

**BIG BROTHERS BIG SISTERS OF  
WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED**  
**Financial Statements**  
**For the Year Ended December 31, 2016**

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ASSOCIATION INCORPORATED**  
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## Independent Auditor's Report

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**To the members of  
BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED**

We have audited the accompanying financial statements of BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED, which comprise the balance sheet as at December 31, 2016, and the statements of revenue and expenditures and members' equity 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**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 entity'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 entity'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, the organization derives receipts from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation or fundraising receipts and excess of revenue over expenditures and cash flows for the year ended December 31, 2016, and members' equity as at December 31, 2016.

Our audit opinion on the financial statements for the year ended December 31, 2015 was modified accordingly because of the possible effects of this limitation in scope.

**Qualified Opinion**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED as at December 31, 2016, 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.

Chartered Professional Accountants, Licensed Public Accountants

Woodstock, Ontario  
May 16, 2017

**BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED**  
**Balance Sheet**

December 31	2016	2015
<b>Assets</b>		
<b>Current</b>		
Cash and bank	\$ 117,671	\$ 103,247
Accounts receivable	14,902	15,082
HST Recoverable	5,568	7,982
Prepaid expenses	5,790	3,006
	\$ 143,931	\$ 129,317
<b>Liabilities and Members' Equity</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 7,038	\$ 6,666
Deferred income	-	10,000
	7,038	16,666
<b>Members' Equity</b>		
Members' equity	130,893	106,651
Externally restricted funds (Note 2)	6,000	6,000
	136,893	112,651
	\$ 143,931	\$ 129,317

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED**  
**Statement of Revenue and Expenditures and Members' Equity**

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>		
City of Woodstock Community grant	\$ 10,000	\$ 10,000
Donations	37,415	35,583
Endowments and grants	24,411	14,500
Fundraising (see schedule)	103,542	115,939
Investment income	343	493
Miscellaneous	5,855	2,888
Trillium Foundation grant	20,000	28,000
United Way of Oxford	69,125	78,500
County of Oxford	25,000	25,000
Catherine and Maxwell Meighen Foundation	10,000	-
	<b>305,691</b>	<b>310,903</b>
<b>Expenditures</b>		
Audit	6,664	6,541
Bank charges	928	897
Conference and staff training	3,710	977
Insurance	4,817	6,946
Marketing and recruitment	4,741	5,016
Membership fees	6,079	7,246
New equipment	5,945	1,570
Office expense	10,193	7,161
Postage	472	1,502
Program supplies	3,044	3,632
Rent	40,956	40,976
Repairs and maintenance	1,731	3,773
Salaries and benefits		
- case management and programming	161,865	152,643
- administration and management	22,306	22,976
- fundraising	3,186	3,278
Travel	4,812	3,811
	<b>281,449</b>	<b>268,945</b>
<b>Net excess of revenues over expenditures for the year</b>	<b>24,242</b>	<b>41,958</b>
<b>Members' equity, beginning of year</b>	<b>106,651</b>	<b>64,693</b>
<b>Members' equity, end of year</b>	<b>\$ 130,893</b>	<b>\$ 106,651</b>

The accompanying notes are an integral part of these financial statements.

**BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED  
Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>		
Net excess of revenues over expenditures for the year	\$ 24,242	\$ 41,958
Changes in non-cash working capital:		
Accounts receivable	180	(12,655)
HST recoverable	2,414	(1,445)
Prepaid expenses	(2,784)	(36)
Accounts payable and accrued liabilities	372	664
Deferred income	(10,000)	124
	<u>14,424</u>	<u>28,610</u>
<b>Cash flows from investing activities</b>		
Short-term investments	<u>-</u>	<u>9,785</u>
<b>Net increase in cash and cash equivalents</b>	<b>14,424</b>	<b>38,395</b>
<b>Cash and cash equivalents, beginning of year</b>	<b><u>103,247</u></b>	<b><u>64,852</u></b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 117,671</b>	<b>\$ 103,247</b>

The accompanying notes are an integral part of these financial statements.

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# BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED

## Notes to Financial Statements

December 31, 2016

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### 1. Significant Accounting Policies

<b>Nature of Operations</b>	<p>BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED (the "organization") is a volunteer based organization which provides responsible guidance in the development of children in the community through companionship and mentoring with volunteers.</p> <p>The organization is a registered charity and as such is exempt from income taxes and is incorporated without share capital under the laws of Ontario.</p>
<b>Basis of Accounting</b>	<p>The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.</p>
<b>Financial Instruments</b>	<p>Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.</p>
<b>Capital Expenditures</b>	<p>Capital expenditures are charged to expense in the year they are incurred and are reflected in the statement of revenue and expenditures.</p>
<b>Revenue Recognition</b>	<p>The organization follows the deferral method of accounting for contributions.</p> <p>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.</p>
<b>Contributed Services</b>	<p>Volunteers contribute many hours per year to assist the organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>
<b>Use of Estimates</b>	<p>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 amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>



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# BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT ASSOCIATION INCORPORATED

## Notes to Financial Statements

December 31, 2016

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### 2. Externally Restricted Funds

In 2002, Big Sisters Association of Woodstock Inc. received a bequest from the Estate of Betty Mason. The principal of \$6,000 is to be maintained, with interest earned to be used for camp fees.

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### 3. Surplus

Big Brothers Big Sisters of Canada (Ontario) recommends at least fifty percent of the year's annual expenditures should be held in surplus. At December 31, 2016 the organization was \$22,879 (2015: \$43,947) below this recommendation.

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### 4. Commitments

The organization has an operating lease for its premises for \$3,400 per month plus HST, which is all inclusive, under an extended lease expiring in 2018. Either the landlord or the tenant can terminate the lease after ninety days that written notice is given.

The anticipated minimum annual lease payments for the next two years are as follows:

2017	\$	46,104
2018	\$	38,420

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### 5. Financial Instruments

#### Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and commitments.

There have been no changes to this risk or the organization's exposure to it from the previous year.

**BIG BROTHERS BIG SISTERS OF WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED**  
**Schedule of Fundraising Revenue and Expenditures**

For the year ended December 31	2016	2015
<b>Revenue</b>		
Big Night Out	\$ 100,831	\$ 80,476
Bowl for Kid's Sake	22,335	28,303
Car Show	1,871	4,300
Euchreama	2,810	2,880
Miscellaneous	8,910	11,753
Tastings	-	21,911
Tour of Homes	-	6,175
Trivia Night	4,880	4,391
	141,637	160,189
<b>Expenditures</b>		
Big Night Out	28,551	27,905
Bowl for Kid's Sake	3,642	3,966
Car Show	572	1,720
Euchreama	126	419
Miscellaneous	4,432	3,587
Tastings	-	4,845
Tour of Homes	-	1,150
Trivia Night	772	658
	38,095	44,250
	\$ 103,542	\$ 115,939

The accompanying notes are an integral part of these financial statements.