

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Financial Information

December 31, 2022

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
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Year Ended December 31, 2022

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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 information of Big Brothers & Big Sisters of Pictou County (the association) that comprise the statement of financial position as at December 31, 2022, 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 Information

Management is responsible for the preparation and fair presentation of this financial information 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 information that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial information 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 information 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 this financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information does not present fairly, in all material respects, the financial position of Big Brothers & Big Sisters of Pictou County as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

MacDonald & Murphy Inc.

New Glasgow, Nova Scotia
April 24, 2023

Chartered Professional Accountants



BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
Statement of Revenues and Expenditures
Year Ended December 31, 2022

	2022	2021
Revenue		
Big Bucks Campaign (Note 9)	\$ 150,283	\$ 179,522
DCS - Youth Outreach	70,000	70,000
Bowl for Kids Campaign	68,961	45,691
Other grants (Note 10)	66,439	50,989
Other income (Note 11)	46,146	54,267
Lottery Calendar Campaign (Note 9)	41,966	36,044
Province of Nova Scotia - service grants	31,900	31,900
United Way of Pictou County	10,310	2,470
Interest income	5,499	1,128
	<u>491,504</u>	<u>472,011</u>
Expenses		
Advertising and promotion	8,152	4,125
Antigonish satellite	1,774	1,226
Awards, AGM and appreciation	854	197
Bauer MacIsaac Memorial Fund	5,208	2,427
Bowl for Kids Campaign	8,568	4,410
Bursaries	2,000	2,500
COVID spending	7,392	5,284
Consulting fees	3,813	
DCS - Youth Outreach	83,080	72,296
Dues and fees	8,828	5,817
Fundraising	13,404	11,519
HST expense	7,319	6,902
Insurance	9,260	8,981
Interest and bank charges	3,695	3,838
Office	9,592	9,376
Postage and shipping	994	741
Professional fees	1,621	1,350
Program supplies	9,183	4,873
Property taxes	6,473	6,082
Repairs and maintenance	3,284	2,105
Salaries and wages	268,954	204,275
Telephone and internet	4,753	4,776
Training	1,775	783
Travel	2,959	1,234
Utilities	2,776	2,234
	<u>475,711</u>	<u>367,351</u>
Excess of revenue over expenses from operations	15,793	104,660
Other income		
Unrealized gain (loss) on marketable securities	(8,448)	2,091
Excess of revenue over expenses	\$ 7,345	\$ 106,751

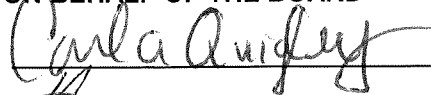

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
Statement of Changes in Net Assets
Year Ended December 31, 2022

	General Fund	Capital Fund Fund	2022	2021
Net assets - beginning of year	\$ 471,475	\$ 257,895	\$ 729,370	\$ 634,724
Excess of revenue over expenses	7,345		7,345	106,751
Capital funded from operations	(4,216)	4,216		
Amortization		(12,527)	(12,527)	(12,105)
Net assets - end of year	\$ 474,604	\$ 249,584	\$ 724,188	\$ 729,370

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
Current		
Cash	\$ 425,493	\$ 344,508
Term deposits (Note 4)	79,212	78,033
Marketable securities, at market value	54,073	64,681
Accounts receivable, net of allowance for doubtful accounts of \$Nil (2021 - \$Nil)	9,599	7,083
Prepaid expenses	1,888	11,272
	570,265	505,577
Property and equipment (Note 5)	285,546	293,858
	\$ 855,811	\$ 799,435
LIABILITIES		
Current		
Accounts payable (Note 7)	\$ 29,339	\$ 32,420
Deferred income (Note 8)	102,284	37,645
	131,623	70,065
NET ASSETS		
General fund	474,604	471,475
Capital fund fund	249,584	257,895
	724,188	729,370
	\$ 855,811	\$ 799,435

ON BEHALF OF THE BOARD

 Director
 Director

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY**Statement of Cash Flows
Year Ended December 31, 2022**

	2022	2021
Operating activities		
Cash receipts from funding agencies and donors	\$ 555,788	\$ 446,256
Cash paid to suppliers and employees	(465,710)	(360,442)
Interest paid	(3,698)	(3,839)
	<u>86,380</u>	<u>81,975</u>
Investing activity		
Purchase of capital assets	(4,216)	(18,124)
Increase in cash flow	82,164	63,851
Cash - beginning of year	<u>422,541</u>	<u>358,690</u>
Cash - end of year	<u>\$ 504,705</u>	<u>\$ 422,541</u>
Cash consists of:		
Cash	\$ 425,493	\$ 344,508
Term deposits	79,212	78,033
	<u>\$ 504,705</u>	<u>\$ 422,541</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%

The association regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

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 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, 2022.

(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 and other 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 %	2022	2021
Guaranteed Investment Certificate	March 17, 2022	May 17, 2023	1.7	\$ 79,212	\$
Guaranteed Investment Certificate	February 22, 2021	March 17, 2022	.78		78,033
				<u>\$ 79,212</u>	<u>\$ 78,033</u>

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Notes to Financial Information

Year Ended December 31, 2022

5. Property and equipment

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 25,000	\$	\$ 25,000	\$ 25,000
Buildings	289,152	48,474	240,678	250,707
Computer equipment	2,857	2,359	498	1,155
Furniture and fixtures	5,402	1,146	4,256	568
Paving	17,113	1,999	15,114	16,428
	\$ 339,524	\$ 53,978	\$ 285,546	\$ 293,858

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

	2022	2021
Trade payables	\$ 17,268	\$ 22,137
Payroll	12,071	10,283
	\$ 29,339	\$ 32,420

8. Deferred revenue

	2022	2021
Bauer MacIsaac Memorial Fund	\$ 8,000	\$ 5,908
Big Bucks	44,284	16,560
DCS - Youth Outreach		15,177
Joyce Family Foundation	50,000	
	\$ 102,284	\$ 37,645

BIG BROTHERS & BIG SISTERS OF PICTOU COUNTY

Notes to Financial Information

Year Ended December 31, 2022

9. Campaigns

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

	<u>2022</u>	<u>2021</u>
Big Bucks Campaign:		
Revenue	\$ 343,939	\$ 386,246
Campaign expenses	<u>(193,656)</u>	<u>(206,724)</u>
	\$ 150,283	\$ 179,522
Lottery Calendar Campaign:		
Revenue	\$ 63,961	\$ 59,320
Campaign expenses	<u>(21,995)</u>	<u>(23,276)</u>
	\$ 41,966	\$ 36,044

10. Other grants

	<u>2022</u>	<u>2021</u>
Bauer MacIlsac Memorial Fund	\$ 5,208	\$ 2,427
Children's Aid Endowment - Big Bunch	5,000	1,000
Mental Health Foundation of Nova Scotia	17,500	
Municipality of Pictou County		1,250
Out of School		22,000
Province of Nova Scotia		620
Student employment	8,654	4,030
TD Brighter Futures	4,000	16,000
Telus	20,000	
Thriving Community	4,577	3,662
Town of Westville	500	
Walmart	1,000	
	<u>\$ 66,439</u>	<u>\$ 50,989</u>

11. Other income

	<u>2022</u>	<u>2021</u>
Dinner Theatre	\$ 15,980	\$ 17,653
Donations	12,660	19,532
Fundraising	5,427	2,709
Other revenue	1,429	3,193
Sponsorship	150	680
Youth Outreach administrative fee	10,500	10,500
	<u>\$ 46,146</u>	<u>\$ 54,267</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, 2022 is appropriate. As a result, salaries and wages have been reduced by \$9,011 (2021 - \$54,348).