

**Big Brothers Big Sisters of Orillia
& District**

Financial Statements

For the year ended May 31, 2015

Big Brothers Big Sisters of Orillia & District
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For the year ended May 31, 2015

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Independent Auditor's Report

To the Board of Directors of Big Brothers Big Sisters of Orillia & District

I have audited the accompanying financial statements of Big Brothers Big Sisters of Orillia & District, which comprise the statement of financial position as at May 31, 2015, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Independent Auditor's Report, continued

Basis for Qualified Opinion

Big Brothers Big Sisters of Orillia & District derives a material amount of revenue from donations and fundraising activities. I was not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for donations and fundraising revenue, and changes to net assets. My verification of these revenues was limited to the amounts recorded in the records of the organization, and consequently, I was unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion

Except as noted in the above paragraph, in my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at May 31, 2015 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.

Orillia, Ontario
August 4, 2015




Matthew G. Dixon Chartered Accountant
Professional Corporation
Authorized to practice public accounting by the
Institute of Chartered Accountants of Ontario

Big Brothers Big Sisters of Orillia & District
Statement of Financial Position
As at May 31, 2015

	2015	2014
Assets		
Current		
Cash	37,919	39,385
Marketable securities (note 3)	64,445	60,488
Contributions receivable	2,700	2,646
HST receivable	7,533	6,766
Prepaid expenses	21,803	14,292
	134,400	123,577
Liabilities		
Current		
Accounts payable and accrued liabilities (note 4)	17,840	10,084
Deferred revenue	-	626
	17,840	10,710
Unrestricted surplus	116,560	112,867
	134,400	123,577

Approved by the board:

 Director

 Director

Please see accompanying notes

Big Brothers Big Sisters of Orillia & District
Statement of Operations
and Changes in Net Assets
For the year ended May 31, 2015

	2015 Budget (note 8)	2015 Actual	2014 Actual
Revenues			
Donations	37,000	79,747	60,874
Fundraising (Schedule 1)	127,550	88,529	97,587
Gaming revenue (Schedule 2)	72,000	89,710	83,604
Grant income	50,000	69,437	48,329
Interest and other	-	758	3,950
	286,550	328,181	294,344
Expenses			
Advertising	1,800	187	1,628
Bank charges	-	961	1,049
Capital expenditures	500	5,807	4,852
Dues and memberships	6,400	6,553	6,455
Fundraising expenses (Schedule 1)	31,750	25,150	28,719
Gaming costs (Schedule 2)	37,000	41,336	38,745
Insurance	8,000	8,011	4,324
Office and general	4,000	10,434	10,793
Professional fees	4,000	2,500	3,100
Program activities	5,000	4,927	2,539
Rent and utilities	22,176	25,860	16,663
Repairs and maintenance	700	2,000	2,441
Telecommunications	2,500	5,251	2,331
Training - Board and Staff	2,500	4,085	3,350
Travel	1,700	1,691	1,452
Volunteer Appreciation	2,000	2,110	1,951
Wages and benefits	174,825	177,625	171,263
	304,851	324,488	301,655
(Deficiency) excess of revenues over expenses	(18,301)	3,693	(7,311)
Surplus, beginning of year	112,867	112,867	120,178
Surplus, end of year	94,566	116,560	112,867

Please see accompanying notes

Big Brothers Big Sisters of Orillia & District
Statement of Cash Flows
For the year ended May 31, 2015

	2015	2014
Operating activities		
(Deficiency) excess of revenues over expenses	3,693	(7,311)
Change in non-cash working capital items		
Increase in marketable securities	(3,957)	(7,429)
Increase in contributions receivable	(54)	(646)
Increase in HST receivable	(767)	(354)
Increase in prepaid expenses	(7,511)	(2,115)
Increase in accounts payable and accrued liabilities	7,756	3,362
Decrease in deferred revenue	(626)	-
(Decrease) increase in cash and cash equivalents	(1,466)	(14,493)
Cash and cash equivalents, beginning of year	39,385	53,878
Cash and cash equivalents, end of year	37,919	39,385
Other information		
Interest and bank charges paid	961	1,049

Please see accompanying notes

Big Brothers Big Sisters of Orillia & District

Notes to Financial Statements

For the year ended May 31, 2015

1. Nature of operations

Big Brothers Big Sisters of Orillia & District was formed by the amalgamation of Big Brothers of Orillia and District and Big Sisters Association of Orillia on June 1, 2006. The amalgamation occurred under the laws of Ontario without share capital to operate the Big Brother Big Sisters program in Orillia and surrounding area. The business of the corporation is to be carried on without the purpose of gain for its members or directors and any profits to the corporation shall be used in promoting its objectives.

2. Summary of significant accounting policies

The organization follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand, cash on deposit, short-term deposits with maturity dates of less than 90 days, net of cheque's issued and outstanding at the reporting date.

Marketable securities

Marketable securities held for trading are measured at fair market value with realized and unrealized gains or losses recorded on the Statement of Operations.

Fund accounting deferred

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are made. 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.

Equipment

Equipment is recorded as an expense in the year of purchase.

Contributed services

Volunteers contributed time to assist the organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Big Brothers Big Sisters of Orillia & District

Notes to Financial Statements

For the year ended May 31, 2015

2. Summary of significant accounting policies, continued

Revenue recognition

Donations and fundraising revenue are recognized as revenue at the time pledges are made, provided that the amount can be reasonably estimated and that collection is reasonably assured.

Grant and gaming revenue is recognized when earned, received or when reasonable assurance is obtained that it will be collected.

Income taxes

No provision has been made for income taxes in these financial statements, as the organization is a not-for-profit organization and is tax exempt under S149(1)(l) of the income tax act.

Financial instruments

Measurement of financial instruments

The organization measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash, contributions receivable, HST receivable and prepaid expenses.

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

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income.

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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Big Brothers Big Sisters of Orillia & District
Notes to Financial Statements
For the year ended May 31, 2015

3. Marketable securities

	2015	2014
Investors Group Portfolio Securities	64,445	60,488

4. Accounts payable and accrued liabilities

	2015	2014
Trade payables	10,467	2,500
Government payroll remittance payable	4,175	3,714
Accrued vacation	3,198	3,870
	17,840	10,084

5. Lease commitments

The organization's total commitments, under a property lease agreement, exclusive of occupancy costs, are as follows:

2016	21,600
2017	21,600
2018	21,600
2019	5,400
	70,200

6. Financial risks and concentration of risk

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The organization's financial assets that are exposed to credit risk are cash and cash equivalents and contributions receivable. Cash and cash equivalents are maintained with large federally regulated financial institutions in Canada. The organization is not exposed to any significant credit risk.

Big Brothers Big Sisters of Orillia & District

Notes to Financial Statements

For the year ended May 31, 2015

6. Financial risks and concentration of risk, continued

Liquidity risk

Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. The organization's exposure to liquidity risk is dependent on donations, grants, gaming revenue and the raising funds through fundraiser's. Cash flow from operations provides a substantial portion of the organization's cash requirements. Management is of the opinion that liquidity risk is not a significant risk.

7. Big Brother Big Sisters Endowment Fund

A permanent charitable endowment fund has been created with the Community Foundation of Orillia & Area (CFOA). The assets given and any additions thereto shall be accounted for and designated by the CFOA as the Big Brothers Big Sisters Fund. The CFOA shall make charitable distributions from the Fund to Big Brothers Big Sisters of Orillia and District for an amount to be determined annually by the CFOA in accordance with the CFOA policy relating to the long term preservation of capital. Distributions made to the organization from this Fund totaled \$0 for the year ended May 31, 2015.

8. Budget amounts

The 2015 budget amounts on the Statement of Operations and Changes in Net Assets, are presented for information purposes only, are unaudited and not covered by the audit report of Matthew G. Dixon Chartered Accountant Professional Corporation, dated August 4, 2015.

Big Brothers Big Sisters of Orillia & District
Schedule 1 - Statement of Fundraising Revenue and Expenses
For the year ended May 31,

	2015 Budget	2015	2014
Revenue			
Curling Bonspiel	22,000	20,558	22,858
Bowl for Kids Sake	23,000	21,862	23,517
Golf Tournament	18,000	16,411	17,775
Hockey Tournament	28,950	24,078	27,837
Raffle	-	5,620	5,600
	91,950	88,529	97,587
Expenses			
Curling Bonspiel	2,500	2,274	2,422
Bowl for Kids Sake	2,500	1,939	2,962
Golf Tournament	8,700	6,109	5,908
Hockey Tournament	17,750	13,807	17,427
Volunteer and other costs	-	1,021	-
	31,450	25,150	28,719

Schedule 2 - Statement of Gaming Revenue and Expenses
For the year ended May 31,

	2015 Budget	2015	2014
Revenue			
Bingo	7,000	13,825	12,715
Nevada	65,000	75,885	70,889
	72,000	89,710	83,604
Expenses			
Bingo	-	1,790	1,775
Nevada	37,000	39,459	36,886
Other	-	87	84
	37,000	41,336	38,745