

**BIG BROTHERS BIG SISTERS OF  
WOODSTOCK AND DISTRICT  
ASSOCIATION INCORPORATED**  
**Financial Statements**  
**For the Year Ended December 31, 2017**

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ASSOCIATION INCORPORATED**  
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**For the Year Ended December 31, 2017**

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**Contents**

<b>Independent Auditor's Report</b>	<b>1 - 2</b>
<b>Financial Statements</b>	
Balance Sheet	3
Statement of Revenue and Expenditures and Members' Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7
Schedule of Fundraising Revenue and Expenditures	8



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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, 2017, 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, 2017, and members' equity as at December 31, 2017.

Our audit opinion on the financial statements for the year ended December 31, 2016 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, 2017, 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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Woodstock, Ontario  
May 15, 2018

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

December 31	2017	2016
<b>Assets</b>		
<b>Current</b>		
Cash and bank	\$ 286,063	\$ 117,671
Accounts receivable	9,737	14,902
HST Recoverable	4,848	5,568
Prepaid expenses	9,142	5,790
	\$ 309,790	\$ 143,931
<b>Liabilities and Members' Equity</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 11,833	\$ 7,038
Deferred income	1,132	-
	12,965	7,038
<b>Members' Equity</b>		
Members' equity	290,825	130,893
Externally restricted funds (Note 2)	6,000	6,000
	296,825	136,893
	\$ 309,790	\$ 143,931

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>2017</b>	<b>2016</b>
<b>Revenue</b>		
City of Woodstock Community grant	\$ 10,000	\$ 10,000
Donations	36,504	37,415
Endowments and grants	51,753	24,411
Fundraising (see schedule)	225,758	103,542
Investment income	332	343
Miscellaneous	2,378	5,855
Trillium Foundation grant	-	20,000
United Way of Oxford	69,000	69,125
County of Oxford	25,000	25,000
Catherine and Maxwell Meighen Foundation	-	10,000
	<b>420,725</b>	<b>305,691</b>
<b>Expenditures</b>		
Audit	7,761	6,664
Bank charges	1,594	928
Conference and staff training	320	3,710
Insurance	5,855	4,817
Marketing and recruitment	4,707	4,741
Membership fees	8,422	6,079
New equipment	2,269	5,945
Office expense	8,261	10,193
Postage	708	472
Program supplies	3,372	3,044
Rent	40,014	40,956
Repairs and maintenance	1,594	1,731
Salaries and benefits		
- case management and programming	154,166	161,865
- administration and management	15,886	22,306
- fundraising	2,877	3,186
Travel	2,987	4,812
	<b>260,793</b>	<b>281,449</b>
<b>Net excess of revenues over expenditures for the year</b>	<b>159,932</b>	<b>24,242</b>
<b>Members' equity, beginning of year</b>	<b>130,893</b>	<b>106,651</b>
<b>Members' equity, end of year</b>	<b>\$ 290,825</b>	<b>\$ 130,893</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>2017</b>	<b>2016</b>
<b>Cash flows from operating activities</b>		
Net excess of revenues over expenditures for the year	\$ 159,932	\$ 24,242
Changes in non-cash working capital:		
Accounts receivable	5,165	180
HST recoverable	720	2,414
Prepaid expenses	(3,352)	(2,784)
Accounts payable and accrued liabilities	4,795	372
Deferred income	1,132	(10,000)
	<u>168,392</u>	<u>14,424</u>
<b>Net increase in cash and cash equivalents</b>	<b>168,392</b>	<b>14,424</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>117,671</b>	<b>103,247</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 286,063</b>	<b>\$ 117,671</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, 2017

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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, 2017**

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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, 2017 the organization was \$146,924 (2016: (\$22,879)) above 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 year is as follows:

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	2017	2016
<b>Revenue</b>		
Big Night Out	\$ 66,507	\$ 100,831
Bowl for Kid's Sake	24,131	22,335
Brews and Bros	3,926	-
Car Show	2,457	1,871
Euchreama	2,236	2,810
Miscellaneous	1,022	8,910
Third party hosted fundraiser	154,602	-
Trivia Night	6,552	4,880
	261,433	141,637
<b>Expenditures</b>		
Big Night Out	28,506	28,551
Bowl for Kid's Sake	3,883	3,642
Brews and Bros	881	-
Car Show	447	572
Euchreama	384	126
Miscellaneous	14	4,432
Third party hosted fundraiser	99	-
Trivia Night	1,461	772
	35,675	38,095
	\$ 225,758	\$ 103,542

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