

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Financial Statements

December 31, 2021

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Big Brothers & Big Sisters of Pictou County

We have reviewed the accompanying financial statements of Big Brothers & Big Sisters of Pictou County (the association) that comprise the statement of financial position as at December 31, 2021, 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 (ASNPO), 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.

Conclusion

Based on our review, 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 Pictou County as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

New Glasgow, Nova Scotia
April 12, 2022

*MacDonald +
Murphy Inc.*
Chartered Professional Accountants



MacDonald &
Murphy Inc.

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Statement of Revenues and Expenditures

Year Ended December 31, 2021

	2021	2020
Revenue		
Big Bucks Campaign (Note 9)	\$ 179,522	\$ 195,576
DCS - Youth Outreach	70,000	65,700
Other income (Note 10)	54,267	60,880
Other grants (Note 11)	50,989	31,995
Bowl for Kids Campaign	45,691	38,577
Lottery Calendar Campaign (Note 9)	36,044	43,725
Province of Nova Scotia - service grants	31,900	31,900
United Way of Pictou County	2,470	2,720
Interest income	1,128	2,712
	<u>472,011</u>	<u>473,785</u>
Expenses		
Advertising and promotion	4,125	4,626
Anniversary celebrations		7,351
Antigonish satellite	1,226	
Awards, AGM & appreciation	197	370
Bauer MacIsaac Memorial Fund	2,427	
Bowl for Kids Campaign	4,410	11,504
Bursaries	2,500	2,500
COVID spending	5,284	14,453
DCS - Youth Outreach	72,296	65,596
Dues & fees	5,817	9,064
Fundraising	11,519	1,022
HST expense	6,902	6,448
Insurance	8,981	8,023
Interest and bank charges	3,838	2,682
Office	9,376	7,560
Postage & shipping	741	868
Professional fees	1,350	1,650
Program supplies	4,873	3,506
Property taxes	6,082	6,364
Repairs and maintenance	2,105	8,125
Salaries and wages	204,275	180,346
Telephone & internet	4,776	5,307
Training	783	268
Travel	1,234	2,817
Utilities	2,234	1,963
	<u>367,351</u>	<u>352,413</u>
Excess of revenue over expenses from operations	104,660	121,372
Other income		
Unrealized gain on marketable securities	2,091	1,104
	<u>2,091</u>	<u>1,104</u>
Excess of revenue over expenses	\$ 106,751	\$ 122,476


BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
Statement of Changes in Net Assets
Year Ended December 31, 2021

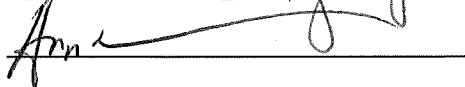
	General Fund	Capital Fund	2021	2020
Net assets - beginning of year	\$ 364,724	\$ 270,000	\$ 634,724	\$ 523,756
Excess of revenue over expenses	106,751		106,751	122,476
Amortization		(12,105)	(12,105)	(11,508)
Net assets - end of year	\$ 471,475	\$ 257,895	\$ 729,370	\$ 634,724

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
Current		
Cash	\$ 344,508	\$ 358,690
Term deposits (Note 4)	78,033	
Marketable securities, at market value	64,681	65,134
Accounts receivable, net of allowance for doubtful accounts of \$Nil (2020 - \$Nil)	7,083	5,580
Prepaid expenses	11,272	10,142
	505,577	439,546
Property and equipment (Note 5)	293,858	287,839
	\$ 799,435	\$ 727,385
LIABILITIES		
Current		
Accounts payable (Note 7)	\$ 32,420	\$ 28,221
Deferred income (Note 8)	37,645	64,440
	70,065	92,661
NET ASSETS		
General fund	471,475	364,724
Capital fund	257,895	270,000
	729,370	634,724
	\$ 799,435	\$ 727,385

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020
Operating activities		
Cash receipts from funding agencies and donors	\$ 446,256	\$ 471,580
Cash paid to suppliers and employees	(360,442)	(360,744)
Interest paid	(3,839)	(2,687)
	<u>81,975</u>	<u>108,149</u>
Investing activities		
Purchase of capital assets	(18,124)	(1,294)
Purchase of marketable securities		(24,877)
	<u>(18,124)</u>	<u>(26,171)</u>
Increase in cash flow	63,851	81,978
Cash - beginning of year	<u>358,690</u>	<u>276,712</u>
Cash - end of year	<u>\$ 422,541</u>	<u>\$ 358,690</u>
Cash consists of:		
Cash	\$ 344,508	\$ 358,690
Term deposits	78,033	
	<u>\$ 422,541</u>	<u>\$ 358,690</u>

1. Purpose of the association

The purpose of Big Brothers & Big Sisters of Pictou County is to foster the development of children growing up primarily in single parent families by providing volunteer and professional services through positive friendships. The organization is a registered charity and as such is exempt from income taxes.

2. Summary of significant accounting policies

Basis of presentation

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

Cash and cash equivalents

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Other investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported in net income.

Revenue recognition

Big Brothers & Big Sisters of Pictou County follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received. Fundraising revenues are recognized when received; with the exception of the lottery campaign and Big Bucks Lottery. The lottery campaign recognizes revenues based on the percentage of annual calendars sold before year end, net of the related costs. The Big Bucks campaign recognizes revenues based on the matching of revenue received to the draw it was intended to fund.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Buildings	4%
Computer equipment	55%
Furniture and fixtures	20%
Paving	8%

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

2. Summary of significant accounting policies (continued)

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the association's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of property, plant and equipment;
- the estimated useful lives of assets.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. Financial instruments

The association 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 association's risk exposure and concentration as of December 31, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from donors. The association has a significant number of donors which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its receipt of funds from its donors, other related sources and accounts payable.

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

4. Term deposits

	Purchase date	Maturity date	Interest rate %	2021	2020
Guaranteed Investment Certificate	February 22, 2021	March 17, 2022	.78	\$ <u>78,033</u>	\$

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Notes to Financial Statements

Year Ended December 31, 2021

5. Property and equipment

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 25,000	\$	\$ 25,000	\$ 25,000
Buildings	289,152	38,445	250,707	261,153
Computer equipment	2,857	1,702	1,155	986
Furniture and fixtures	1,186	618	568	700
Paving	17,113	685	16,428	
	<u>\$ 335,308</u>	<u>\$ 41,450</u>	<u>\$ 293,858</u>	<u>\$ 287,839</u>

6. Contributed services

Big Brothers & Big Sisters of Pictou County depends on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

7. Accounts payable

	2021	2020
Trade payables	\$ 22,137	\$ 19,761
Payroll	10,283	8,460
	<u>\$ 32,420</u>	<u>\$ 28,221</u>

8. Deferred revenue

	2021	2020
Big Bucks	\$ 16,560	\$ 31,060
DCS- Youth Outreach	15,177	33,380
Bauer MacIsaac Memorial Fund	5,908	
	<u>\$ 37,645</u>	<u>\$ 64,440</u>

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Notes to Financial Statements

Year Ended December 31, 2021

9. Campaigns

Expenditures associated with the Lottery Calendar have been recognized on the basis of the calendars sold during the year.

	<u>2021</u>	<u>2020</u>
Big Bucks Campaign:		
Revenue	\$ 386,246	\$ 388,862
Campaign expenses	<u>(206,724)</u>	<u>(193,286)</u>
	\$ 179,522	\$ 195,576
Lottery Calendar Campaign:		
Revenue	\$ 59,320	\$ 54,223
Campaign expenses	<u>(23,276)</u>	<u>(10,498)</u>
	\$ 36,044	\$ 43,725

10. Other income

	<u>2021</u>	<u>2020</u>
COVID grants	\$	\$ 6,225
Dinner Theatre	17,653	3,473
Donations	19,532	12,050
Emergency response funding		20,445
Fundraising	2,709	3,118
Other Revenue	3,193	5,569
Sponsorship	680	
Youth Outreach administrative fee	10,500	10,000
	<u>\$ 54,267</u>	<u>\$ 60,880</u>

11. Other grants

	<u>2021</u>	<u>2020</u>
Bauer MacIsaac Memorial Fund	\$ 2,427	\$
Canadian Online giving		1,000
Children's Aid Endowment- Big Bunch	1,000	
Go Girls & Game On Funding		11,667
Grants- Student Employment	4,030	14,545
Jump Start Funding		3,305
Municipality of Pictou County	1,250	500
Out of School Grant	22,000	
Province of Nova Scotia	620	
TD Brighter Futures Grant	16,000	
Thriving Community Grant	3,662	978
	<u>\$ 50,989</u>	<u>\$ 31,995</u>

12. Government assistance

In response to the COVID-19 pandemic, the Government of Canada created the Canadian Emergency Wage Subsidy ("CEWS"). The Company has assessed there is reasonable assurance that they are in compliance with the eligibility conditions related to the subsidy and that the grant received for the eligible periods during the year ended December 31, 2021 is appropriate. As a result, salaries and wages have been reduced by \$54,348.

13. Other matter

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

As at December 31, 2021, the association is aware of changes in its operations as a result of the COVID-19 crisis, including the closure of its offices for a period of time.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the association's operations as at the date of these financial statements.

14. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.