




BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Financial Statements

Year Ended March 31, 2018

(Unaudited)



HARRIS RYAN


BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

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Year Ended March 31, 2018

(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Big Brothers Big Sisters of Eastern Newfoundland

We have reviewed the accompanying financial statements of Big Brothers Big Sisters of Eastern Newfoundland that comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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

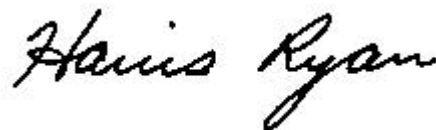
Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

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 these financial statements do not present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Eastern Newfoundland as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.



St. John's, Newfoundland and Labrador
July 16, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Statement of Financial Position

March 31, 2018

(Unaudited)

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 192,212	\$ 154,168
Accounts receivable	3,627	3,626
Prepaid expenses	9,724	9,737
	\$ 205,563	\$ 167,531
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable, (including government remittances of \$9,121 ;2017 - 9,503)	\$ 19,779	\$ 21,389
Deferred revenue	2,292	3,580
	22,071	24,969
NET ASSETS	183,492	142,562
	\$ 205,563	\$ 167,531

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Statement of Changes in Net Assets

Year Ended March 31, 2018

(Unaudited)

	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 142,562	\$ 177,455
EXCESS OF REVENUES OVER EXPENSES	40,930	(34,893)
NET ASSETS - END OF YEAR	\$ 183,492	\$ 142,562

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND**Statement of Revenues and Expenditures****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
REVENUES		
Provincial Grant	\$ 49,500	\$ 49,500
Other sponsorships and grants	81,193	89,511
Donations	21,578	33,831
Miscellaneous	1,054	-
Fundraising <i>(Note 4)</i>	219,969	176,764
	373,294	349,606
EXPENSES <i>(Schedule 1)</i>	333,051	385,617
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	40,243	(36,011)
OTHER INCOME	687	1,118
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 40,930	\$ (34,893)

See notes to financial statements

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND**Statement of Cash Flow****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 40,930	\$ (34,893)
Changes in non-cash working capital:		
Accounts receivable	(1)	4,899
Accounts payable	(1,610)	(5,825)
Deferred revenue	(1,288)	746
Prepaid expenses	13	130
Short term investment	-	31,000
	(2,886)	30,950
INCREASE (DECREASE) IN CASH FLOW	38,044	(3,943)
Cash - beginning of year	154,168	158,111
CASH - END OF YEAR	\$ 192,212	\$ 154,168

See notes to financial statements

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

1. NATURE OF THE ORGANIZATION

Big Brothers Big Sisters of Eastern Newfoundland was incorporated in May 1975 as a not-for-profit organization. The organization is a registered charity under the Income Tax Act, and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. The purpose of the organization is to provide a quality mentoring program for children and the youth primarily from single parent families in Eastern Newfoundland. Big Brothers Big Sisters of Eastern Newfoundland is affiliated with Big Brothers Big Sisters of Canada.

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 (ASNFPO).

Revenue recognition

Big Brothers Big Sisters of Eastern Newfoundland 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.

Government grants are recognized as revenue in the year for which the contribution is granted.

Capital assets

Capital assets are expensed in the year of acquisition as permitted under Canadian accounting standards for not-for-profit organizations.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. 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.

Donated goods

The organization receives contributed office space the fair value of which is not readily determinable and as such has not been recorded.

The organization receives a substantial amount of volunteer time the value of which is not reflected in these financial statements.

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BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

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

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. Actual results could differ from these estimates.

3. BANK INDEBTEDNESS

The Organization has a revolving line of credit in the amount of \$25,000 which was unutilized at year end. The facility bears interest at prime plus 2.5% and is secured by a general security agreement.

4. FUNDRAISING ACTIVITIES

	Revenue	Expenses	Net
Bowl for kids	\$ 141,414	\$ 6,392	\$ 135,022
Peeler cards	17,881	-	17,881
Big bucks	14,014	227	13,787
Golf tournament	30,660	6,876	23,784
Christmas raffle	8,098	669	7,429
Throw it forward	26,663	4,718	21,945
Other fundraising activities	421	300	121
	<u>\$ 239,151</u>	<u>\$ 19,182</u>	<u>\$ 219,969</u>

5. 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, 2018.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to minimal credit risk from entities.

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BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

5. FINANCIAL INSTRUMENTS *(continued)*

(b) 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 credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

BIG BROTHERS BIG SISTERS OF EASTERN NEWFOUNDLAND

Expenses (Schedule 1)

Year Ended March 31, 2018

(Unaudited)

	2018	2017
Salaries and wages	\$ 287,949	\$ 327,203
Insurance	9,539	9,634
Memberships	8,493	9,688
Professional fees	5,833	6,584
Program services	4,846	7,593
Telephone	4,240	3,659
Interest and bank charges	3,874	3,586
Supplies	1,552	2,165
Storage rental	1,552	1,437
Travel	1,336	1,390
Equipment rentals	1,168	1,146
Postage	998	870
Repairs and maintenance	895	1,115
Professional development	590	2,662
Advertising and promotion	186	6,885
	\$ 333,051	\$ 385,617