

**BIG BROTHERS BIG SISTERS OF  
OXFORD COUNTY  
Financial Statements  
For the Year Ended March 31, 2023**

**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Financial Statements**  
**For the Year Ended March 31, 2023**

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## Independent Auditor's Report

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To the members of  
BIG BROTHERS BIG SISTERS OF OXFORD COUNTY

### Qualified Opinion

We have audited the accompanying financial statements of BIG BROTHERS BIG SISTERS OF OXFORD COUNTY (the Organization), which comprise the balance sheet as at March 31, 2023, and the statements of revenue and expenditures and fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification 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 donation revenue, fundraising revenue and cash flows from operations for the year ended March 31, 2023 and the period ended March 31, 2022, current assets as at March 31, 2023 and March 31, 2022, and net assets as at April 1 and March 31 for the 2023 period and January 1 and March 31 for the 2022 year. Our audit opinion on the financial statements for the year ended March 31, 2022 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



### **Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Woodstock, Ontario  
September 5, 2023

**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Balance Sheet**

March 31	2023	2022
<b>Assets</b>		
<b>Current</b>		
Cash and bank	\$ 625,636	\$ 805,367
Short-term investments (Note 2)	257,769	-
Accounts receivable	696	996
HST Recoverable	8,607	5,452
Prepaid expenses	6,275	7,896
	898,983	819,711
<b>Funds held in trust</b>	5,153	-
	\$ 904,136	\$ 819,711
 <b>Liabilities and Fund Balances</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 34,910	\$ 23,402
Deferred income	148,780	120,291
Deferred income - restricted (Note 3)	12,441	12,441
	196,131	156,134
<b>Due to Ingersoll Indigenous Network</b>	5,153	-
	201,284	156,134
 <b>Fund balances</b>		
Operating fund	696,852	657,577
Endowment fund (Note 4)	6,000	6,000
	702,852	663,577
	\$ 904,136	\$ 819,711

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Statement of Revenue and Expenditures and Fund Balances**

For the year ended March 31	2023	2022
<b>Revenue</b>		
Camp	\$ 10,000	\$ -
City of Woodstock Community grant	2,500	2,000
County of Oxford	22,500	55,000
Donations	84,449	77,799
Endowments and grants	131,066	87,279
Fundraising (see schedule)	183,900	142,492
Miscellaneous	6,521	404
Trillium Foundation grant	88,740	116,201
United Way of Oxford	120,000	110,000
	<u>649,676</u>	<u>591,175</u>
<b>Expenditures</b>		
Bank charges	3,594	2,279
Conference and staff training	1,430	1,348
Insurance	17,516	12,575
Marketing and recruitment	13,404	11,328
Membership fees	10,776	13,514
New equipment	1,922	1,454
Office expense	24,277	18,412
Postage	1,290	659
Professional fees	17,532	14,252
Program supplies	14,559	12,638
Rent	61,633	61,285
Repairs and maintenance	3,597	2,211
Salaries and benefits		
- case management and programming	429,508	310,527
- administration and management	21,613	21,630
- fundraising	4,048	3,992
Travel	7,636	2,249
	<u>634,335</u>	<u>490,353</u>
<b>Excess of operating revenues over expenditures and other income</b>	<u>15,341</u>	<u>100,822</u>
<b>Other Income</b>		
Investment income	11,689	1,600
Unrealized gain on investments	12,245	-
	<u>23,934</u>	<u>1,600</u>
<b>Excess of revenues over expenditures</b>	<u>39,275</u>	<u>102,422</u>
<b>Fund balances, beginning of year</b>	<u>657,577</u>	<u>555,155</u>
<b>Fund balances, end of year</b>	<u>\$ 696,852</u>	<u>\$ 657,577</u>

The accompanying notes are an integral part of these financial statements.

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**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Statement of Cash Flows**

<b>For the year</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Net excess of revenues over expenditures	\$ 39,275	\$ 102,422
Unrealized gain on investments	(12,245)	-
	<u>27,030</u>	<u>102,422</u>
Changes in non-cash working capital:		
Accounts receivable	300	4,014
HST recoverable	(3,155)	2,093
Prepaid expenses	1,621	(869)
Accounts payable and accrued liabilities	11,508	(8,877)
Deferred income	28,489	(3,786)
	<u>65,793</u>	<u>94,997</u>
<b>Cash flows from investing activities</b>		
Purchase of short term investments	(245,524)	-
Proceeds on disposal of investments	-	10,000
	<u>(245,524)</u>	<u>10,000</u>
<b>Net (decrease) increase in cash</b>	<b>(179,731)</b>	<b>104,997</b>
<b>Cash, beginning of year</b>	<b>805,367</b>	<b>700,370</b>
<b>Cash, end of year</b>	<b>\$ 625,636</b>	<b>\$ 805,367</b>

The accompanying notes are an integral part of these financial statements.



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# BIG BROTHERS BIG SISTERS OF OXFORD COUNTY

## Notes to Financial Statements

March 31, 2023

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### 1. Significant Accounting Policies

**Nature of Operations** BIG BROTHERS BIG SISTERS OF OXFORD COUNTY (the "organization") is a volunteer based organization which provides responsible guidance in the development of children in the community through companionship and mentoring with volunteers.

The organization is a registered charity and as such is exempt from income taxes and is incorporated without share capital under the laws of Ontario.

**Basis of Accounting** The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**Financial Instruments** Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

Investments quoted in an active market or those with observable inputs significant to the determination of fair value are recorded at fair value at initial recognition. In subsequent periods, the investments are reported at fair value, with any change in fair value reported in income.

**Capital Assets** Tangible assets are capitalized if cost exceeds \$2,000. Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

Amortization is based on the estimated useful life of the asset.

**Revenue Recognition** The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the period 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.

Endowment contributions are recognized as direct increases in net assets.

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**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Notes to Financial Statements**

**March 31, 2023**

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**1. Significant Accounting Policies (continued)**

**Contributed Services** Volunteers contribute many hours per year to assist the organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

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**2. Short-term Investments**

The carrying amounts of investments are comprised of the following:

	<u>2023</u>	<u>2022</u>
At cost:		
Mutual funds	\$ 245,524	\$ -
	<hr/>	<hr/>
At fair value:		
Mutual funds	\$ 257,769	\$ -
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## BIG BROTHERS BIG SISTERS OF OXFORD COUNTY Notes to Financial Statements

**March 31, 2023**

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### 3. Deferred Income - Restricted

The deferred income - restricted balance represents unspent resources externally restricted related to expenses of a subsequent period. Externally restricted contributions consist of the following funds:

The Ryan Landon Memorial Fund is dedicated to providing resources that benefit all or a majority of children in the agency, as approved by the Landon Family.

The Mary Smith Memorial Fund recognizes community volunteers that have shown dedication to the organization as well as staff.

	2023	2022
Ryan Landon Memorial Fund	\$ 11,549	\$ 11,549
Mary Smith Memorial Fund	892	892
Ending balance	\$ 12,441	\$ 12,441

Changes in the deferred income - restricted balance are as follows:

	2023	2022
Beginning balance	\$ 12,441	\$ 12,441
Less: amounts recognized as revenue in the year	(631)	(1,020)
Add: amounts received related to expenses of a subsequent period	631	1,020
Ending balance	\$ 12,441	\$ 12,441

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### 4. Endowment

In 2002, the organization received a bequest from the Estate of Betty Mason. The principal of \$6,000 is to be maintained, with interest earned to be used for camp fees.

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## BIG BROTHERS BIG SISTERS OF OXFORD COUNTY Notes to Financial Statements

**March 31, 2023**

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### 5. Commitments

The organization has three operating leases for its premises.

The Woodstock location is rented for \$3,400 per month year 1, \$3,468 year 2, \$3,537 year 3, and \$3,608 year 4, under an extended lease expiring in October 2025. Either the landlord or the tenant can terminate the lease after ninety days that written notice is given.

The Ingersoll location is rented for \$1,061 per month, increasing by 3% per year, under an extended lease expiring in December 2026.

The Tillsonburg location is rented for \$310 per month, under a lease expiring January 2024. The landlord can terminate the lease after thirty days that written notice is given. The tenant can terminate the lease after 60 days that written notice is given.

The anticipated minimum annual lease payments for the next four years are as follows:

2023	\$ 58,893
2024	56,410
2025	39,273
2026	<u>10,747</u>
	<u>\$ 165,323</u>

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### 6. Financial Instruments

#### Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and commitments.

There have been no changes to this risk or the organization's exposure to it from the previous year.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is mainly exposed to other price risk on the valuation of its mutual funds.

There has been an increase in this risk due to the purchase of mutual funds, which are valued at fair market value.

**BIG BROTHERS BIG SISTERS OF OXFORD COUNTY**  
**Schedule of Fundraising Revenue and Expenditures**

For the year ended March 31	2023	2022
<b>Revenue</b>		
Bid for Kids Sake	\$ 13,484	\$ 11,133
Big Night Out	120,071	84,246
Car Show	9,789	-
Miscellaneous	3,240	4,091
Play for Kids Sake	54,026	35,429
Trivia Night	16,427	13,766
Rally 4 Restaurants	17,925	15,670
Raffle Income	-	500
	234,962	164,835
<b>Expenditures</b>		
Bid for Kids Sake	217	144
Big Night Out	38,407	14,202
Car Show	563	-
Miscellaneous	30	-
Play for Kids Sake	3,814	1,691
Trivia Night	5,796	5,273
Rally 4 Restaurants - expense	2,235	1,033
	51,062	22,343
	\$ 183,900	\$ 142,492

The accompanying notes are an integral part of these financial statements.