

NEW BRUNSWICK SOCIAL PEDIATRICS INC.

Financial Statements

March 31, 2024

New Brunswick Social Pediatrics Inc.

Contents

March 31, 2024 (With comparative figures for 2023)

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Operations and Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8

INDEPENDENT AUDITOR'S REPORT

To the board of directors of New Brunswick Social Pediatrics Inc.

Opinion

We have audited the financial statements of New Brunswick Social Pediatrics Inc. (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and 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, 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 Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and fundraising activities 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 expenses, and cash flows from operations for the year ended March 31, 2024, current assets as at March 31, 2024, and net assets as at March 31, 2024. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified 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 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 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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

Jamieson Mullin Chartered Professional Accountants Inc.

Jamieson Mullin Chartered Professional Accountants Inc.

Quispamsis, NB
September 9, 2024

New Brunswick Social Pediatrics Inc.
Statement of Operations and Changes in Net Assets
For the year ended March 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Revenues		
Grants and subsidies	\$ 365,948	\$ 191,120
Donations	34,358	18,706
Miscellaneous income	7,214	-
Amortization of deferred contributions related to capital assets	2,802	1,868
Fundraising income	565	40,130
	<u>410,887</u>	<u>251,824</u>
Expenditures		
Wages and benefits	222,147	84,577
Rent and other rental expenses	39,313	29,154
Office and administration	36,058	16,383
Family support programs	35,961	8,550
Consulting fees	33,096	18,145
Program and events	18,255	5,655
Professional fees	8,219	5,410
Amortization	7,357	5,731
Insurance	5,863	3,077
Community outreach programs	5,847	5,035
Accounting	4,800	3,288
Interest and bank charges	812	264
Fundraising	18	23,131
	<u>417,746</u>	<u>208,400</u>
(Deficiency) excess of revenues over expenditures	(6,859)	43,424
Unrestricted - beginning of year	<u>138,385</u>	<u>94,961</u>
Unrestricted - end of year	<u>\$ 131,526</u>	<u>\$ 138,385</u>

New Brunswick Social Pediatrics Inc.
Statement of Financial Position

As at March 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Assets		
Current		
Cash	\$ 319,454	\$ 137,193
Accounts receivable	17,002	3,051
Prepaid expenses and deposits	4,382	5,487
HST receivable	<u>3,307</u>	<u>6,015</u>
	344,145	151,746
Equipment and leasehold improvements (Note 3)	<u>10,406</u>	<u>15,489</u>
Total Assets	<u>\$ 354,551</u>	<u>\$ 167,235</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 20,681	\$ 10,732
Deferred contributions (Note 4)	196,323	12,975
Gouvernement remittances payable	<u>5,321</u>	<u>1,641</u>
	222,325	25,348
Deferred contributions related to capital assets (Note 5)	<u>700</u>	<u>3,502</u>
	223,025	28,850
Net Assets		
Unrestricted	<u>131,526</u>	<u>138,385</u>
Total Liabilities and Net Assets	<u>\$ 354,551</u>	<u>\$ 167,235</u>

APPROVED BY:

 Director

 Director

New Brunswick Social Pediatrics Inc.

Statement of Cash Flows

For the year ended March 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Operating activities		
(Deficiency) excess of revenues over expenditures	\$ (6,859)	\$ 43,424
Adjustments for		
Amortization	7,357	5,731
Amortization of deferred contributions related to capital assets	<u>(2,802)</u>	<u>(1,868)</u>
	(2,304)	47,287
Change in non-cash working capital items		
Accounts receivable	(13,951)	19,516
Prepaid expenses and deposits	1,105	(2,235)
Government remittances	6,388	(2,934)
Accounts payable and accrued liabilities	9,950	1,137
Deferred contributions	<u>183,348</u>	<u>12,975</u>
	<u>184,536</u>	<u>75,746</u>
Investing activities		
Purchase of equipment and leasehold improvements	(2,275)	(7,805)
Contributions related to capital assets	<u>-</u>	<u>5,370</u>
	<u>(2,275)</u>	<u>(2,435)</u>
Increase in cash	182,261	73,311
Cash - beginning of year	<u>137,193</u>	<u>63,882</u>
Cash - end of year	<u><u>\$ 319,454</u></u>	<u><u>\$ 137,193</u></u>

The notes are an integral part of these financial statements

New Brunswick Social Pediatrics Inc.

Notes to Financial Statements

As at March 31, 2024 (With comparative figures for 2023)

1. Nature of The Business Activities

New Brunswick Social Pediatrics Inc. ("the "Organization") is a not-for-profit organization and is a registered charity under the Income Tax Act. The Organization commenced operations on April 1, 2021 and its purpose is to improve the quality of life, health and long-term outcomes of children and their families in New Brunswick. As a not-for-profit organization, the Organization is exempt from income taxes under section 149 of the Income Tax Act.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Cash

Cash consists of balances with financial institutions.

(c) Equipment and leasehold improvements

Equipment and leasehold improvements are recorded at cost. The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the equipment and leasehold improvements over their estimated useful lives. The annual amortization rates are as follows:

Equipment	3 years
Furniture and fixtures	5 years

Amortization of leasehold improvements is recorded over the remaining term of the lease.

Equipment and leasehold improvements are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

(d) Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

New Brunswick Social Pediatrics Inc.

Notes to Financial Statements

As at March 31, 2024 (With comparative figures for 2023)

2. Summary of Significant Accounting Policies, continued

(e) Contributions related to capital assets

Grants and donations received for the purpose of capital improvements are being deferred and amortized to revenue on the same basis the related capital assets are being amortized to expense.

(f) Financial instruments

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Organization has not designated any financial asset or financial liability to be measured at fair value.

3. Equipment and Leasehold Improvements

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Equipment	\$ 4,236	\$ 2,002	\$ 1,961	\$ 590
Furniture and fixtures	14,574	7,102	14,574	4,187
Leasehold improvements	6,371	5,671	6,371	2,640
	<u>25,181</u>	<u>14,775</u>	<u>22,906</u>	<u>7,417</u>
Net book value	<u>\$ 10,406</u>		<u>\$ 15,489</u>	

4. Deferred Contributions

	<u>Balance, beginning of year</u>	<u>Received</u>	<u>Recognized</u>	<u>Balance, end of year</u>
Planetary Health Space	\$ 6,630	\$ -	\$ (400)	\$ 6,230
Cooking Up Justice	6,345	30,000	(34,189)	2,156
Sisters of Charity	-	5,000	(2,250)	2,750
NB Children's Foundation	-	150,000	-	150,000
MacMurray Foundation	-	100,000	(64,813)	35,187
	<u>\$ 12,975</u>	<u>\$ 285,000</u>	<u>\$ (101,652)</u>	<u>\$ 196,323</u>

New Brunswick Social Pediatrics Inc.

Notes to Financial Statements

As at March 31, 2024 (With comparative figures for 2023)

5. Deferred Contributions Related to Capital Assets

	<u>2024</u>	<u>2023</u>
Balance - beginning of year	\$ 3,502	\$ -
Contributions received related to capital assets	-	5,370
Amount amortized to revenue	<u>(2,802)</u>	<u>(1,868)</u>
	<u>\$ 700</u>	<u>\$ 3,502</u>

6. Commitments

Future minimum rental payments required under operating leases that have remaining terms in excess of one year are:

2025	\$ 21,036
2026	21,550
2027	<u>5,417</u>
	<u>\$ 48,003</u>

7. Financial Instruments

The Organization is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Organization's exposure to these risks.

(a) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and operating lease commitments.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable. The Organization reduces this risk by performing credit evaluations on its customers on a continuous basis.