

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Financial Statements**  
**Year Ended May 31, 2024**  
*(Unaudited)*

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Index to Financial Statements**  
**Year Ended May 31, 2024**  
*(Unaudited)*

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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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, 2024, 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, 2024, current assets and net assets as at May 31, 2024. Our review conclusion on the financial statements for the year ended May 31, 2023 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, 2024, 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.

Barrie, Ontario  
November 5, 2024

RH Partners LLP

RH PARTNERS LLP  
Chartered Professional Accountants  
Licensed Public Accountants

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE****Statement of Financial Position****May 31, 2024***(Unaudited)*

|  | 2024              | 2023              |
|--|-------------------|-------------------|
| <b>ASSETS</b>  |                   |                   |
| <b>CURRENT</b>   |                   |                   |
| Cash   | \$ 191,114        | \$ 183,020        |
| Marketable securities <i>(Note 3)</i>                                | 1,346             | 1,346             |
| Accounts receivable  | -                 | 9,230             |
| Harmonized Sales Tax recoverable                                     | 9,448             | 7,277             |
| Prepaid expenses   | 7,437             | 9,523             |
|  | <b>\$ 209,345</b> | <b>\$ 210,396</b> |
| <b>LIABILITIES</b>   |                   |                   |
| <b>CURRENT</b>   |                   |                   |
| Accounts payable and accrued liabilities                             | \$ 12,156         | \$ 17,030         |
| Government remittances   | 5,321             | 1,777             |
| Deferred contributions <i>(Note 4)</i>                               | 28,115            | 25,975            |
| Current portion of Canada Emergency Business Account <i>(Note 7)</i> | -                 | 40,000            |
|  | <b>45,592</b>     | <b>84,782</b>     |
| <b>NET ASSETS</b>  | <b>163,753</b>    | <b>125,614</b>    |
|  | <b>\$ 209,345</b> | <b>\$ 210,396</b> |

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
*Director*\_\_\_\_\_  
*Director*

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Statement of Revenues and Expenditures**  
**Year Ended May 31, 2024**  
*(Unaudited)*

|   | 2024             | 2023            |
|---|------------------|-----------------|
| <b>REVENUES</b>                                       |                  |                 |
| Funding and grants <i>(Schedule 1)</i>                | \$ 206,514       | \$ 131,344      |
| Fundraising events and activities <i>(Schedule 2)</i> | 149,403          | 147,385         |
| Donations and gifts                                   | 34,473           | 32,310          |
|   | <b>390,390</b>   | <b>311,039</b>  |
| <b>EXPENSES</b>                                       |                  |                 |
| Bank charges  | 867              | 910             |
| Bingo and Nevada supplies                             | 10,447           | 7,085           |
| Fundraising event supplies                            | 7,922            | 7,952           |
| Gifts and volunteer recognition                       | 1,067            | 836             |
| Insurance   | 8,867            | 8,142           |
| Meetings and conventions                              | 8,941            | 4,682           |
| Memberships dues and fees                             | 7,255            | 5,177           |
| Office and general                                    | 14,399           | 12,089          |
| Professional fees                                     | 7,650            | 7,855           |
| Program expenses                                      | 46,023           | 35,179          |
| Rent and utilities <i>(Note 6)</i>                    | 28,293           | 29,393          |
| Telephone   | 1,705            | 1,971           |
| Wages and benefits                                    | 208,815          | 186,750         |
|   | <b>352,251</b>   | <b>308,021</b>  |
| <b>EXCESS OF REVENUES OVER EXPENSES</b>               | <b>\$ 38,139</b> | <b>\$ 3,018</b> |

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Statement of Changes in Net Assets**  
**Year Ended May 31, 2024**  
*(Unaudited)*

|   | <b>2024</b>       | <b>2023</b>       |
|---|-------------------|-------------------|
| <b>NET ASSETS - BEGINNING OF YEAR</b>   | <b>\$ 125,614</b> | <b>\$ 122,596</b> |
| <b>EXCESS OF REVENUES OVER EXPENSES</b> | <b>38,139</b>     | <b>3,018</b>      |
| <b>NET ASSETS - END OF YEAR</b>         | <b>\$ 163,753</b> | <b>\$ 125,614</b> |

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Statement of Cash Flows**  
**Year Ended May 31, 2024**  
*(Unaudited)*

|  | 2024       | 2023       |
|--|------------|------------|
| <b>OPERATING ACTIVITIES</b>                  |            |            |
| Excess of revenues over expenses             | \$ 38,139  | \$ 3,018   |
| Changes in non-cash working capital:         |            |            |
| Accounts receivable                          | 9,230      | (7,417)    |
| Accounts payable and accrued liabilities     | (4,874)    | (4,754)    |
| Deferred contributions                       | 2,140      | (20,043)   |
| Prepaid expenses                             | 2,086      | 637        |
| Harmonized Sales Tax recoverable             | (2,171)    | (216)      |
| Government remittances                       | 3,544      | (1,074)    |
|  | 9,955      | (32,867)   |
| Cash flow from operating activities          | 48,094     | (29,849)   |
| <b>INVESTING ACTIVITY</b>                    |            |            |
| Marketable securities - net                  | -          | (16)       |
| <b>FINANCING ACTIVITY</b>                    |            |            |
| Payment of Canada Emergency Business Account | (40,000)   | -          |
| <b>INCREASE (DECREASE) IN CASH</b>           | 8,094      | (29,865)   |
| <b>CASH - BEGINNING OF YEAR</b>              | 183,020    | 212,885    |
| <b>CASH - END OF YEAR</b>                    | \$ 191,114 | \$ 183,020 |

# **BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**

## **Notes to Financial Statements**

**Year Ended May 31, 2024**

*(Unaudited)*

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### **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.

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### **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, 2024**  
*(Unaudited)*

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**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, 2024**  
*(Unaudited)*

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**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.

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**3. MARKETABLE SECURITIES**

|      | <b>2024</b> | <b>2023</b> |
|------|-------------|-------------|
| Cash | \$ 1,346    | \$ 1,346    |

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## BIG BROTHERS BIG SISTERS OF NORTH SIMCOE

### Notes to Financial Statements

Year Ended May 31, 2024

(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.

|   | 2024      | 2023      |
|---|-----------|-----------|
| Canada Post                                       | \$ 5,215  | \$ -      |
| Holiday Survivor                                  | 1,400     | -         |
| Ontario Trillium Foundation - Resiliency          | 13,500    | 20,400    |
| Other deferred revenue (annual sponsorships, etc) | -         | 575       |
| Participaction grant                              | -         | 5,000     |
| Showcase of Homes Tour program                    | 6,000     | -         |
| Town of Pennetang                                 | 2,000     | -         |
|   | \$ 28,115 | \$ 25,975 |

## **BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**

### **Notes to Financial Statements**

**Year Ended May 31, 2024**

*(Unaudited)*

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#### **5. CONTINGENCIES**

The organization receives funding from the Ontario Trillium Foundation and The Canadian Red Cross. The amount of the funding provided to the organization is subject to final review and approval by the Ontario Trillium Foundation and The Canadian Red Cross respectively. As at the date of these financial statements, funding for the period of June 1, 2023 to May 31, 2024 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.

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#### **6. LEASE COMMITMENTS**

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

|      |    |               |
|------|----|---------------|
| 2025 | \$ | 17,066        |
| 2026 |    | 17,482        |
| 2027 |    | 17,920        |
| 2028 |    | 18,456        |
| 2029 |    | 19,010        |
|      |    | <hr/>         |
|      | \$ | <u>89,934</u> |

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#### **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 unforgivable portion of the loan by December 31, 2023. During the year, the organization paid the remaining loan in full.

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## **BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**

### **Notes to Financial Statements**

**Year Ended May 31, 2024**

*(Unaudited)*

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#### **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, 2024.

##### **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.

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#### **9. SUBSEQUENT EVENTS**

On July 2, 2024, the organization received an gift from The Weber Foundation for a principal value of \$250,000. The organization has decided to internally restrict these funds and maintain them with The Weber Foundation who will hold them in a separate investment account and will distribute annual income when requested by the organization. A management fee of 0.45% of the value of investments under management will be deducted from the account monthly on a prorated basis. The investments will be managed by RBC according to a balanced asset allocation profile with a long-term horizon. The returns forecast for this profile is 6.75% annually after fees.

The organization plans to use the investment proceeds to create a scholarship fund for the kids in their program.

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**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**

**Funding and Grants**

**(Schedule 1)**

**Year Ended May 31, 2024**

*(Unaudited)*

|  | <b>2024</b>       | <b>2023</b>       |
|--|-------------------|-------------------|
| <b>Direct Programming</b>  |                   |                   |
| Ontario Trillium Foundation (Resiliency grant)                                     | \$ 59,900         | \$ 43,500         |
| Red Cross Community Services Recovery Fund grant                                   | 52,304            | -                 |
| Canada Post Foundation grant   | 12,561            | -                 |
| Telus Friendly Future Foundation   | 10,000            | -                 |
| Ministry of Education  | 7,650             | 12,072            |
| Enbridge Fuelling Futures  | 5,000             | 7,040             |
| Participaction   | 5,000             | -                 |
| Cultural Alliance (Indigenous grant)   | -                 | 2,000             |
| Huronian Community Foundation (Hunger Heroes)                                      | 5,000             | -                 |
| Trillium Foundation (Collaboration with Boys and Girls Club North<br>Simcoe) grant | 3,603             | 37,679            |
| Midland Rotary Club  | 2,500             | 8,817             |
| <b>Community Support Fund (COVID-19 related assistance)</b>                        |                   |                   |
| United Way   | -                 | 1,093             |
| <b>Marketing and Community Development</b>   |                   |                   |
| Weber Foundation   | 10,000            | 10,000            |
| Jump Start   | 3,406             | -                 |
| <b>Other Funding</b>   |                   |                   |
| Guys Who Care  | 18,750            | -                 |
| Grant Thornton LLP   | 5,000             | -                 |
| Huronian Community Foundation  | 1,500             | -                 |
| <b>Other Grants</b>  |                   |                   |
| Employment Canada Student grants   | 4,340             | 3,420             |
| Simcoe County District School Board Tutoring grant                                 | -                 | 5,723             |
|  | <b>\$ 206,514</b> | <b>\$ 131,344</b> |

**BIG BROTHERS BIG SISTERS OF NORTH SIMCOE**  
**Fundraising Events and Activities**  
**(Schedule 2)**  
**Year Ended May 31, 2024**  
*(Unaudited)*

|                        | <b>2024</b>       | 2023              |
|------------------------|-------------------|-------------------|
| Bowl For Kids Sake     | \$ 32,424         | \$ -              |
| Bingo Income           | 29,146            | 22,937            |
| Nevada (Midland Ave)   | 26,557            | 18,362            |
| Showcase of Homes Tour | 21,550            | 19,820            |
| Other Income           | 21,286            | 12,522            |
| Play for Kids          | -                 | 34,574            |
| Rock 95 Toy Drive      | 500               | -                 |
| Virtual fundraising    | 11,300            | 34,480            |
| Westjet Raffle         | 6,640             | 4,690             |
|                        | <b>\$ 149,403</b> | <b>\$ 147,385</b> |