

PICTOU COUNTY PARTNERSHIP
Financial Information
March 31, 2025



	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL INFORMATION	
Statement of Financial Position	4
Statement of Revenues and Expenditures	5
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Information	7 - 10

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Pictou County Partnership have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Pictou County Partnership's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by MacDonald & Murphy Inc., in accordance with Canadian public sector accounting standards.

CEO

Board chairperson

New Glasgow, Nova Scotia
July 03, 2025



INDEPENDENT AUDITOR'S REPORT

To the Members of Pictou County Partnership

Opinion

We have audited the financial information of Pictou County Partnership (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial information, including a summary of significant accounting policies.

In our opinion, the accompanying financial information present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

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 information 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 Information

Management is responsible for the preparation and fair presentation of the financial information in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information, 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 Information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is 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 this financial information.

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:

(continues)



Independent Auditor's Report to the Members of Pictou County Partnership (*continued*)

- Identify and assess the risks of material misstatement of the financial information, 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 information 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 information, including the disclosures, and whether the financial information 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.

New Glasgow, Nova Scotia
July 3, 2025

MacDonald & Murphy Inc.
Chartered Professional Accountants

PICTOU COUNTY PARTNERSHIP
Statement of Financial Position
March 31, 2025

	2025	2024
ASSETS		
Cash	\$ 108,517	\$ 168,268
Accounts receivable from government and other sources	126,079	62,309
Harmonized sales tax receivable	27,218	17,938
Prepaid expenses	2,835	
 NON-FINANCIAL ASSETS		
Capital assets <i>(Note 3)</i>	20,947	22,605
	\$ 285,596	\$ 271,120
 LIABILITIES		
Accounts payable and accruals <i>(Note 4)</i>	\$ 91,903	\$ 64,633
 NET ASSETS	193,693	206,487
	\$ 285,596	\$ 271,120

Commitments *(Note 9)*

ON BEHALF OF THE BOARD

Director

Director

PICTOU COUNTY PARTNERSHIP
Statement of Revenues and Expenditures
Year Ended March 31, 2025

	2025	2024
Revenue		
Municipal contributions (Note 5)	\$ 250,000	\$ 250,000
Province of Nova Scotia, core funding	166,000	196,000
Program funding (Note 6)	882,518	322,029
Other revenues and sponsorship	15,000	20,072
	<u>1,313,518</u>	<u>788,101</u>
Expenses		
Advertising, promotion and marketing	35,434	27,476
Amortization	8,000	6,649
Board and meeting expense	2,511	33,398
Donations		1,110
Dues, fees and subscriptions	30,372	13,661
HST expense	19,501	11,289
Insurance	2,658	2,630
Interest and bank charges	122	719
Office and IT support	7,389	42,651
Professional fees	63,394	49,068
Program delivery expenses (Note 7)	775,961	300,431
Rental	15,900	21,150
Repairs and maintenance	8,790	9,573
Salaries, wages and related expenses	324,179	410,484
Travel	19,599	37,722
Utilities	12,502	13,324
	<u>1,326,312</u>	<u>981,335</u>
Deficiency of revenue over expenses	<u>\$ (12,794)</u>	<u>\$ (193,234)</u>

Statement of Changes in Net Assets
Year Ended March 31, 2025

	2025	2024
Net assets - beginning of year	\$ 206,487	\$ 399,721
Deficiency of revenue over expenses	<u>(12,794)</u>	<u>(193,234)</u>
Net assets - end of year	<u>\$ 193,693</u>	<u>\$ 206,487</u>

PICTOU COUNTY PARTNERSHIP

Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
Operating activities		
Deficiency of revenue over expenses	\$ (12,794)	\$ (193,234)
Item not affecting cash:		
Amortization of capital assets	<u>8,000</u>	<u>6,649</u>
	<u>(4,794)</u>	<u>(186,585)</u>
Changes in non-cash working capital:		
Accounts receivable from government and other sources	(63,770)	6,949
Accounts payable and accruals	27,270	1,737
Prepaid expenses	(2,835)	4,410
Harmonized sales tax receivable	<u>(9,280)</u>	<u>(2,791)</u>
	<u>(48,615)</u>	<u>10,305</u>
	<u>(53,409)</u>	<u>(176,280)</u>
Investing activity		
Purchase of capital assets	<u>(6,342)</u>	<u>(9,520)</u>
Decrease in cash flow	(59,751)	(185,800)
Cash - beginning of year	<u>168,268</u>	<u>354,068</u>
Cash - end of year	<u>\$ 108,517</u>	<u>\$ 168,268</u>

1. Purpose of the Organization

Pictou County Partnership (the "Organization" and previously named Pictou County Regional Enterprise Network) was incorporated under the Municipal Government Act and became operational on August 2, 2018. The Organization is exempt from income tax under section 149(1)(l) of the Income Tax Act.

The Organization's purpose is to drive the economic development in Pictou County by working with the other Regional Enterprise Networks to share information and ideas to enhance the economic prosperity for Nova Scotia. They will develop, implement and monitor a regional strategy reflective of the provincial and regional partners economic development priorities.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Computer equipment	55%
Furniture and fixtures	20%
Leasehold improvements	3 years straight-line method

The Organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, all 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 public sector accounting standards 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. Actual results could differ from these estimates.

Revenue recognition

Pictou County Partnership follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year 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.

Other revenue is recognized as services performed and collection is reasonably assured.

PICTOU COUNTY PARTNERSHIP

Notes to Financial Information

Year Ended March 31, 2025

3. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer equipment	\$ 10,727	\$ 4,745	\$ 5,982	\$ 189
Furniture and fixtures	20,579	8,697	11,882	15,443
Leasehold improvements	11,670	8,587	3,083	6,973
	<u>\$ 42,976</u>	<u>\$ 22,029</u>	<u>\$ 20,947</u>	<u>\$ 22,605</u>

4. Accounts payable and accruals

	2025	2024
Trade accounts payable	\$ 33,088	\$ 31,937
Payroll and other accruals	38,862	13,434
CRA source deduction payable	19,953	19,262
	<u>\$ 91,903</u>	<u>\$ 64,633</u>

5. Municipal contributions

An Inter-Municipal Agreement between Pictou Landing First Nation, Municipality of the County of Pictou, Town of New Glasgow, Town of Pictou, Town of Stellarton, Town of Trenton and Town of Westville is effective from April 1st, 2024, and the Municipalities agree to commit to a five-year term of funding the Organization. The funding provided in the current year is as follows:

	2025	2024
Municipality of the County of Pictou	\$ 79,176	\$ 79,176
Town of New Glasgow	47,378	47,378
Town of Stellarton	31,870	31,870
Town of Westville	30,548	30,548
Town of Pictou	29,318	29,318
Town of Trenton	27,330	27,330
Pictou Landing First Nation	4,380	4,380
	<u>\$ 250,000</u>	<u>\$ 250,000</u>

6. Program funding

	2025	2024
Government of Canada		
Immigration, Refugees and Citizenship Canada	\$ 204,163	\$ 132,264
Atlantic Canada Opportunities Agency	34,799	34,239
CanExport Community Investments	48,082	31,351
	<u>287,044</u>	<u>197,854</u>
Province of Nova Scotia		
Employer Immigration Support	42,500	42,500
Labour Market Integration	73,675	73,675
Community Economic Development	78,313	
Recruitment of Healthcare Professionals	54,097	
Workplace Innovation and Productivity Skills Incentive	6,000	
Destination Canada Program		8,000
	<u>254,585</u>	<u>124,175</u>
Other funders		
The Sobey Foundation	243,893	
Canadian Gay & Lesbian Chamber of Commerce	75,732	
NS Association of CBDC	21,264	
	<u>340,889</u>	
	<u>\$ 882,518</u>	<u>\$ 322,029</u>

7. Program delivery expenses

	2025	2024
Advertising, promotion and marketing	\$ 84,870	\$ 26,996
Dues, fees and subscriptions	2,389	1,516
Office and printing	2,824	2,539
Professional fees	171,260	17,739
Project Expenses	44,662	12,179
Rent	15,600	9,900
Salaries and wages	432,439	206,106
Seminars and events	5,781	3,265
Technology expenditures	2,856	1,953
Telephone	295	782
Travel	12,985	17,456
	<u>\$ 775,961</u>	<u>\$ 300,431</u>

8. 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. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2025.

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 and other related sources, and accounts payable.

9. Commitments

The Organization has two lease agreements for office space both located at 151 Provost Street, Goodman Place, New Glasgow. Suite 206 has a term of September 1st, 2023, to September 1st, 2026, for a cost of \$750 per month (\$9,000 annually) plus applicable taxes (HST). Suite 201 has a term of March 1st, 2023, to March 1st, 2026, for a cost of \$550 per month (\$6,600 annually) plus applicable taxes (HST).