



Big Brothers Big Sisters of Calgary and Area

■ 5945 Centre Street SW Calgary, Alberta T2H0C2 Canada

TO THE MEMBERS OF BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Finance Committee are composed entirely of Directors and external individuals who are neither management nor employees of Big Brothers Big Sisters Society of Calgary and Area. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

Karen Orser
President & CEO
May 30, 2016



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INDEPENDENT AUDITORS' REPORT

To the Members of Big Brothers Big Sisters of Calgary and Area

We have audited the accompanying financial statements of Big Brothers Big Sisters of Calgary and Area, which comprise the statement of financial position as at March 31, 2016, the statements of operations, changes in net assets, and cash flows for the eleven months ended March 31, 2016, and notes, comprising 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.

Auditors' 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 our 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, we consider 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, Big Brothers Big Sisters of Calgary and Area derives part of its revenue from the public in the form of donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of Big Brothers Big Sisters of Calgary and Area.

Therefore, we were not able to determine whether, as at and for the eleven months ended March 31, 2016 and the year ended April 30, 2015, any adjustments might be necessary to revenue and excess (deficiency) of revenue over expenses reported in the statements of operations, excess (deficiency) of revenue over expenses reported in the statements of cash flows and changes in net assets, and current assets and net assets reported in the statements of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year ended April 30, 2015.

Qualified Opinion

In our opinion, except for the possible effects of the matter 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 Calgary and Area as at March 31, 2016 and its results of operations and its cash flows for the eleven months ended March 31, 2016 in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

May 30, 2016

Calgary, Canada

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Statement of Financial Position

March 31, 2016, with comparative information for April 30, 2015

	March 31, 2016	April 30, 2015
	\$	\$
Assets		
Current assets:		
Cash (note 3)	607,279	816,514
Restricted cash (note 3)	215,822	210,254
Restricted short term investments (note 4)	5,619	5,542
Accounts receivable	212,509	229,459
Prepaid expenses	58,450	159,194
	<u>1,099,679</u>	<u>1,420,963</u>
Property and equipment (note 5)	205,312	297,078
Total assets	<u>1,304,991</u>	<u>1,718,041</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	192,533	99,345
Deferred revenue (note 8)	344,109	737,264
	<u>536,642</u>	<u>836,609</u>
Deferred asset contributions (note 8)	196,510	286,153
Deferred revenue (note 8)	4,651	12,463
	<u>737,803</u>	<u>1,135,225</u>
Net assets:		
Big Brothers Big Sisters fund	345,747	367,020
Externally restricted fund (notes 3 and 4)	99,259	94,752
Internally restricted fund (notes 3 and 4)	100,023	99,111
Trust fund (notes 3 and 4)	22,159	21,933
	<u>567,188</u>	<u>582,816</u>
Commitments (note 10)		
Total liabilities and net assets	<u>1,304,991</u>	<u>1,718,041</u>

See accompanying notes to financial statements.

On behalf of the Board:



Judy Burke
Chair



Warren Book
Treasurer

Statement of Operations

Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Eleven months ended March 31, 2016 (\$)	Year ended April 30, 2015 (\$)
Revenue						
Corporations and foundations	538,021	-	-	-	538,021	702,546
Individuals	398,504	-	-	-	398,504	369,079
Grants	1,327,545	-	-	-	1,327,545	1,547,597
Canadian Progress Clubs - Calgary	189,691	97,000	-	-	286,691	365,789
Fundraising activities (note 7)	752,002	130,957	-	-	882,959	885,790
Interest and other investment income	2,799	42	912	226	3,979	4,712
Gifts in-kind	361,370	-	-	-	361,370	390,678
Deferred asset contribution amortization (note 8)	88,504	-	-	-	88,504	85,636
Total Revenue	3,658,436	227,999	912	226	3,887,573	4,351,827
Expenses						
Fundraising events (note 7)	377,665	-	-	-	377,665	333,640
Fund development	331,455	-	-	-	331,455	419,284
Program delivery	2,415,722	227,659	-	-	2,643,381	3,090,508
Program support	550,689	11	-	-	550,700	518,409
Total expenses	3,675,531	227,670			3,903,201	4,361,841
Excess (deficiency) of revenue over expenses	(17,095)	329	912	226	(15,628)	(10,014)

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Total (\$)
Net assets, April 30, 2014	468,268	4,650	97,808	22,104	592,830
Excess (deficiency) of revenue over expenses	(79,118)	67,283	1,492	329	(10,014)
Interfund transfers	(22,130)	22,819	(189)	(500)	-
Net assets, April 30, 2015	367,020	94,752	99,111	21,933	582,816
Excess (deficiency) of revenue over expenses	(17,095)	329	912	226	(15,628)
Interfund transfers	(4,178)	4,178	-	-	-
Net assets, March 31, 2016	345,747	99,259	100,023	22,159	567,188

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**Statement of Cash Flows****Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015**

	Eleven months ended March 31, 2016 (\$)	Year Ended April 30, 2015 (\$)
Cash and restricted cash provided by (used in):		
Operating activities:		
Cash received from donors	3,136,973	3,888,585
Cash paid to suppliers	(1,100,872)	(1,298,250)
Cash paid to employees	(2,246,739)	(2,589,290)
Interest and other investment income	3,979	4,712
	(206,659)	5,757
Financing activities:		
Capital contributions from donors	(1,139)	138,255
Investing activities:		
Investments purchased	(77)	(5,000)
Cash received from investments	-	5,055
Property and equipment sold (acquired)	4,208	(138,255)
	4,131	(138,200)
Net (decrease) increase in cash and restricted cash	(203,667)	5,812
Cash and restricted cash, beginning of period (note 3)	1,026,768	1,020,956
Cash and restricted cash, end of period (note 3)	823,101	1,026,768

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

1. Nature of operations

Big Brothers Big Sisters Society of Calgary and Area (the Society or BBBS) is a non-profit organization incorporated under the *Societies Act of Alberta*. The Society's mandate is to impact the lives of young people and volunteers through the power of mentoring. The Society is a registered charity under the *Income Tax Act* (Canada) and accordingly is exempt from income taxes, provided certain requirements of the *Income Tax Act* are met.

The Society categorizes its programs under two groupings: Community-Based and Site-Based programs:

(i) Community-Based programs include Big Brothers / Big Sisters / Big Couple, Youth Engaging Supports (YES), Recreation Mentoring, mPower Youth Mentoring, Airdrie Satellite, Cochrane Satellite, Okotoks Satellite, High River Satellite and Pilot projects.

In the community-based programs, caring mentors are matched with children and youth in the community and spend quality one-to-one time together each week. The volunteer and young person participates in activities of their choosing while together in the community.

(ii) Site-Based programs include In-School Mentoring, Between Generations, Go Girls, Teen Mentoring, High River Satellite, Airdrie Satellite, Cochrane Satellite, and Okotoks Satellite.

In the site-based programs, volunteer mentors of all ages are matched to school-aged children and youth who, together, meet once a week for one hour. The volunteer and young person meet on-site in schools and community centres, to talk and share in fun activities together.

(iii) Other services include matched events for children, youth, volunteers and families and Child/Youth/Parent/Volunteer Pre-Match Training is for the young people we serve, their families and the volunteer mentors. The training helps the young person, the volunteer and the parent and/or guardian to identify and learn how to respond to unsafe situations.

(a) Externally restricted fund

The externally restricted fund consists of unspent funds from the casino bank accounts. The balance of this fund is restricted by the Alberta Gaming and Liquor Commission (AGLC). These funds are used to cover expenses related to program delivery which are approved by the AGLC.

(b) Internally restricted fund

The Society started a building campaign in 2000 with the goal of raising sufficient funds to purchase a building. The Society's Board of Directors has committed \$50,000, plus accumulated interest, with the intention of transferring the funds to the Canadian Progress Club Foundation once a building is ready for purchase. It is internally restricted by the Society.

Other amounts are internally restricted by the Society for the purposes of operating reserves.

(c) Trust fund

The Society's trust fund is maintained to provide annual scholarships and awards out of earnings of the funds.

(d) Change of fiscal year

The Society changed its financial year-end from April 30 to March 31 with effect from the current financial period ended March 31, 2016. The financial statements for the current period cover the period from May 1, 2015 to March 31, 2016.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

(a) *Restricted short term investments*

Short term investments consist of guaranteed investment certificates (GICs). Short term investments are recorded at fair value, with unrealized changes to fair value recorded as investment or loss.

(b) *Property and equipment*

Property and equipment is stated at cost less accumulated amortization. Property and equipment is amortized over their estimated useful lives at the following rates and methods:

Assets	Method	Rate
Furniture, computer and office equipment	declining balance	20 percent
Laptops and computer software	straight line	4 years
Display equipment	declining balance	20 percent
Leasehold improvement	straight line	lease term

(c) *Deferred asset contribution*

Revenue from funders used specifically for the purchase of property and equipment is recorded as a deferred asset contribution and amortized at the same rate as the related asset, in order to recognize revenue at the same time as the amortization expense.

(d) *Revenue*

The Society uses the restricted fund method to record the receipt and use of resources that are subject to restrictions.

Revenue from fundraising activities, including pledges, is recognized only when the contribution is received. The Big Brothers Big Sisters fund accounts for the Society's program, delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants and contributions that are not reported in a separate restricted fund.

Deferred revenue represents funds received for specific projects for which no corresponding restricted fund is presented. Deferred revenue is recognized as revenue when the related expenses are incurred.

(e) *Gifts in-kind*

Donated ("in-kind") goods, which otherwise would be paid for by the Society, are recorded at fair market value, when determinable, with the corresponding "in-kind" expense recorded at an equal amount. "Gifts in-kind revenue" represents donated tickets, which are used within the fiscal year, for volunteers and families to attend various sporting and cultural events.

(f) *Contributed services*

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

2. Summary of significant accounting policies (continued)

(g) Use of estimates

The preparation of the 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 and revenue and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known. Consequently, actual results could differ from those estimates.

(h) Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position.

Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value, with unrealized gains and losses being recognized in earnings. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has elected to carry cash, restricted cash and restricted short term investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(i) Allocation of expenses

Expenses are recorded on an accrual basis and are charged to programs according to the activity they benefit.

Fundraising expenses are allocated to the programs on the basis of the support required in those programs from the revenue they derive.

Program delivery, program support, and fund development expenses are rarely directly incurred by the program. Expenses are allocated to programs based on the targeted matches as well as the number of staff and geographic location.

General support expenses are allocated generally on targeted matches as well as number of staff and geographic location. These support expenses include fund development, human resources, program support, office, equipment rentals, computer maintenance, marketing, staff and volunteer expenses, as well as liability insurance, audit fees, and membership fees.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

3. Cash

	March 31, 2016	April 30, 2015
	\$	\$
Unrestricted cash - general operating account	607,279	816,514
Internally restricted cash		
Building	10,361	10,354
Cash held in general operating account	5,323	5,320
Cash held by investment company	79,207	78,382
Total internally restricted funds	94,891	94,056
Externally restricted cash		
Casino account	99,259	94,752
Cash held by investment company (trust account)	21,672	21,446
Total externally restricted cash	120,931	116,198
Total restricted cash (note 4)	215,822	210,254
Total cash	823,101	1,026,768

(a) Internally restricted revenue funds

Restricted revenue contributions are reported and accumulated separately from resources that are available for the general use of the operations of the Society.

The Building Fund was originally restricted for the specific intention of transferring the funds to the Canadian Progress Club Foundation once a building was ready for purchase. However, due to the economic conditions, if these funds were required for deficit purposes, with the Board's approval, the funds would be used for general operating purposes.

(b) Externally restricted revenue funds

Net receipts from casino and gaming activities, and related investment income may only be used for certain expenditures authorized by the AGLC. A portion of the Trust Account has investment income that is restricted for use as scholarships.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

4. Short term investments

	March 31, 2016	April 30, 2015
	\$	\$
Internally restricted investment - GIC	5,132	5,055
Externally restricted funds - trust fund	487	487
Total restricted short term investments	5,619	5,542

Internally restricted reserve funds

These balances are externally unrestricted balances and are subject to reserve tests established from time to time by the Board of Directors.

Internally restricted reserves have been set up to comply with the Society's bylaws. The reserves can be used for general operating or program expenditures as approved by the Board of Directors.

Restricted short term investments are carried at fair value and include \$487 of cash. In September 2014 a GIC was purchased using internally restricted cash and earned interest at 1.7 percent. This GIC was then rolled over to an additional GIC term from October 15, 2015 to November 15, 2016 and earns interest at 1.6 percent.

5. Property and equipment

	Cost	Accumulated amortization	March 31, 2016 Net book value	April 30, 2015 Net book value
	\$	\$	\$	\$
Furniture, computer and office equipment	246,148	180,844	65,304	98,290
Laptops and computer software	101,349	33,108	68,241	91,197
Display equipment	5,645	5,433	212	259
Leasehold improvements	194,235	122,680	71,555	107,332
Total property and equipment	547,377	342,065	205,312	297,078

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

6. Program Delivery

	Eleven months ending March 31, 2016 \$	Year ended April 30, 2015 \$
Revenue for Community Programs		
Big Brothers/Big Sisters	1,171,714	1,465,602
Recreation Mentoring	265,378	387,156
mPower Youth Mentoring	212,673	297,720
Airdrie Satellite	72,441	47,214
Cochrane Satellite	55,837	32,489
Okotoks Satellite	24,493	21,521
High River Satellite	27,104	-
Pilot Projects	445,678	460,579
	2,275,318	2,712,281
Expenses for Community Programs		
Big Brothers/Big Sisters	1,188,809	1,465,602
Recreation Mentoring	265,378	387,156
mPower Youth Mentoring	212,673	297,720
Airdrie Satellite	72,441	50,218
Cochrane Satellite	55,837	32,489
Okotoks Satellite	24,493	21,521
High River Satellite	27,104	-
Pilot Projects	445,678	460,579
	2,292,413	2,715,285
Deficiency of revenue over expenses	(17,095)	(3,004)

Big Brothers/Big Sisters Program includes Big Brothers/Big Sisters/Big Couple for Kids Program, and other services provided by the Society. Recreation mentoring includes Police Recreational Youth Mentoring Experience (PRYME).

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

6. Program delivery (continued)

	Eleven months ending March 31, 2016 \$	Year Ended April 30, 2015 \$
Revenue for Site-Based Programs		
In-School Mentoring	462,840	401,101
Between Generations	179,438	187,358
Teen Mentoring	561,538	733,168
High River Satellite	15,379	83,075
Airdrie Satellite	64,846	110,166
Cochrane Satellite	58,831	69,792
Okotoks Satellite	40,247	46,230
	<u>1,383,119</u>	<u>1,630,890</u>
Expenses for Site-Based Programs		
In-School Mentoring	462,840	401,101
Between Generations	179,438	187,358
Teen Mentoring	561,538	733,168
High River Satellite	15,379	83,075
Airdrie Satellite	64,846	117,176
Cochrane Satellite	58,831	69,792
Okotoks Satellite	40,247	46,230
	<u>1,383,119</u>	<u>1,637,900</u>
Deficiency of revenue over expenses	-	(7,010)

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

7. Fundraising events

	Eleven months ending March 31, 2016 \$	Year Ended April 30, 2015 \$
Revenue		
BBBS Casino	130,957	11,313
BBBS Bowl for Kids	211,775	285,090
BBBS Satellite Bowl for Kids Sake	38,510	23,605
All Star Weekend	402,419	411,455
Alberta Treasury Management Charity Classic	52,481	36,440
Tom Milley Poker Tournament	-	24,050
Fight for Kids	-	22,191
Chrome 15	35,934	-
Miscellaneous third-party fundraising events	10,883	71,646
	882,959	885,790
Expenses		
BBBS Casino	87	1,047
BBBS Bowl for Kids	166,258	175,227
BBBS Satellite Bowl for Kids Sake	4,825	1,828
All Star Weekend	190,129	154,658
Chrome 15	15,630	-
Miscellaneous third-party fundraising events	736	880
	377,665	333,640
Net fundraising events	505,294	552,150

Canadian Progress Club - Stampede City manages BBBS Bowl for Kids on the Society's behalf.

The Society is registered under the *Charitable Fundraising Act of Alberta* and has considered all required disclosures under section 7 (2) of the Act in preparing these statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

8. Deferred revenue and deferred asset contributions

Deferred revenue related to expenses of future periods represents unspent externally restricted grants and donations for specific programs.

For the eleven month period ended March 31, 2016	Opening	Funds	Spent and	Ending balance
	Balance	received and interest accrued	recognized as revenue	
	\$	\$	\$	\$
Government of Alberta	257,463	218,996	(284,534)	191,925
City of Calgary	53,125	361,680	(327,962)	86,843
Other government agencies	61,248	277,930	(339,178)	-
United Way of Calgary and Area	141,649	280,578	(370,371)	51,856
All Star Weekend	189,545	213,874	(402,419)	1,000
Other funders	46,697	26,023	(55,584)	17,136
Total deferred revenue	749,727	1,379,081	(1,780,048)	348,760
Less current portion	737,264			344,109
Non-current portion	12,463			4,651

For the year ended April 30, 2015	Opening	Funds	Spent and	Ending balance
	balance	received and interest accrued	recognized as revenue	
	\$	\$	\$	\$
Alberta Mentor Foundation for Youth	37,906	-	(37,906)	-
Government of Alberta	110,264	587,015	(439,816)	257,463
City of Calgary	53,125	318,749	(318,749)	53,125
Other government agencies	8,333	361,648	(308,733)	61,248
United Way of Calgary and Area	118,283	514,728	(491,362)	141,649
All Star Weekend	194,430	406,570	(411,455)	189,545
Other funders	72,012	108,201	(133,516)	46,697
Total deferred revenue	594,353	2,296,911	(2,141,537)	749,727
Less current portion	578,157			737,264
Non-current portion	16,196			12,463

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

8. Deferred revenue and deferred asset contributions (continued)

Deferred asset contributions related to property and equipment represent the unamortized amount and unspent amount of donations and grants received for the purchase of property and equipment. The amortization of deferred asset contributions is recorded as revenue in the statement of operations.

	Eleven months ending March 31, 2016 \$	Year Ended April 30, 2015 \$
Balance, beginning of year	286,153	233,993
Additional contributions received	-	138,255
Disposal of assets	(1,139)	(459)
Amortization of deferred capital contributions	(88,504)	(85,636)
Total deferred asset contributions	196,510	286,153

9. Financial instruments

Credit risk and economic dependence

Of the Society's accounts receivable 19 percent (April 30, 2015 - 47 percent) is from one main donor group and the Alberta Government (including the AGLC). The positive historical payment record of the group minimizes the risk of non-payment. As this group provides 13 percent (2015 - 9 percent) of the Society's donation revenue, the loss of this revenue would have an impact on the Society's ability to maintain current levels of operations.

Cash consists of bank balance and short term deposits with large credit-worthy financial institutions.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Interest rate risk

The Society's exposure to interest rate risk is limited to fluctuations in the interest rate related to their short-term investments.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Eleven months ended March 31, 2016, with comparative information for the year ended April 30, 2015

10. Commitments

The Society has a lease for office premises that expires on January 31, 2018. Future minimum lease payments for upcoming fiscal periods are as follows:

	\$
2017	148,944
2018	136,785
	<u>285,729</u>

Note: The square footage changed in 2015 to 9,119 from 8,846 due to a re-measurement.

11. Allocation of expenses

Fundraising events expenses reported in the statement of operations of \$377,655 (April 30, 2015 - \$333,640) were allocated to Community-Based Programs \$182,669 (April 30, 2015 - \$179,123), Site-Based Programs \$190,171 (April 30, 2015 - \$154,517) and Restricted Funds \$0 (April 30, 2015 - \$11,313).

General support expenses of \$3,414,491 have been allocated as follows for the eleven months ended March 31, 2016:

	Community- Based Programs \$	Site-Based Programs \$	Restricted Funds \$
Fund development	195,125	131,683	-
Program delivery	1,506,599	804,864	227,659
Program support	312,965	235,585	11
Total	<u>2,014,689</u>	<u>1,172,132</u>	<u>227,670</u>

General support expenses of \$4,028,547 have been allocated as follows for the year ended April 30, 2015:

	Community- Based Programs \$	Site-Based Programs \$	Restricted Funds \$
Fund development	225,445	193,839	-
Program delivery	2,045,524	1,045,330	-
Program support	292,748	225,661	-
Total	<u>2,563,717</u>	<u>1,464,830</u>	<u>-</u>

12. Comparative Figures

Certain comparative figures have been reclassified to be consistent with current year presentation.