

**BIG BROTHERS BIG SISTERS OF
NIAGARA**
Financial Statements

For the period July 14, 2023 to
December 31, 2023

BIG BROTHERS BIG SISTERS OF NIAGARA
Index to the Financial Statements
For the period July 14, 2023 to December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of BIG BROTHERS BIG SISTERS OF NIAGARA

Qualified Opinion

I have audited the accompanying financial statements of BIG BROTHERS BIG SISTERS OF NIAGARA, which comprise the statement of financial position as at December 31, 2023 and the statements of operations, changes in fund balances and cash flow for the period July 14, 2023 to December 31, 2023, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of BIG BROTHERS BIG SISTERS OF NIAGARA as at December 31, 2023 and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many non-for-profit organizations, BIG BROTHERS BIG SISTERS OF NIAGARA derives part of its revenue from donations, fundraising, and lottery events the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether, as at and for the period ended December 31, 2023, any adjustments might be necessary to revenue, excess of expenditures over revenue, assets and net assets.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of my report. I am independent of BIG BROTHERS BIG SISTERS OF NIAGARA in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Other Matter

The financial statements of BIG BROTHERS BIG SISTERS OF NIAGARA for the period ended July 13, 2023, were audited by another auditor who expressed a qualified opinion on those statements on January 9, 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 BIG BROTHERS BIG SISTERS OF NIAGARA'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 BIG BROTHERS BIG SISTERS OF NIAGARA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing BIG BROTHERS BIG SISTERS OF NIAGARA's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 BIG BROTHERS BIG SISTERS OF NIAGARA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Financial Statements (con'd)

- 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 BIG BROTHERS BIG SISTERS OF NIAGARA's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause BIG BROTHERS BIG SISTERS OF NIAGARA 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.

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



NICOLE HENDERSON
PROFESSIONAL CORPORATION
Authorized to practice public
accounting by the Chartered
Professional Accountants of Ontario

June 12, 2024
Welland, Ontario



NICOLE HENDERSON
Professional Corporation
CHARTERED PROFESSIONAL ACCOUNTANT

BIG BROTHERS BIG SISTERS OF NIAGARA

Statement of Financial Position as at December 31, 2023

	Dec 31, 2023	July 13, 2023
ASSETS		
Current assets		
Cash	\$616,033	\$892,684
Cash and term deposits - restricted funds (note 4)	123,119	128,854
Term deposits (note 4)	77,971	58,000
Marketable securities (note 5)	241,110	234,152
Accounts receivable (note 6)	73,011	33,827
Prepaid expenses	39,073	33,033
	<u>1,170,317</u>	<u>1,380,550</u>
Long-term assets		
Property and equipment (note 8)	372,924	270,769
	<u>\$1,543,241</u>	<u>\$1,651,319</u>

LIABILITIES AND FUND BALANCES

Current liabilities		
Accounts payable and accrued liabilities	\$109,260	\$77,035
Deferred grant revenue (note 9)	220,408	368,826
Deferred Heather Robson Scholarship monies	-	14,050
	<u>329,668</u>	<u>459,911</u>
Deferred capital contributions (note 10)	102,359	17,089
	<u>432,027</u>	<u>477,000</u>
Fund balances		
Unrestricted fund	698,831	774,696
Externally restricted fund	123,119	128,854
Invested in property and equipment	289,264	270,769
	<u>1,111,214</u>	<u>1,174,319</u>
Commitments (note 12)		
	<u>\$1,543,241</u>	<u>\$1,651,319</u>

See accompanying notes to the financial statements

On behalf of the Board of Directors.

Director: _____

Director: _____

BIG BROTHERS BIG SISTERS OF NIAGARA

Statement of Operations - Unrestricted for the period July 14, 2023 to December 31, 2023

	July 14/23 to Dec 31/23	Jan 1/23 to July 13/23	Jan 1/22 to Dec 31/22 (note 3)
Revenue:			
Grants	\$266,140	\$247,553	\$478,875
Special events	146,467	179,010	323,766
United Way	104,791	140,704	277,764
Donations	96,863	74,179	353,450
Lottery revenue	44,547	43,924	88,679
Nearly New Store - Schedule 1	31,512	43,733	58,832
Investment (loss) income	18,905	18,073	(19,598)
Amortization of deferred capital contributions	34,119	349	-
	<u>743,344</u>	<u>747,525</u>	<u>1,561,768</u>
Expenditures:			
Salaries and benefits	516,897	620,266	1,073,301
Professional fees	36,375	56,065	52,503
Special events	50,149	59,624	81,882
Office and general	65,335	59,631	118,602
Promotion	15,486	21,749	24,129
Organizational development	8,585	22,845	12,793
Dues and fees	5,113	16,726	24,994
Insurance and property taxes	22,440	24,104	58,655
Utilities and telephone	7,897	12,934	23,909
Mileage	9,776	12,084	11,408
Repairs and maintenance	6,358	5,336	25,936
Bank charges and interest	2,443	7,383	15,444
Program supplies	14,674	4,290	17,247
Rent	13,289	13,573	44,054
Nearly New Store expenses - Schedule 1	10,273	11,268	27,415
Amortization	15,624	15,787	21,323
	<u>800,714</u>	<u>963,665</u>	<u>1,633,595</u>
Excess of expenditures over revenue	<u>(\$57,370)</u>	<u>(\$216,140)</u>	<u>(\$71,827)</u>

See accompanying notes to the financial statements

BIG BROTHERS BIG SISTERS OF NIAGARA

Statement of Operations - Externally Restricted Fund for the period July 14, 2023 to December 31, 2023

	July 14/23 to Dec 31/23	Jan 1/23 to July 13/23	Jan 1/22 to Dec 31/22 (note 3)
Revenue:			
Interest	\$2,279	\$2,060	\$2,829
Donations	-	5,000	-
	<u>2,279</u>	<u>7,060</u>	<u>2,829</u>
Expenditures:			
Bank charges	(14)	(25)	(54)
Scholarship expense	(8,000)	(3,669)	-
	<u>(8,014)</u>	<u>(3,694)</u>	<u>(54)</u>
Excess of revenue over expenditures (expenditures over revenue)	<u>(\$5,735)</u>	<u>\$3,366</u>	<u>\$2,775</u>

See accompanying notes to the financial statements

BIG BROTHERS BIG SISTERS OF NIAGARA

Statement of Changes in Fund Balances for the period July 14, 2023 to December 31, 2023

	Unrestricted	Invested in property and equipment	Externally Restricted	July 14/23 to Dec 31/23	Jan 1/23 to July 13/23
Balance, beginning of year	\$774,696	\$270,769	\$128,854	\$1,174,319	\$1,387,093
Excess of expenditures over revenue	(75,865)	18,495	(5,735)	(63,105)	(212,774)
Purchases of property and equipment	-	-	-	-	25,178
Transfer to invested in property and equipment	-	-	-	-	(25,178)
Balance, end of year	\$698,831	\$289,264	\$123,119	\$1,111,214	\$1,174,319

See accompanying notes to the financial statements

BIG BROTHERS BIG SISTERS OF NIAGARA

Statement of Cash Flows for the period July 14, 2023 to December 31, 2023

	July 14/23 to Dec 31/23	Jan 1/23 to July 13/23
Cash flows from operating activities		
Excess of expenditures over revenue	(\$63,105)	(\$212,774)
Items not affecting cash		
Amortization	15,624	15,787
Amortization of deferred capital contributions	(34,119)	(349)
Unrealized loss (gain) on marketable securities (note 7)	(2,382)	(8,201)
Changes in non-cash working capital:		
Accounts receivable	(39,184)	(2,539)
Prepaid expenses	(6,040)	(28,642)
Accounts payable and accrued liabilities	32,225	10,416
Government remittances payable	-	(7,768)
Deferred grant revenue	(148,418)	242,965
Deferred Heather Robson Scholarship monies	(14,050)	650
	<u>(259,449)</u>	<u>9,545</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(117,779)	(25,178)
Purchase of marketable securities	(11,029)	-
Proceeds from sale of marketable securities	6,453	1,502
Purchase of term deposits	(77,971)	-
Proceeds on sale of term deposits	58,000	-
Deferred capital contributions received	119,389	17,438
	<u>(22,937)</u>	<u>(6,238)</u>
Increase (decrease) in cash position	(282,386)	3,307
Cash position at the beginning of the year	1,021,538	1,018,231
Cash position at the end of the year	<u>\$739,152</u>	<u>\$1,021,538</u>
Cash consists of:		
Cash	\$616,033	\$892,684
Cash and short-term investments - restricted funds	123,119	128,854
	<u>\$739,152</u>	<u>\$1,021,538</u>

See accompanying notes to the financial statements

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements
For the period July 14, 2023 to December 31, 2023

1. Nature of Operations

Big Brothers Big Sisters of Niagara (the "Association") was established to ignite the power and potential of young people by enabling life-changing mentoring relationships. The organization is incorporated without share capital as a registered charitable not-for-profit organization. The organization is registered as a charitable organization and is exempt from income tax legislation under subsection 149(1)(f) of the Income Tax Act.

2. Summary of Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

(a) Fund accounting

For financial reporting purposes, the accounts have been classified into the following funds:

Unrestricted Fund

The Unrestricted Fund comprises the unrestricted resources available for operating purposes.

Invested in Property and Equipment

Invested in Property and Equipment comprises the net resources that the Association has invested in the purchase of property and equipment net of related financing (if any) and accumulated amortization of the assets.

Externally Restricted Fund

The Externally Restricted Fund is an externally restricted fund and the capital is to be used for scholarships for mentees.

(b) Financial instruments

Financial instruments in arm's length transactions

The Association accounts for the following as financial instruments:

- cash
- term deposits
- marketable securities
- accounts receivables
- accounts payable

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

2. Summary of Significant Accounting Policies (con'd)

(b) Financial instruments (con'd)

A financial asset or liability is recognized when the Association becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized on the statement of operations.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. Financial instruments measured at fair value include marketable securities.

The fair value of investments in publicly traded companies has been determined using the closing price at year end.

Impairment

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.

Financial instruments in related party transactions

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Association does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

2. Summary of Significant Accounting Policies (con'd)

(b) Financial instruments (con'd)

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Association initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Association has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

(c) Revenue recognition

The Association follows the deferral method of accounting for contributions which includes grants and donations. Contributions of property and equipment are included as deferred contributions and are amortized to revenue at the same rate and on the same basis as amortization of the related property and equipment.

Restricted contributions related to general operations are recognized as revenue of the Unrestricted fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue in the Externally Restricted fund. Unrestricted contributions are recognized as revenue in the Unrestricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Net investment income that is not externally restricted is recognized as it is earned in the statement of operations. Net investment income that is externally restricted, other than for endowment purposes, is recognized in the statements of operations, in deferred contributions or in net assets, depending on the nature of restrictions imposed.

Interest revenue is recognized on a time proportion basis. Dividend revenue is recognized when the right to receive a dividend has been established. Other types of revenue are recorded in the period in which they are earned and measurement and collectability is reasonable assured.

(d) Contributed material and services

The Association receives benefits from donations in kind of merchandise and donated services. Volunteers contributed time to assist the Association in carrying out its programs. Because of the difficulty in determining their fair value, contributed material and services are not recognized in the financial statements.

(e) Cash

Cash consists of short-term investments with an initial maturity of three months or less.

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

2. Summary of Significant Accounting Policies (con'd)

(f) Property and equipment

Property and equipment are initially measured at costs and subsequently measured at cost less accumulated amortization. Amortization is provided for over the estimated useful life of the asset.

Asset	Basis	Rate
Building	Declining balance method	4%
Parking lot	Straight line method	10 years
Furniture and equipment	Declining balance method	20%
Computers	Straight line method	3 years
Computers	Straight line method	10 years

The Association tests long-lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

(g) Government assistance

Government subsidies are recognized when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured. Subsidies received to cover current period expenses are recognized in the statement of operations as grants.

(h) Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include the useful life of property and equipment and revenue recognition of deferred grants.

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

3. Amalgamation

Pursuant to Letters Patent of Amalgamation dated July 14, 2023, Big Brothers Big Sisters of South Central Niagara (predecessor corporation) amalgamated with Big Brothers Big Sisters of North & West Niagara (predecessor corporation) to form the Amalgamated Corporation Big Brothers Big Sisters of Niagara effective July 14, 2023.

The predecessor corporations were incorporated under the Corporations Act (Ontario) without share capital, had the same or similar objects and were both charitable organizations under section 149(1)(f) of the Income Tax Act. On the amalgamation, each predecessor corporation contributed to the Amalgamated Corporation all its assets subject to all its liabilities. The Amalgamated Corporation possesses all the property, rights, and privileges and shall be subject to all the liabilities, contracts, and debts of the predecessor entities. The by-laws of both predecessor corporations are the by-laws of the newly amalgamated Big Brothers Big Sisters of Niagara.

The two Big Brothers Big Sisters agencies amalgamated to strengthen programs and services offered across Niagara.

The following represents the Statement of Financial Position for each organization as at the date of the amalgamation on July 14, 2023.

	Big Brothers Big Sisters of North & West Niagara	Big Brothers Big Sisters of South Central Niagara	Combined Total
Current assets			
Cash	\$430,449	\$462,235	\$892,684
Cash and term deposits - restricted funds	-	128,854	128,854
Term deposits	58,000	-	58,000
Marketable securities	234,152	-	234,152
Accounts receivable	18,819	15,008	33,827
Due between organizations	19,311	(19,311)	-
Prepaid expenses	10,439	22,594	33,033
	<u>771,170</u>	<u>609,380</u>	<u>1,380,550</u>
Long-term			
Property and equipment	270,769	-	270,769
	<u>\$1,041,939</u>	<u>\$609,380</u>	<u>\$1,651,319</u>
Current liabilities			
Accounts payable and accrued liabilities	\$54,771	\$22,264	\$77,035
Deferred grant revenue	282,959	85,867	368,826
Deferred Heather Robson Scholarship monies	-	14,050	14,050
Deferred capital contributions	17,089	-	17,089
	<u>354,819</u>	<u>122,181</u>	<u>477,000</u>
Fund balances			
Unrestricted fund	416,351	358,345	774,696
Externally restricted	-	128,854	128,854
Invested in property and equipment	270,769	-	270,769
	<u>687,120</u>	<u>487,199</u>	<u>1,174,319</u>
	<u>\$1,041,939</u>	<u>\$609,380</u>	<u>\$1,651,319</u>

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

3. Amalgamation (con'd)

The following represents the Statement of Operations - Unrestricted for each organization for the year ended December 31, 2022.

	Big Brothers Big Sisters of North & West Niagara	Big Brothers Big Sisters of South Central Niagara	Combined Total
Revenue:			
Grants	\$297,716	\$181,159	\$478,875
Special events	223,942	99,824	323,766
United Way	95,627	182,137	277,764
Donations	272,465	80,985	353,450
Lottery revenue	-	88,679	88,679
Nearly New Store	-	58,832	58,832
Investment (loss) income	(20,092)	494	(19,598)
	<u>869,658</u>	<u>692,110</u>	<u>1,561,768</u>
Expenditures:			
Salaries and benefits	652,354	420,947	1,073,301
Professional fees	22,141	30,362	52,503
Special events	55,457	26,425	81,882
Office and general	54,682	63,920	118,602
Promotion	21,830	2,299	24,129
Organizational development	9,895	2,898	12,793
Dues and fees	12,443	12,551	24,994
Insurance and property taxes	22,203	36,452	58,655
Utilities and telephone	18,483	5,426	23,909
Mileage	5,693	5,715	11,408
Repairs and maintenance	25,936	-	25,936
Bank charges and interest	12,311	3,133	15,444
Program supplies	11,062	6,185	17,247
Rent	8,478	35,576	44,054
Nearly New Store expenses	-	27,415	27,415
Amortization	21,323	-	21,323
	<u>954,291</u>	<u>679,304</u>	<u>1,633,595</u>
Excess of revenue over expenditures	<u>(\$84,633)</u>	<u>\$12,806</u>	<u>(\$71,827)</u>

4. Term deposits

The term deposits bear interest from 4.9% to 5.3% and mature between January 8, 2024 to December 16, 2024.

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

5. Marketable securities

Investments quoted in an active market, at fair value:

	<u>Dec 31, 2023</u>	<u>July 13, 2023</u>
Mutual funds	\$207,610	\$202,122
Equities	33,500	32,030
	<u>\$241,110</u>	<u>\$234,152</u>

6. Accounts receivable

	<u>Dec 31, 2023</u>	<u>July 13, 2023</u>
Accounts receivable	\$36,083	\$7,446
HST recoverable	36,490	24,610
Accrued interest	438	1,771
	<u>\$73,011</u>	<u>\$33,827</u>

7. Investment income

Investment income earned on marketable securities recorded at fair value consists of the following:

	<u>Dec 31, 2023</u>	<u>July 13, 2023</u>
Interest	\$16,358	\$9,775
Dividends	675	660
Realized gain	(510)	(563)
Unrealized (loss) gain	2,382	8,201
	<u>\$18,905</u>	<u>\$18,073</u>

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

8. Property and equipment

	Cost	Accumulated Amortization	Dec 31, 2023 Net Book Value	July 13, 2023 Net Book Value
Land	\$114,895	-	\$114,895	\$114,895
Building	350,909	153,259	197,650	88,105
Parking lot	37,964	7,592	30,372	30,751
Furniture and equipment	86,598	75,579	11,019	13,774
Computers	59,500	56,921	2,579	6,630
Signs	20,511	4,102	16,409	16,614
	<u>\$670,377</u>	<u>\$297,453</u>	<u>\$372,924</u>	<u>\$270,769</u>

9. Deferred grant revenue

Deferred grant revenues relate to restricted contributions for special projects or specified purposes. These grants and the changes in the deferred revenue balances are as follows:

	Balance, beginning of period	Received	Recognized	Balance, end of period
St. Catharines Mayor's Golf Tournament	\$9,193	-	(\$7,752)	\$1,441
Ministry of Education	3,965	67,325	(71,290)	-
United Way	6,457	-	(6,457)	-
Branscombe Foundation	12,245	65,000	(12,245)	65,000
The Joyce Family Foundation	-	40,000	(20,000)	20,000
Trillium Grant	-	5,200	(5,200)	-
Trillium Grant Resilient Communities	23,556	40,400	(26,746)	37,210
John Deere Grant	8,250	-	(8,250)	-
Senior Horizon Grant	21,014	-	(4,416)	16,598
Niagara Community Foundation David S Howes	17,428	-	(17,428)	-
Niagara Community Foundation	25,588	-	(25,588)	-
Amalgamation	-	-	-	-
Community Care	-	1,982	(1,982)	-
Canada Summer Jobs	5,795	4,004	(9,799)	-
CAA Niagara Community Support Grant	10,000	-	(637)	9,363
City of Welland	1,000	-	(1,000)	-
GFKS event	47,350	-	(47,350)	-
Trillium Grant Accessibility	101,562	13,200	(114,762)	-
Accessibility Grant	75,423	-	(4,627)	70,796
Balance, ending	<u>\$368,826</u>	<u>\$237,111</u>	<u>(\$385,529)</u>	<u>\$220,408</u>

BIG BROTHERS BIG SISTERS OF NIAGARA
Notes to Financial Statements
For the period July 14, 2023 to December 31, 2023

10. Deferred Contributions - Capital

Deferred contributions relating to capital assets represent restricted contributions spent to acquire capital assets. These deferred contributions are brought into income to match amortization expense over the life of the capital assets so acquired.

	Dec 31, 2023	July 13, 2023
Balance, beginning of year	\$17,089	-
Received during the year - Accessibility grants		
Trillium Grant Accessibility	114,762	17,438
Accessibility Grant	4,627	-
Amortized to revenue for the year	(34,119)	(349)
Balance, ending	\$102,359	\$17,089

11. Fort Erie Lottery

Statement of Operations and Changes in Fund Balance

	Unaudited Budget	Dec 31, 2023	July 13, 2023
Revenue	\$18,740	\$17,844	\$23,602
Expenditures:			
Office/Program supplies	351	4,797	10,218
Little brother little sister activities	703	646	150
Rent and utilities	3,328	5,327	3,775
Salaries and benefits	14,358	24,017	16,289
	18,740	34,787	30,432
Excess of revenue over expenditures	-	(16,943)	(6,830)
Fund balance, beginning of year		38,273	45,103
Fund balance, end of year		\$21,330	\$38,273

BIG BROTHERS BIG SISTERS OF NIAGARA

Notes to Financial Statements

For the period July 14, 2023 to December 31, 2023

12. Commitments

The organization has a lease agreement for office space. The lease commenced October 1, 2016 and was previously extended until September 30, 2023. The lease has been extended for another two years and expires September 30, 2025. The monthly lease payment is \$1,580.53 plus HST.

13. Contingent Liabilities

Two previous member's have filed claims against the organization for historical client matters. The organization has indicated that the claims are being dealt with through their insurance coverage. As at the auditor's report date, the organization has indicated that the final outcome of the claims are still not determinable and no accrual has been recorded for any additional amounts.

14. Financial Instruments

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposures and concentrations at December 31, 2023. There have been no significant changes in these risks from the prior year.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting the obligations associated with its financial liabilities. The Association is exposed to this risk mainly in respect of the timing of receipt of funds from charitable organizations and payment of its accounts payable.

Market risk

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its investments in fixed rate term deposits.

BIG BROTHERS BIG SISTERS OF NIAGARA
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14. Financial Instruments (con'd)

(ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is exposed to other price risk through its holdings of marketable securities.

15. Comparative Amounts

Certain comparative amounts have been reclassified to conform to the presentation adopted for the current year.

BIG BROTHERS BIG SISTERS OF NIAGARA**SCHEDULE 1**

Statement of Revenue and Expenditures - Nearly New Store for the period July 14, 2023 to December 31, 2023

	July 14/23 to Dec 31/23	Jan 1/23 to July 13/23	Jan 1/22 to Dec 31/22 (note 3)
Revenue:			
Sales	\$31,512	\$43,733	\$58,832
Expenditures:			
Insurance	-	-	875
Office	68	1,151	7,571
Rent	7,218	8,369	14,967
Repairs and maintenance	1,049	-	-
Telephone	760	677	1,372
Utilities	1,178	1,071	2,630
	<u>10,273</u>	<u>11,268</u>	<u>27,415</u>
	<u>\$21,239</u>	<u>\$32,465</u>	<u>\$31,417</u>

See accompanying notes to the financial statements