

**Big Brothers Big Sisters in Oxford
County
Financial Statements
For the Year Ended March 31, 2024**

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For the Year Ended March 31, 2024**

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Independent Auditor's Report

To the members of
Big Brothers Big Sisters in Oxford County

Qualified Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters in Oxford County (the Organization), which comprise the balance sheet as at March 31, 2024, 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, 2024, 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 years ended March 31, 2023 and 2024, current assets as at March 31, 2023 and 2024, and net assets as at April 1 and March 31 for both the 2023 and 2024 years. Our audit opinion on the financial statements for the year ended March 31, 2024 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 9, 2024

Big Brothers Big Sisters in Oxford County Balance Sheet

March 31	2024	2023
Assets		
Current		
Cash and bank	\$ 342,374	\$ 625,636
Short-term investments (Note 2)	484,289	257,769
Accounts receivable	271	696
HST Recoverable	8,051	8,607
Prepaid expenses	11,593	6,275
	846,578	898,983
Funds held in trust	3,691	5,153
	\$ 850,269	\$ 904,136
 Liabilities and Fund Balances		
Current		
Accounts payable and accrued liabilities	\$ 59,378	\$ 34,910
Deferred income	58,583	148,780
Deferred income - restricted (Note 3)	13,688	12,441
	131,649	196,131
Due to Ingersoll Indigenous Network	3,691	5,153
	135,340	201,284
 Fund balances		
Operating fund	708,929	696,852
Endowment fund (Note 4)	6,000	6,000
	714,929	702,852
	\$ 850,269	\$ 904,136

On behalf of the Board:

_____ Director

_____ Director

Big Brothers Big Sisters in Oxford County Statement of Revenue and Expenditures and Fund Balances

For the year ended March 31	2024	2023
Revenue		
City of Woodstock Community grant	\$ 5,000	\$ 2,500
County of Oxford	-	22,500
Donations	82,416	94,449
Endowments and grants	189,121	131,066
Fundraising (see schedule)	222,225	183,900
Miscellaneous	409	6,521
Trillium Foundation grant	83,344	88,740
United Way of Oxford	119,937	120,000
	702,452	649,676
Expenditures		
Bank charges	4,029	3,594
Conference and staff training	10,064	1,430
Insurance	15,898	17,516
Marketing and recruitment	11,785	13,404
Membership fees	29,419	10,776
New equipment	-	1,922
Office expense	19,829	24,277
Postage	910	1,290
Professional fees	20,728	17,532
Program supplies	28,255	14,559
Rent	63,636	61,633
Repairs and maintenance	2,102	3,597
Salaries and benefits		
- case management and programming	491,510	429,508
- administration and management	22,385	21,613
- fundraising	4,206	4,048
Travel	3,601	7,636
	728,357	634,335
Excess (deficiency) of operating revenues over expenditures and other income	(25,905)	15,341
Other Income		
Investment income	29,444	11,689
Unrealized gain on investments	8,538	12,245
	37,982	23,934
Excess of revenues over expenditures	12,077	39,275
Fund balances, beginning of year	696,852	657,577
Fund balances, end of year	\$ 708,929	\$ 696,852

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

Big Brothers Big Sisters in Oxford County Statement of Cash Flows

For the year	2024	2023
Cash flows from operating activities		
Net excess of revenues over expenditures	\$ 12,077	\$ 39,275
Unrealized gain on investments	(8,538)	(12,245)
	<u>3,539</u>	<u>27,030</u>
Changes in non-cash working capital:		
Accounts receivable	425	300
HST recoverable	556	(3,155)
Funds held in trust	1,462	-
Prepaid expenses	(5,318)	1,621
Accounts payable and accrued liabilities	24,468	11,508
Deferred income	(90,197)	28,489
Deferred income - restricted	1,247	-
Due to Ingersoll Indigenous Network	(1,462)	-
	<u>(65,280)</u>	<u>65,793</u>
Cash flows from investing activities		
Purchase of short term investments	(217,982)	(245,524)
	<u>(217,982)</u>	<u>(245,524)</u>
Net decrease in cash	(283,262)	(179,731)
Cash, beginning of year	<u>625,636</u>	<u>805,367</u>
Cash, end of year	\$ 342,374	\$ 625,636

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

Big Brothers Big Sisters in Oxford County Notes to Financial Statements

March 31, 2024

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.

Big Brothers Big Sisters in Oxford County Notes to Financial Statements

March 31, 2024

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.

2. Short-term Investments

The carrying amounts of investments are comprised of the following:

	<u>2024</u>	<u>2023</u>
At cost:		
Mutual funds	\$ 475,751	\$ 245,524
At fair value:		
Mutual funds	\$ 484,289	\$ 257,769

Big Brothers Big Sisters in Oxford County Notes to Financial Statements

March 31, 2024

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.

	2024	2023
Ryan Landon Memorial Fund	\$ 12,796	\$ 11,549
Mary Smith Memorial Fund	892	892
Ending balance	\$ 13,688	\$ 12,441

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

	2024	2023
Beginning balance	\$ 12,441	\$ 12,441
Less: amounts recognized as revenue in the year	-	(631)
Add: amounts received related to expenses of a subsequent period	1,247	631
Ending balance	\$ 13,688	\$ 12,441

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.

Big Brothers Big Sisters in Oxford County Notes to Financial Statements

March 31, 2024

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 2025. 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:

2025	\$ 60,125
2026	32,056
2027	<u>10,747</u>
	<u>\$ 102,928</u>

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 in Oxford County Schedule of Fundraising Revenue and Expenditures

For the year ended March 31	2024	2023
Revenue		
Bid for Kids Sake	\$ 11,875	\$ 13,484
Big Night Out	124,901	120,071
Car Show	10,888	9,789
Miscellaneous	32,652	3,240
Play for Kids Sake	56,005	54,026
Trivia Night	21,091	16,427
Rally 4 Restaurants Income	13,490	17,925
	270,902	234,962
Expenditures		
Bid for Kids Sake	204	217
Big Night Out	39,563	38,407
Car Show	743	563
Miscellaneous	48	30
Play for Kids Sake	4,161	3,814
Trivia Night	2,260	5,796
Rally 4 Restaurant Expense	1,698	2,235
	48,677	51,062
	\$ 222,225	\$ 183,900

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