

NEW BRUNSWICK 4-H COUNCIL LTD.

FINANCIAL STATEMENTS

(UNAUDITED)

AUGUST 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
New Brunswick 4-H Council Ltd.

We have reviewed the accompanying financial statements of New Brunswick 4-H Council Ltd. that comprise the statement of financial position as at August 31, 2023, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of New Brunswick 4-H Council Ltd. as at August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Woodstock, New Brunswick

November 25, 2023

Lenahan McCain & Associates
Chartered Professional Accountants

NEW BRUNSWICK 4-H COUNCIL LTD.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2023
(unaudited)

	2023	2022
<u>ASSETS</u>		
Current assets		
Cash	\$ 151,130	\$ 143,000
Short term investment, GIC	8,339	8,252
Accounts receivable	7,519	6,579
Prepaid expenses	3,267	2,632
HST receivable	12,133	1,119
	\$ 182,388	\$ 161,582
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 6,906	\$ 9,974
Deferred revenue	37,769	-
	44,675	9,974
<u>FUND BALANCES</u>		
Accumulated surplus	137,713	151,608
	\$ 182,388	\$ 161,582

Draft - November 24, 2023

APPROVED

_____ Member

NEW BRUNSWICK 4-H COUNCIL LTD.

STATEMENT OF OPERATIONS
AND CHANGES IN NET ASSETS

YEAR ENDED AUGUST 31, 2023

(unaudited)

	<u>2023</u>	<u>2022</u>
Revenues		
Federal grants	\$ 100,704	\$ 3,399
Provincial grants	66,692	65,000
RAWF dairy team	59,467	-
Member funded activities and fundraising	48,792	22,837
Memberships	18,515	12,560
Donations	8,473	7,605
Deferred revenue - RAWF dairy team	(37,769)	-
	<u>264,874</u>	<u>111,401</u>
Expenditures		
Conferences	69,260	15,322
Wages and benefits	54,629	49,081
Online registration system	52,173	-
Shows and competitions	34,822	10,626
RAWF dairy team	21,699	-
Non-refundable portion of HST	10,317	1,281
Meetings	5,376	772
Insurance	4,948	4,432
Education and training	4,694	-
General office	4,085	4,993
Travel expense	4,029	1,408
Website	3,562	200
Telephone and internet	2,478	2,098
Professional fees	2,353	2,401
Dues and memberships	2,350	2,555
Rent	1,320	1,095
Promotional items and fundraising	511	710
Miscellaneous	163	33
Community awareness events	-	572
	<u>278,769</u>	<u>97,579</u>
(Deficiency) excess of revenues over expenditures	(13,895)	13,822
Surplus, beginning of year	<u>151,608</u>	<u>137,786</u>
Surplus, end of year	<u>\$ 137,713</u>	<u>\$ 151,608</u>

NEW BRUNSWICK 4-H COUNCIL LTD.

STATEMENT OF CASH FLOWS

YEAR ENDED AUGUST 31, 2023

(unaudited)

	<u>2023</u>	<u>2022</u>
Operating activities		
(Deficiency) excess of revenues over expenditures	\$ (13,895)	\$ 13,822
Change in non-cash working capital items		
Increase in short term investment, GIC	(87)	(82)
Increase in accounts receivable	(940)	(2,941)
Increase in prepaid expenses	(635)	(88)
Increase in HST receivable	(11,014)	(402)
Decrease in accounts payable and accrued liabilities	(3,068)	(7,307)
Increase in deferred revenue	37,769	-
Increase in cash	8,130	3,002
Cash, beginning of year	143,000	139,998
Cash, end of year	<u>\$ 151,130</u>	<u>\$ 143,000</u>

Draft - November 24, 2023

NEW BRUNSWICK 4-H COUNCIL LTD.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023
(unaudited)

1. Description of business

New Brunswick 4-H Council Ltd. is a not-for-profit organization incorporated in the Province of New Brunswick. The Council was formed to plan and develop 4-H activities for youth in New Brunswick and is a registered charity under the Income Tax Act. The company is exempt from income tax by virtue of Paragraph 149(1)(l) of the Income Tax Act.

2. Significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

(a) Financial instruments

Financial instruments are financial assets or liabilities where the company has the right to receive cash or another financial asset from another party or has the obligation to pay cash or other financial assets to another party or equity instrument of another party.

The organization's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable and accrued liabilities and deferred revenue. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risk.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(c) Capital assets

The organization expenses its capital assets in the year of acquisition. During the year, the organization had no capital asset purchases.

NEW BRUNSWICK 4-H COUNCIL LTD.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2023

(unaudited)

2. Significant accounting policies, continued

(d) Revenue recognition

Grants, donations, fundraising and memberships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership funded activities are recognized as revenue in the year in which the related expenses are incurred.

Revenue related to fees or services received in advance of the fee being earned or service is performed is deferred and recognized when the fee is earned or service performed.

(e) Accounting estimates

The preparation of financial statements in accordance 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 amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. Economic dependence

New Brunswick 4-H Council Ltd. received 22% (prior year 58%) of its revenue pursuant to funding agreements with the Province of New Brunswick. Continued operation of the Council is dependant on renewal of these agreements on similar terms.

4. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.