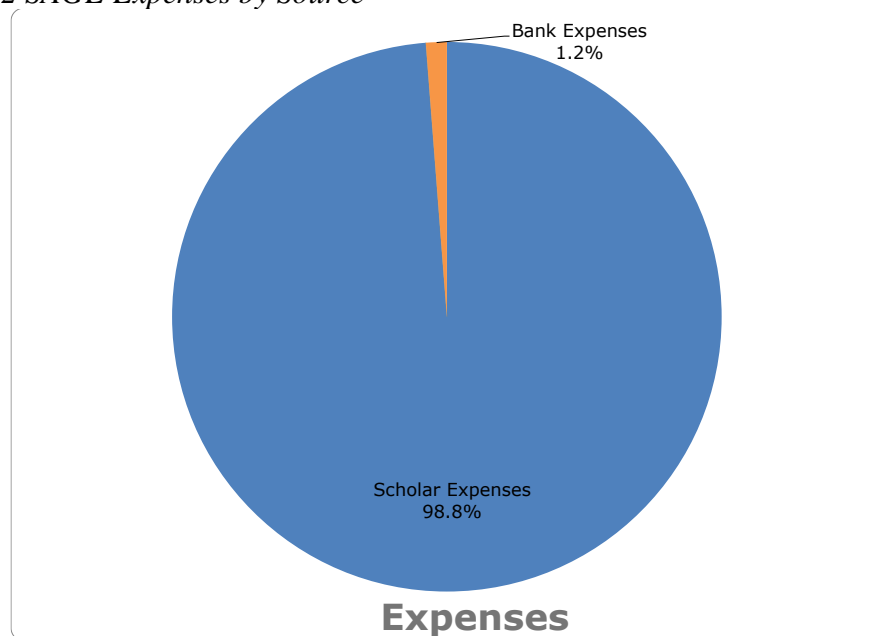
Figure 1: 2022 Revenue by Source



A breakdown of SAGE’s expenses for 2022 is shown in Figure 2. Consistent with its history, SAGE continues to maintain low overhead costs with approximately 99% of expenses going directly to scholars’ tuition, housing, or other educational costs. The remaining expenses consisted of banking fees,¹.

¹ Beginning in 2018, SAGE explicitly recognizes transaction fees associated with online donations through the SAGE website as bank expenses.

Figure 2: 2022 SAGE Expenses by Source



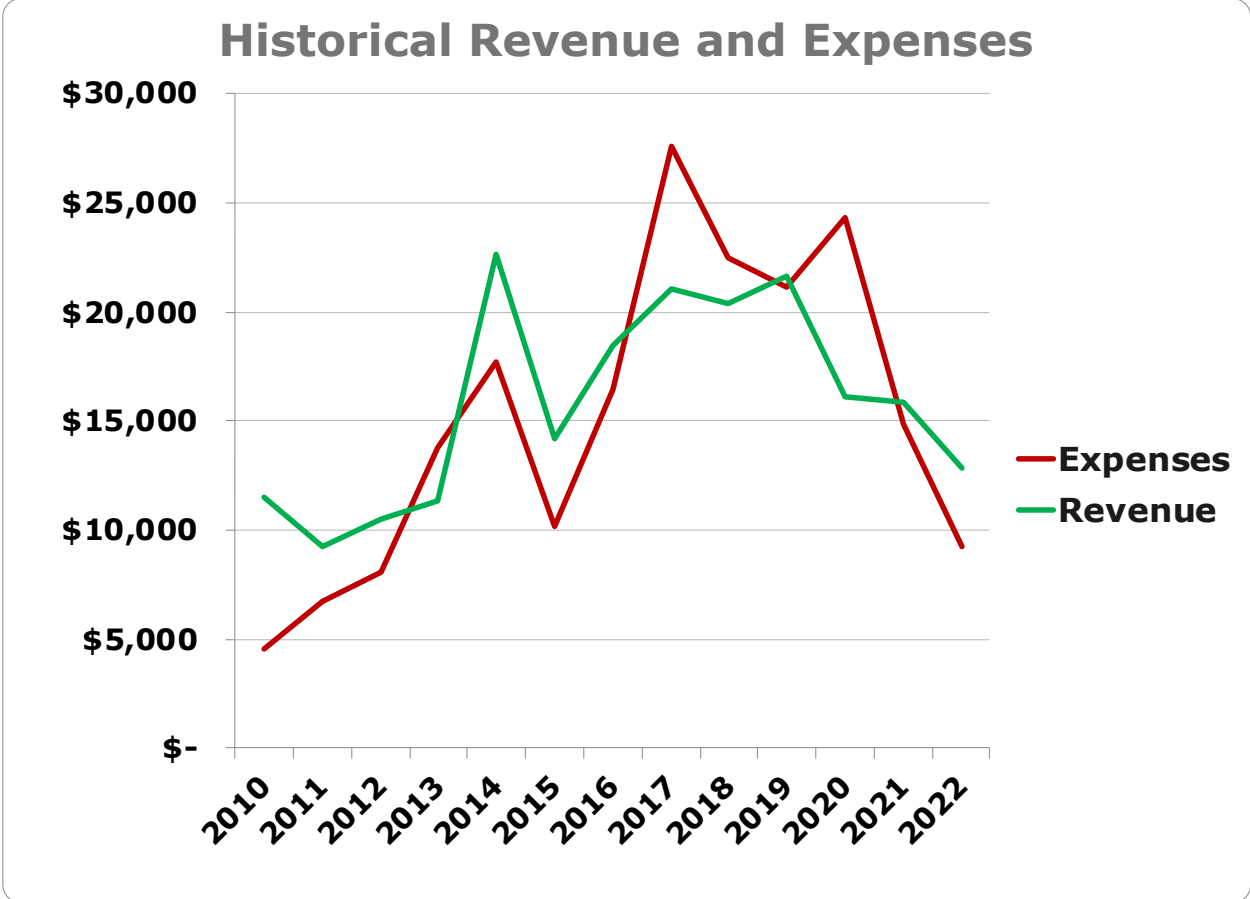
A detailed breakdown of SAGE’s cash flow is shown in Table 3, which shows annual revenues and expenses by sub-category for the past five years. Table 3 shows a positive cash flow of approximately \$5,500 for 2022, which was driven by exclusively by a significant decrease in scholar expenses relative to past years.

Table 3: SAGE Annual Revenues and Expenses, 2018-2022

	2018	2019	2020	2021	2022
Revenue					
Individual	\$7,685	\$1,175	\$8,352	\$3,131	\$1,590
Corporate	\$4,837	\$2,645	\$1,206	\$1,987	\$2,754.72
Sponsorships	\$7,810	\$17,789	\$6,454	\$10,665	\$8,454.11
Interest/Dividends	\$86	\$51	\$98	\$86	\$72.64
Total Revenue	\$20,418	\$21,660	\$16,110	\$15,869	\$14,871.47
Expenses					
Scholar	\$21,686	\$20,380	\$23,490	\$14,358	\$9,126.99
Bank Fees	\$341	\$465	\$365	\$378	\$112.83
Postage Fees	\$0	\$0	\$0	\$115	\$0
Admin	\$360	\$144	\$355	\$25	\$0
Fundraising	\$0	\$0	\$0	\$0	\$0
Publicity	\$120	\$120	\$100	\$0	\$0
Total Expense	\$22,508	\$21,109	\$24,309	\$14,876	\$9,239.82
Net Cash Flow	-\$2,090	\$551	-\$8,200	\$993	\$5,631.65

Revenue from sponsorships was down slightly in 2022. The amount of corporate donations, continued to grow, although they remain low relative to 2018 levels. Individual donations continue to decline from 2020. This was SAGE’s lowest revenue year in the past five years. SAGE’s expenses declined significantly in 2022, which drove the return to positive net cash flow. SAGE’s expenses for 2022 are the lowest since 2012 and reflect a concerted effort to control costs as a response to poor financial performance over the past several years. Figure 3 shows these trends in the context of SAGE’s full operating history.

Figure 3: Revenue and Expenses Trends, 2010-2022



The renewed discipline on the expense side displayed in 2022 was a top priority for SAGE and sets the organization up well for future financial performance. SAGE continues to pursue long-run strategic initiatives for the organization, which may result in fundamental changes in operations moving forward.

This concludes the financial report of the Scholarship for Advanced Guyanese Education for the fiscal year of January through December of 2022. This report was prepared by the SAGE Finance Committee from the books and records of the corporation without audit.