

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Financial Statements
Year Ended May 31, 2023
(Unaudited)

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
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Year Ended May 31, 2023
(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors of Big Brothers Big Sisters of North Simcoe

We have reviewed the accompanying financial statements of Big Brothers Big Sisters of North Simcoe (the organization) that comprise the statement of financial position as at May 31, 2023, and the statements of revenues and expenditures, 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.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended May 31, 2023, current assets and net assets as at May 31, 2023. Our review conclusion on the financial statements for the year ended May 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, 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 Big Brothers Big Sisters of North Simcoe as at May 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Rumley Holmes LLP

Barrie, Ontario
 November 14, 2023

RUMLEY HOLMES LLP
Chartered Professional Accountants
Licensed Public Accountants

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Statement of Financial Position
May 31, 2023
(Unaudited)

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 183,020	\$ 212,885
Marketable securities <i>(Note 3)</i>	1,346	1,330
Accounts receivable	9,230	1,813
Harmonized Sales Tax recoverable	7,277	7,061
Prepaid expenses	9,523	10,160
	\$ 210,396	\$ 233,249
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 17,030	\$ 21,784
Government remittances	1,777	2,851
Deferred contributions <i>(Note 4)</i>	25,975	46,018
Current portion of Canada Emergency Business Account <i>(Note 7)</i>	40,000	-
	84,782	70,653
CANADA EMERGENCY BUSINESS ACCOUNT <i>(Note 7)</i>	-	40,000
	84,782	110,653
NET ASSETS	125,614	122,596
	\$ 210,396	\$ 233,249

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Statement of Revenues and Expenditures
Year Ended May 31, 2023
(Unaudited)

	2023	2022
REVENUES		
Funding and grants (<i>Schedule 1</i>)	\$ 131,344	\$ 153,420
Fundraising events and activities (<i>Schedule 2</i>)	147,385	118,665
Donations and gifts	32,310	39,731
Government assistance (<i>Note 7</i>)	-	7,818
	311,039	319,634
EXPENSES		
Bank charges	910	618
Bingo and Nevada supplies	7,085	3,907
Fundraising event supplies	7,952	231
Gifts and volunteer recognition	836	69
Insurance	8,142	6,762
Meetings and conventions	4,682	11,905
Memberships dues and fees	5,177	5,221
Office and general	12,089	16,988
Professional fees	7,855	10,429
Program expenses	35,179	34,272
Rent and utilities (<i>Note 6</i>)	29,393	24,619
Telephone	1,971	2,101
Wages and benefits	186,750	191,495
	308,021	308,617
EXCESS OF REVENUES OVER EXPENSES	\$ 3,018	\$ 11,017

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Statement of Changes in Net Assets
Year Ended May 31, 2023
(Unaudited)

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 122,596	\$ 111,579
EXCESS OF REVENUES OVER EXPENSES	3,018	11,017
NET ASSETS - END OF YEAR	\$ 125,614	\$ 122,596

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Statement of Cash Flows
Year Ended May 31, 2023
(Unaudited)

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 3,018	\$ 11,017
Changes in non-cash working capital:		
Accounts receivable	(7,417)	722
Accounts payable and accrued liabilities	(4,754)	10,030
Deferred contributions	(20,043)	1,022
Prepaid expenses	637	153
Harmonized Sales Tax recoverable	(216)	(2,742)
Government remittances	(1,074)	(862)
	(32,867)	8,323
Cash flow from operating activities	(29,849)	19,340
INVESTING ACTIVITY		
Marketable securities - net	(16)	(19)
INCREASE (DECREASE) IN CASH	(29,865)	19,321
CASH - BEGINNING OF YEAR	212,885	193,564
CASH - END OF YEAR	\$ 183,020	\$ 212,885

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

1. GENERAL

Big Brothers Big Sisters of North Simcoe (the "organization") is incorporated as a registered charity without shares under the laws of Ontario. The organization provides one-on-one and group mentoring services to boys and girls, aged 6 to 18, and services the area of North Simcoe County, Ontario.

Big Brothers Big Sisters of North Simcoe legally formed as an amalgamated entity from its two predecessor corporations, Big Brothers of North Simcoe and Big Sisters Association of Huronia on December 12, 2008, pursuant to an amalgamation agreement dated April 16, 2008.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

The organization follows the deferral method of accounting for contributions.

The general fund accounts for the organization's program delivery and administrative activities.

Income taxes

Big Brothers Big Sisters of North Simcoe is a registered charity and as such is exempt from tax under the Canadian Income Tax Act.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

The organization's most prominent estimate is the allocation of expenses between the different programs for which funding is received and certain accrued liabilities.

Marketable securities

All marketable securities quoted in an active market are recorded at fair value. Changes in fair value are recorded in net income.

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BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital expenditures

The organization meets the definition of a small not-for-profit organization under paragraph 4433.03 of Part III of the Accounting Standards for Not-For-Profit Organizations hand book because its average revenues reported in its statement of revenues and expenditures for the current and preceding years is below \$500,000. Under this section, the organization has chosen to record as expense any purchases of tangible capital assets.

Contributed services

Contributed materials and services are not recognized in these financial statements due to the difficulty in determining their fair value.

Revenue recognition

The organization's revenue consists of grant, donation, bingo, and miscellaneous revenues.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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.

Bingo income is recorded on a monthly basis as it is earned.

Government assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related fixed assets or to income as eligible expenditures are incurred. Government assistance for current expenses is recorded as a reduction of the related expenditures. Government assistance for acquiring fixed assets is recorded as a reduction of the cost of related assets.

Leases

Leases are classified as either capital or operating leases. At the time the organization enters into a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

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BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The organization considers any contract creating a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash
- marketable securities
- accounts receivable
- Harmonized Sales Tax recoverable
- accounts payable and accrued liabilities
- Government remittances
- Canada Emergency Business Account

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures its financial assets and financial liabilities at amortized cost.

The organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. MARKETABLE SECURITIES

	2023	2022
Cash	\$ 1,346	\$ -
Investment in GIC, matured June 2023, interest rate at 1.68%	-	1,330
	\$ 1,346	\$ 1,330

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

4. DEFERRED CONTRIBUTIONS

Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions. As a result, the organization's excess revenue over expenses for the period represents the increase in resources that are not restricted to cover specific expenses of a future period.

	2023	2022
Ontario Trillium Foundation - Resiliency	\$ 20,400	\$ 36,700
Midland Rotary Club	-	3,817
Government of Canada - Employment and Social Development Canada	-	2,408
Cultural Alliance - Biindakenmshnaang	-	2,000
United Way - Emergency Community Support Fund	-	1,093
Participation grant	5,000	-
Other deferred revenue (annual sponsorships, etc)	575	-
	\$ 25,975	\$ 46,018

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

5. CONTINGENCIES

The organization receives funding from the Ontario Trillium Foundation. The amount of the funding provided to the organization is subject to final review and approval by the Ontario Trillium Foundation. As at the date of these financial statements, funding for the period of June 1, 2022 to May 31, 2023 has not been subject to this review process. Any future adjustments required as a result of this review will be accounted for at that time as an adjustment to the general fund.

6. LEASE COMMITMENTS

The organization has entered into operating leases for its premises. The minimum lease payments are as follows:

2024	\$ 14,984
2025	<u>2,497</u>
	<u>\$ 17,481</u>

7. GOVERNMENT ASSISTANCE

During fiscal 2020, the organization received the Canada Emergency Business Account (CEBA) loan of \$60,000 for COVID-19 support from the government. Of the \$60,000 received, \$20,000 of the loan is forgivable if the organization repays the remaining unforivable portion of the loan by December 31, 2023. Management expects to repay the loan prior to this date, so the forgivable portion was taken into income in fiscal 2021.

During the year, the company recorded \$Nil (2022 - \$6,430) of Canada Emergency Wage Subsidy and \$Nil (2022 - \$1,388) of Canada Emergency Rent Subsidy claims. These claims are for government wage and rent assistance related to the COVID-19 pandemic.

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
NOTES TO FINANCIAL STATEMENTS
Year Ended May 31, 2023
(Unaudited)

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of May 31, 2023.

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 this risk mainly due to reliance on non-recurring grant funding, accounts payable and accrued liabilities, government remittances and Canada Emergency Business Account.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Funding and grants
(Schedule 1)
Year Ended May 31, 2023
(Unaudited)

	2023	2022
Direct Programming		
Ontario Trillium Foundation (Resiliency Grant)	\$ 43,500	\$ 26,100
Trillium Foundation (Collaboration with Boys and Girls Club North Simcoe)	37,679	54,913
Ministry of Education	12,072	13,409
Midland Rotary Club	8,817	1,419
Enbridge Fueling Futures	7,040	5,000
Cultural Alliance (Indigenous Grant)	2,000	-
Town of Midland	-	13,750
Telus Friendly Future Foundation	-	9,298
Big Brothers Big Sisters - Region of Peel	-	2,000
Huronian Community Foundation	-	1,300
Community Support Fund (COVID-19 related assistance)		
United Way	1,093	5,816
Huronian Community Foundation	-	3,775
Marketing and Community Development		
Weber Foundation	10,000	4,317
Other Grants		
Employment Canada Student Grants	3,420	8,325
Simcoe County District School Board Tutoring Grant	5,723	-
Georgian Bay Native Friendship Centre	-	3,998
	\$ 131,344	\$ 153,420

BIG BROTHERS BIG SISTERS OF NORTH SIMCOE
Fundraising events and activities
(Schedule 2)
Year Ended May 31, 2023
(Unaudited)

	2023	2022
Play for Kids	\$ 34,574	\$ 10,661
Virtual fundraising	34,480	28,206
Bingo Income	22,937	16,477
Showcase of Homes Tour	19,820	3,825
Nevada (Midland Ave)	18,362	10,168
Other Income	12,522	22,271
Westjet Raffle	4,690	-
BBBSO - 50/50 Lottery	-	2,560
Don't Worry Be Appy	-	24,497
	\$ 147,385	\$ 118,665