

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
Financial Statements
Year Ended December 31, 2023

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
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Year Ended December 31, 2023

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LYLE TILLEY DAVIDSON
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Big Brothers Big Sisters of Greater Halifax

Qualified Opinion

We have audited the financial statements of Big Brothers Big Sisters of Greater Halifax (the "Organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, changes in net assets 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 December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities and donations, 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 fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the year ended December 31, 2023, current assets and net assets as at December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of 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 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 the financial statements in accordance with 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.

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.

(continues)

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.



Halifax, Nova Scotia
April 26, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX


Statement of Financial Position

December 31, 2023


	Operating	ReNew Crew	Capital Fund	2023	2022
ASSETS (Note 7)					
CURRENT					
Cash	\$ 122,434	\$ 132,972	\$ -	\$ 255,406	\$ 848,092
Short term investments (Note 4)	81,582	-	-	81,582	29,643
Accounts receivable	49,148	82,489	-	131,637	99,608
Inventory	-	3,706	-	3,706	620
Harmonized sales tax (HST) recoverable	4,269	8,831	-	13,100	18,055
Prepaid expenses	-	-	-	-	12,524
	257,433	227,998	-	485,431	1,008,542
CAPITAL ASSETS (Note 5)	-	46,504	4,842	51,346	42,462
LONG TERM INVESTMENTS (Note 4)	567,929	-	-	567,929	-
	\$ 825,362	\$ 274,502	\$ 4,842	\$ 1,104,706	\$ 1,051,004
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable and accrued liabilities	\$ 28,720	\$ 78,403	\$ -	\$ 107,123	\$ 107,636
Current portion of long term debt	-	-	-	-	40,000
Deferred revenue (Note 6)	87,477	-	-	87,477	84,044
	116,197	78,403	-	194,600	231,680
INTERFUND BALANCES (Note 10)	171,958	(171,958)	-	-	-
	288,155	(93,555)	-	194,600	231,680
NET ASSETS	537,207	368,057	4,842	910,106	819,324
	\$ 825,362	\$ 274,502	\$ 4,842	\$ 1,104,706	\$ 1,051,004

COMMITMENTS (Note 12)

ON BEHALF OF THE BOARD



 Director



 Director

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	Operating Fund	ReNew Crew Fund	Capital Fund	2023	2022 <i>Restated</i>
REVENUES					
Provincial government grant <i>(Note 6)</i>	\$ 161,900	\$ -	\$ -	\$ 161,900	\$ 161,900
Special fundraising events	144,230	-	-	144,230	123,225
Earned revenue	-	928,373	-	928,373	888,257
Donations from individuals and corporations	156,021	-	-	156,021	101,314
Foundations <i>(Note 8)</i>	215,706	-	-	215,706	176,750
Non-recurring government grants	10,128	-	-	10,128	1,938
Miscellaneous <i>(Note 9)</i>	85,767	3,587	-	89,354	21,276
	<u>773,752</u>	<u>931,960</u>	<u>-</u>	<u>1,705,712</u>	<u>1,474,660</u>
EXPENDITURES					
Agency dues and fees	12,468	-	-	12,468	14,660
Amortization	-	9,207	1,258	10,465	12,007
Building occupancy	9,554	57,675	-	67,229	78,897
Employee benefits	90,009	22,681	-	112,690	99,104
Fund development and events	35,278	-	-	35,278	27,349
Insurance	20,210	1,925	-	22,135	21,632
Interest and bank charges	19,833	1,606	-	21,439	13,525
Management and administrative services	(50,000)	50,000	-	-	-
Office	51,287	31,978	-	83,265	89,078
Partnership agreement <i>(Note 11)</i>	-	180,562	-	180,562	217,631
Professional fees	17,464	9,367	-	26,831	29,901
Program materials and supplies	11,523	-	-	11,523	19,361
Promotion	735	294	-	1,029	3,180
Salaries	578,912	361,378	-	940,290	933,045
Transportation	3,151	86,575	-	89,726	107,310
	<u>800,424</u>	<u>813,248</u>	<u>1,258</u>	<u>1,614,930</u>	<u>1,666,680</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS	<u>(26,672)</u>	<u>118,712</u>	<u>(1,258)</u>	<u>90,782</u>	<u>(192,020)</u>
OTHER INCOME (EXPENSE)					
Gain on disposal of capital assets	-	-	-	-	557,340
COVID-19 subsidy (repayment)	-	-	-	-	(2,071)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>555,269</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (26,672)</u>	<u>\$ 118,712</u>	<u>\$ (1,258)</u>	<u>\$ 90,782</u>	<u>\$ 363,249</u>

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
Statement of Changes in Net Assets
Year Ended December 31, 2023

	Operating Fund	ReNew Crew Fund	Capital Fund	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 513,879	\$ 299,345	\$ 6,100	\$ 819,324	\$ 456,075
Excess (deficiency) of revenues over expenditures	(26,672)	118,712	(1,258)	90,782	363,249
Transfers (<i>Note 10</i>)	50,000	(50,000)	-	-	-
NET ASSETS - END OF YEAR	\$ 537,207	\$ 368,057	\$ 4,842	\$ 910,106	\$ 819,324

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Statement of Cash Flows

Year Ended December 31, 2023

	Operating Fund	ReNew Crew Fund	Capital Fund	2023	2022
OPERATING ACTIVITIES					
Excess (deficiency) of revenues over expenditures	\$ (26,672)	\$ 118,712	\$ (1,258)	\$ 90,782	\$ 363,249
Items not affecting cash:					
Amortization	-	9,207	1,258	10,465	12,007
Gain on disposal of capital assets	-	-	-	-	(557,340)
	(26,672)	127,919	-	101,247	(182,084)
Changes in non-cash working capital <i>(Schedule 1)</i>	(31,732)	17,017	-	(14,715)	(2,150)
Cash flow from (used by) operating activities	(58,404)	144,936	-	86,532	(184,234)
INVESTING ACTIVITIES					
Purchase of capital assets	-	(19,350)	-	(19,350)	(4,838)
Net proceeds on disposal of capital assets	-	-	-	-	638,006
Change in investments	(619,868)	-	-	(619,868)	341
Cash flow from (used by) investing activities	(619,868)	(19,350)	-	(639,218)	633,509
FINANCING ACTIVITIES					
Interfund balance	25,660	(25,660)	-	-	-
Canada Emergency Business Account loan	(40,000)	-	-	(40,000)	-
Transfers	50,000	(50,000)	-	-	-
Cash flow from (used by) financing activities	35,660	(75,660)	-	(40,000)	-
INCREASE (DECREASE) IN CASH FLOW	(642,612)	49,926	-	(592,686)	449,275
Cash - beginning of year	765,046	83,046	-	848,092	398,817
CASH - END OF YEAR	\$ 122,434	\$ 132,972	\$ -	\$ 255,406	\$ 848,092

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE ORGANIZATION

Big Brothers Big Sisters is a registered charity under federal income tax legislation, whose mission is to provide a mentor for every child and youth who need and want one. The agency supports child and youth development through essential volunteer-led mentoring programs. Supported by professional staff, the outcomes of these services contribute to building a healthy community.

Big Brothers Big Sisters manages a variety of fundraising initiatives to support the Organization's mission, including individual, corporate, government and foundation donors, as well as fund raising through special events and the agency's social enterprise, ReNew Crew.

ReNew Crew accepts donations of clothing and sells them to Value Village stores which is a for-profit privately-held international second-hand store which purchases product from non-profit organizations and then sells these items in their stores - turning otherwise unused items into sustainable revenue that supports the work of their charity partners, including Big Brothers Big Sisters of Greater Halifax. This revenue usually provides \$200,000 annually to the operating fund by an interfund transfer, which helps the agency recruit, screen and train volunteers so it can match local children with positive adult mentors and to further develop programs to meet changing community needs.

Big Brothers Big Sisters of Greater Halifax is incorporated as a not-for-profit organization in Nova Scotia and is exempt from income tax as a registered charity under the Canadian Income Tax Act.

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 (ASNPO).

Financial instruments

Financial instruments are recorded at fair value when acquired or issued, except for transactions with related parties which are recorded at the exchange amount. 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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. The most significant estimates include the useful lives of capital assets, collectability of accounts receivable, and accrued liabilities. Actual results could differ from these estimates.

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BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Notes to Financial Statements

Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

Cash includes cash on hand and cash held in Canadian financial institutions, net of any outstanding transactions.

Investments

Investments, which consist primarily of equity investments and mutual funds, are measured at fair market value. The Organization classifies investments earmarked to provide a source of on-going investment income as long term investments, and investments not specified for specific project purposes or for long term intentions as current investments.

Inventory

The Organization has an agreement to sell used clothing; the majority of this clothing is donated to the Organization and thus has no cost. However, the Organization also purchases a portion of its clothing from third party partners in order to meet its sales commitments. The inventory recorded on the statement of financial position represents the average cost of purchased clothing on hand at the end of the year. Once sold, this purchased inventory is included in partnership agreement expenditures on the statement of operations and changes in fund balances.

Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates:

Office equipment	20%
Computer hardware	30%
Computer software	100%
Equipment	20%

Amortization is calculated at one-half of the normal annual rate in the year of acquisition; no amortization is recorded in the year of disposal.

Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Fund accounting

The Organization follows the deferral method of accounting for contributions. Revenues are recognized in the period that corresponds to the related expenses.

The Operating Fund accounts for the Organization's program delivery and administration activities. This fund reports unrestricted and restricted revenues.

The ReNew Crew Fund reports the operations of the ReNew Crew project. This project raises funds to support organizational programs.

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BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Notes to Financial Statements

Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Capital Fund reports the capital assets of the Organization with the exception of the ReNew Crew Fund.

Revenue recognition

Big Brothers Big Sisters of Greater Halifax follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Restricted contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue at the same rate of amortization as the related capital assets. Restricted contributions for the purchase of capital assets that will not be amortized are recognized as a direct increase in net assets of the Capital Fund.

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Earned revenue from the ReNew Crew Fund is recognized when title is transferred to the purchaser, the amount 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.

Contributed services

Volunteers contribute countless hours per year to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

Allocated expenses

Management and administrative fees are charged by the Operating Fund to the ReNew Crew Fund based on the estimated time spent by operations staff to support the work of the ReNew Crew project.

Donations in kind

Each year individuals and businesses donate prizes to be auctioned off to support the fundraising efforts of the Organization. These items are recorded in the accounts at the amount received from the auction proceeds.

Government assistance

Wage subsidies and grants from the government are recognized in income based on the related claim period. Forgivable government loans are recognized as government grant revenue when the Organization becomes entitled to receive the loan.

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Notes to Financial Statements

Year Ended December 31, 2023

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. Financial instruments consist of cash, accounts receivable, short and long term investments, and accounts payable and accrued liabilities. The following analysis provides information about the Organization's risk exposure and concentration as of December 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is mainly exposed to credit risk through its receipt of funds from earned revenue from the ReNew Crew project. The project has only one customer and that customer maintains a good credit history with the Organization.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its funders, sole customer of the ReNew Crew project, and other related sources, and accounts payable and accrued liabilities.

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 interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities. The Organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and short and long term investments.

4. INVESTMENTS

Investments consist of the following:

	<u>2023</u>	<u>2022</u>
Equity investments, with a book value of \$13,766	\$ 13,292	\$ 13,518
Mutual funds, with a book value of \$16,796	16,796	16,125
Mutual funds, with a book value of \$51,494	51,494	-
Short term investments	<u>81,582</u>	<u>29,643</u>
Equity investments, with a book value of \$392,624	403,320	-
Mutual funds, with a book value of \$147,561	147,561	-
Fixed income investments, with a book value of \$16,847	17,048	-
Long term investments	<u>567,929</u>	<u>-</u>
	<u>\$ 649,511</u>	<u>\$ 29,643</u>

The investments are measured at fair market value.

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
Notes to Financial Statements
Year Ended December 31, 2023

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
<u>Capital Fund</u>				
Computer hardware	\$ 69,570	\$ 66,982	\$ 2,588	\$ 3,188
Computer software	7,271	7,271	-	-
Office equipment	6,269	4,015	2,254	2,912
	<u>83,110</u>	<u>78,268</u>	<u>4,842</u>	<u>6,100</u>
<u>ReNew Crew Fund</u>				
Equipment	146,621	100,117	46,504	36,362
Computer hardware	15,556	15,556	-	-
	<u>162,177</u>	<u>115,673</u>	<u>46,504</u>	<u>36,362</u>
	<u>\$ 245,287</u>	<u>\$ 193,941</u>	<u>\$ 51,346</u>	<u>\$ 42,462</u>

6. DEFERRED REVENUE

	Balance, beginning of year	Contributions	Recognized as revenue	Balance end of year
Department of Community Services	\$ 40,475	\$ 161,900	\$ 161,900	\$ 40,475
Foundations	30,417	213,900	215,706	28,611
Other	13,152	41,791	36,552	18,391
	<u>\$ 84,044</u>	<u>\$ 417,591</u>	<u>\$ 414,158</u>	<u>\$ 87,477</u>

The Department of Community Services grant is received by the Organization in accordance with the government fiscal year April 1, 2023 to March 31, 2024. The Organization recognizes the grant into revenue on an evenly monthly basis over this funding period.

The funding received from foundations is recognized as revenue in accordance with the terms of the gift (Note 8).

The other deferred revenue represents funding received for projects and expenses that relate to the subsequent fiscal year.

7. BANK INDEBTEDNESS

The Organization has an authorized line of credit, payable on demand, with a limit of \$60,000 and an interest rate of the bank's prime rate. The balance at year end for the line of credit was \$nil (2022 - \$nil). The line of credit is secured by a first ranking security interest in all personal property of the Organization.

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX**Notes to Financial Statements****Year Ended December 31, 2023****8. FOUNDATIONS**

Revenues from foundations during the year consisted of the following:

	<u>2023</u>	<u>2022</u>
Halifax Youth Foundation	\$ 50,000	\$ 40,000
J & W Murphy Foundation	46,250	15,000
The Joyce Family Foundation	40,000	40,000
River Philip Foundation	20,000	14,167
Mental Health Foundation of Nova Scotia	10,500	1,500
Petro-Canada CareMakers Foundation	10,000	5,000
Tenaquip Foundation	10,000	10,000
John Carl MacIsaac Foundation	10,000	5,000
The Christina & Hedley G. Ivany Charitable Foundation	7,500	6,000
Walker Wood Foundation	3,956	8,000
Leanne Children's Foundation	2,000	1,833
The Craig Foundation	2,000	-
Sisters of Charity Halifax Foundation	1,500	1,000
The Georgina Foundation	1,000	-
SSQ Foundation	1,000	-
F. K. Morrow Foundation	-	3,750
Levenhurst Foundation	-	5,000
CN Strong Communities Fund	-	10,000
The Gordon Foundation for Children and Youth	-	3,000
Halifax Protestant Infants Foundation	-	5,000
Hartman Matthews Family Trust	-	2,500
	<u>\$ 215,706</u>	<u>\$ 176,750</u>

9. MISCELLANEOUS REVENUE

	<u>2023</u>	<u>2022</u>
Operating		
Settlement proceeds	\$ 47,716	\$ -
Other investment income	11,104	-
Unrealized gain (loss) on investments	10,672	(768)
Interest income	6,946	774
Dividend income	3,660	-
Other miscellaneous revenue	3,587	-
Third party fundraising	3,389	10,699
	<u>87,074</u>	<u>10,705</u>
ReNew Crew		
Other miscellaneous revenue	2,280	10,571
	<u>\$ 89,354</u>	<u>\$ 21,276</u>

During the year, the Organization received residual settlement funds not distributed to eligible Class Members was cy-prés awarded to Big Brothers Big Sisters of Greater Halifax and other agencies. These organizations were proposed to be the recipients of the residue due to the important work they do here in the Maritimes.

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX

Notes to Financial Statements

Year Ended December 31, 2023

10. INTERFUND TRANSFERS

Each year the Organization budgets to transfer funds from the ReNew Crew Fund to the Operating Fund to assist in funding operations. The amount is transferred monthly and the budgeted amount is adjusted if the operating results of the ReNew Crew Fund differ substantially from budget. During the year, \$50,000 was transferred from the ReNew Crew Fund to the Operating Fund.

The interfund balances on the statement of financial position are non-interest bearing and have no set terms of repayment.

11. PARTNERSHIP AGREEMENTS

Inventory in the amount of \$180,562 (2022 - \$217,631) has been recognized as partnership agreement expenditure on the Statement of Revenues and Expenditures.

12. COMMITMENTS

The Organization has long term leases with respect to its premises. The leases contain renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at year end are as follows:

2024	\$	24,748
2025		<u>13,244</u>
	\$	<u>37,992</u>

Lease agreement for vehicles for the ReNew Crew Fund with minimum fixed lease payments required over the next two years are as follows:

2024	\$	<u>8,253</u>
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The Organization has entered into a bulk purchase and sale agreement with a large retailer of used clothing. The Organization agrees to sell all of the donated personal property, without exception, which they solicit during the term of the agreement. A two year agreement was signed effective December 31, 2023 to January 3, 2026.

13. ECONOMIC DEPENDENCE

The revenue of the ReNew Crew Fund is earned by way of the bulk purchase and sales agreement with a large retailer of used clothing as discussed in Note 11. The ability of the ReNew Crew Fund to generate funding for the Operating Fund is dependent on this agreement.

14. COMPARATIVE FIGURES

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

BIG BROTHERS BIG SISTERS OF GREATER HALIFAX
Net Change in Non-cash Working Capital Balances Related to Operations
Year Ended December 31, 2023

(Schedule 1)

	Operating Fund	ReNew Crew Fund	Capital Fund	2023	2022
Accounts receivable	\$ (28,904)	\$ (3,125)	\$ -	\$ (32,029)	\$ (2,729)
Inventory	-	(3,086)	-	(3,086)	(104)
Accounts payable and accrued liabilities	(16,540)	16,028	-	(512)	8,528
Deferred revenue	3,433	-	-	3,433	(450)
Prepaid expenses	7,803	4,721	-	12,524	(2,939)
Harmonized sales taxes recoverable	2,476	2,479	-	4,955	(4,456)
Changes in non-cash working capital	\$ (31,732)	\$ 17,017	\$ -	\$ (14,715)	\$ (2,150)