

**BIG BROTHERS BIG SISTERS
OF REGINA AND AREA INC.**
Financial Statements
Year Ended June 30, 2020

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
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Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of Big Brothers Big Sisters of Regina and Area Inc.

Opinion

We have audited the financial statements of Big Brothers Big Sisters of Regina and Area Inc. (the Organization), which comprise the statement of financial position as at June 30, 2020, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2020, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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Independent Auditor's Report to the Members of Big Brothers Big Sisters of Regina and Area Inc.
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan
September 16, 2020


Dudley & Company LLP
Chartered Professional Accountants

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Statement of Financial Position
June 30, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 191,783	\$ 125,644
Accounts receivable	42,899	17,162
Inventory	23,100	23,100
GST receivable	7,223	4,908
Prepaid expenses	3,402	3,880
	<u>268,407</u>	174,694
CAPITAL ASSETS (Note 4)	<u>12,141</u>	15,832
TOTAL ASSETS	<u>\$ 280,548</u>	<u>\$ 190,526</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 16,104	\$ 12,543
Employee deductions payable	15,399	13,419
Deferred revenue (Note 5)	89,694	42,433
	<u>121,197</u>	68,395
NET ASSETS	<u>159,351</u>	122,131
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 280,548</u>	<u>\$ 190,526</u>

ON BEHALF OF THE BOARD

Bern Weizman Director

Ch. [Signature] Director

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses****Year Ended June 30, 2020**

	2020	2019
REVENUES		
Grants	\$ 203,088	\$ 144,690
Fundraisers	155,083	266,850
United Way of Regina	45,993	48,220
Province of Saskatchewan	45,324	45,324
Donations	38,678	30,912
Corporate sponsorship	23,250	-
Covid-19 support funding	8,899	-
Canada Summer Student grant	6,544	7,030
Rental revenue	-	2,500
Interest income	-	69
	526,859	545,595
EXPENSES		
Salaries and wages	304,341	303,863
Fundraising expenses	50,184	49,165
Mentorship activities	32,249	27,140
Rental	29,944	39,689
Professional fees	14,605	38,099
Memberships and fees	14,175	9,236
Telephone	9,351	12,601
Advertising and promotion	7,804	13,092
Insurance	5,954	6,822
Office and equipment rental	5,401	10,012
Mileage and parking	3,929	6,680
Amortization	3,690	3,770
Utilities	3,536	2,843
Bank charges and interest	3,081	2,075
Training and conventions	869	5,734
Repairs and maintenance	526	227
	489,639	531,048
EXCESS OF REVENUES OVER EXPENSES	\$ 37,220	\$ 14,547

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.

Statement of Changes in Net Assets

Year Ended June 30, 2020

	2019 Balance	Excess of revenues over expenses	Capital asset purchases/ amortization	Transfers	2020 Balance
Regina - unrestricted	\$ 15,150	\$ (1,976)	\$ 3,294	\$ 12,072	\$ 28,540
Weyburn - unrestricted	27,044	21,214	236	(6,462)	42,032
Moose Jaw - unrestricted	12,885	17,982	160	(5,610)	25,417
Capital Fund	15,832	-	(3,690)	-	12,142
Operating Reserve	51,220	-	-	-	51,220
	\$ 122,131	\$ 37,220	\$ -	\$ -	\$ 159,351
	2018 Balance	Excess of revenues over expenses	Capital asset purchases/ amortization	Transfers	2019 Balance
Regina - unrestricted	\$ (7,217)	\$ 17,324	\$ (3,819)	\$ 8,862	\$ 15,150
Weyburn - unrestricted	41,163	(10,098)	337	(4,358)	27,044
Moose Jaw - unrestricted	9,840	7,321	228	(4,504)	12,885
Capital Fund	12,578	-	3,254	-	15,832
Operating Reserve	51,220	-	-	-	51,220
	\$ 107,584	\$ 14,547	\$ -	\$ -	\$ 122,131

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Statement of Cash Flows
Year Ended June 30, 2020

	2020	2019
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 37,220	\$ 14,547
Item not affecting cash:		
Amortization of capital assets	3,690	3,770
	<u>40,910</u>	<u>18,317</u>
Changes in non-cash working capital:		
Accounts receivable	(25,737)	(9,472)
Accounts payable	3,562	9,811
Deferred revenue	47,261	(24,048)
Prepaid expenses	478	3,431
GST receivable	(2,315)	(3,639)
Employee deductions payable	1,980	2,064
	<u>25,229</u>	<u>(21,853)</u>
Cash Flows From (For) Operating Activities	<u>66,139</u>	<u>(3,536)</u>
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Purchase of capital assets	-	(7,022)
INCREASE (DECREASE) IN CASH FLOWS	<u>66,139</u>	<u>(10,558)</u>
Cash - beginning of year	<u>125,644</u>	<u>136,202</u>
CASH - END OF YEAR	<u>\$ 191,783</u>	<u>\$ 125,644</u>

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2020

1. PURPOSE OF THE ORGANIZATION

Big Brothers Big Sisters of Regina and Area Inc. (the "organization") is a not-for-profit organization incorporated provincially under The Non-profit Corporations Act of Saskatchewan. As a registered charity the organization is exempt from the payment of income tax under section 149(1) of the Income Tax Act.

The organization operates to professionally screen, match, and monitor volunteer adult mentors and their youth mentees. Matches are made with the intent to create a developmental relationship, where a youth is positively impacted by a mentor's strengths, knowledge, and skills.

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).

Cash

Cash includes cash on hand and cash on deposit at various financial institutions.

Financial instruments

The organization initially records a financial instrument at its fair value except for a related party transaction which is recorded at the carrying or exchange amount depending on the circumstances.

The organization recognizes its transaction costs in net earnings in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Subsequently, the organization measures financial assets at amortized cost and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and fixed income investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

At each balance sheet date, the organization assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. If there is an indication of impairment, the organization determines if a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the asset. If there is a significant adverse change then the organization reduces the carrying amount of the asset accordingly.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

(continues)

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.

Notes to Financial Statements

Year Ended June 30, 2020

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

Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization of capital assets is recorded in the accounts on a declining balance at the following rates:

Computer equipment	30%
Office furnishings and equipment	20%

Leasehold improvements are amortized on a straight-line basis over the term of the lease.

Amortization is charged for one-half in the year of acquisition.

Inventory

Inventory (comprised of donated precious gems) is valued at the lower of cost and net realizable value.

Revenue recognition

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 incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received is reasonable estimated and collection is assured.

In-kind donations, if used in the normal course of operations, which are supported by independent appraisal reports, are recorded as revenue when received.

Revenue from projects and events are recognized when the project or event has taken place.

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. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts as well as an allowance for valuation of inventories are provided where considered necessary. Amortization is based on the estimated useful life of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the periods in which they become known.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.

Notes to Financial Statements

Year Ended June 30, 2020

3. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable, investments and accounts payable. The fair value of cash, accounts receivable and accounts payable approximate their carrying amounts. The fair value of investments is discussed below.

(a) Risks and uncertainties

The organization is exposed to risks or varying degrees of significance which could affect its ability to achieve its strategic objectives for growth. The main objectives of the organization's risk management process are to ensure that risks are properly identified and the capital base is adequate in relation to these risks. The principal financial risks to which the organization is exposed are described as follows.

(b) Credit risk

The organization is exposed to credit risk in the event of non-payment by its members and clients for their accounts receivable.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of accounts payable.

(d) Interest rate risk

The organization is exposed to interest rate risk with respect to its investments which bear a fixed rate of interest.

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

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	\$ 15,710	\$ 12,687	\$ 3,023	\$ 4,318
Office furnishings and equipment	23,118	17,236	5,882	7,353
Leasehold improvements	4,623	1,387	3,236	4,161
	<u>\$ 43,451</u>	<u>\$ 31,310</u>	<u>\$ 12,141</u>	<u>\$ 15,832</u>

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2020

5. DEFERRED REVENUE

Deferred revenue is comprised of grants and contributions due or received at year end but applicable to future funding programs as follows:

	2020	2019
Community Initiatives Fund	\$ 26,444	\$ 3,000
City of Regina	19,500	28,500
United Way	5,000	10,933
South Saskatchewan Community Foundation	25,000	-
K+S Potash	13,750	-
	<u>\$ 89,694</u>	<u>\$ 42,433</u>

6. COMMITMENTS

The organization is committed to a lease on its premises at a rate of \$2,332 per month until October 1, 2020, afterwards the monthly commitment is \$2,651 until maturity. The lease matures on October 1, 2023.

7. SIGNIFICANT EVENT

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The overall financial impact on the organization's operations has not yet been determined.

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Financial Position by Branch****(Schedule 1)****Year Ended June 30, 2020**

	Regina 2020	Weyburn 2020	Moose Jaw 2020	Total 2020
ASSETS				
Cash	\$ 123,086	\$ 53,319	\$ 15,378	\$ 191,783
Accounts receivable	13,423	8,738	20,738	42,899
Inventory	23,100	-	-	23,100
GST receivable	6,458	382	383	7,223
Prepaid expenses	3,402	-	-	3,402
Capital assets	11,216	552	373	12,141
TOTAL ASSETS	\$ 180,685	\$ 62,991	\$ 36,872	\$ 280,548
LIABILITIES AND NET ASSETS				
Accounts payable	\$ 12,656	\$ 2,405	\$ 1,043	\$ 16,104
Inter-branch payable	(5,166)	803	4,363	-
Employee deductions payable	15,399	-	-	15,399
Deferred revenue	66,820	17,199	5,675	89,694
Net assets	90,976	42,584	25,791	159,351
TOTAL LIABILITIES AND NET ASSETS	\$ 180,685	\$ 62,991	\$ 36,872	\$ 280,548

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Financial Position by Branch****(Schedule 2)****Year Ended June 30, 2019**

	Regina 2019	Weyburn 2019	Moose Jaw 2019	Total 2019
ASSETS				
Cash	\$ 67,208	\$ 37,930	\$ 20,506	\$ 125,644
Accounts receivable	8,705	3,500	4,957	17,162
Inventory	23,100	-	-	23,100
Prepaid expenses	3,380	-	500	3,880
GST receivable	4,269	352	287	4,908
Capital assets	14,512	787	533	15,832
TOTAL ASSETS	\$ 121,174	\$ 42,569	\$ 26,783	\$ 190,526
LIABILITIES AND NET ASSETS				
Accounts payable	\$ 11,548	\$ 920	\$ 75	\$ 12,543
Inter-branch payables	(15,174)	1,885	13,289	-
Employee deductions payable	13,419	-	-	13,419
Deferred revenue	30,500	11,933	-	42,433
Net assets	80,881	27,831	13,419	122,131
TOTAL LIABILITIES AND NET ASSETS	\$ 121,174	\$ 42,569	\$ 26,783	\$ 190,526

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Regina****(Schedule 3)****Year Ended June 30, 2020**

	2020	2019
REVENUES		
Fundraisers	\$ 145,161	\$ 252,649
Grants	123,230	98,184
Province of Saskatchewan	40,452	40,452
Donations	36,093	26,577
United Way of Regina	30,060	29,788
Corporate sponsorship	23,250	-
Canada Summer Student grant	4,476	4,437
Covid-19 support funding	3,423	-
Rental revenue	-	2,500
	<u>406,145</u>	<u>454,587</u>
EXPENSES		
Salaries and wages	239,462	234,286
Fundraising expenses	50,184	49,165
Mentorship activities	30,615	20,958
Rental	25,857	31,911
Professional fees	14,605	38,099
Memberships and fees	9,986	9,170
Telephone	8,048	10,870
Advertising and promotion	7,565	11,722
Insurance	5,954	6,822
Office and equipment rental	4,767	8,273
Utilities	3,536	2,843
Amortization	3,294	3,205
Bank charges and interest	2,513	1,538
Training and conventions	725	5,709
Repairs and maintenance	526	227
Mileage and parking	484	2,465
	<u>408,121</u>	<u>437,263</u>
INCOME (LOSS) FROM OPERATIONS	<u>\$ (1,976)</u>	<u>\$ 17,324</u>

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Weyburn****(Schedule 4)****Year Ended June 30, 2020**

	2020	2019
REVENUES		
Grants	\$ 38,683	\$ 19,786
United Way of Regina	15,933	18,432
Province of Saskatchewan	4,872	4,872
Covid-19 support funding	2,738	-
Donations	2,390	2,659
City of Weyburn	-	-
Interest income	-	69
	64,616	45,818
EXPENSES		
Salaries and wages	35,775	43,034
Memberships and fees	2,300	66
Mileage and parking	1,860	2,455
Mentorship activities	1,225	4,133
Telephone	1,097	1,380
Bank charges and interest	314	311
Amortization	236	337
Office and equipment rental	226	1,726
Advertising and promotion	225	809
Training and conventions	144	25
Rental	-	1,640
	43,402	55,916
INCOME (LOSS) FROM OPERATIONS	\$ 21,214	\$ (10,098)

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Moose Jaw****(Schedule 5)****Year Ended June 30, 2020**

	2020	2019
REVENUES		
Grants	\$ 41,175	\$ 26,720
Fundraisers	9,922	14,201
Covid-19 support funding	2,738	-
Canada Summer Student grant	2,068	2,593
Donations	195	1,676
	<u>56,098</u>	<u>45,190</u>
EXPENSES		
Salaries and wages	29,104	26,543
Rental	4,088	6,138
Memberships and fees	1,889	-
Mileage and parking	1,584	1,760
Mentorship activities	409	2,049
Office and equipment rental	408	13
Bank charges and interest	254	226
Telephone	206	350
Amortization	160	228
Advertising and promotion	14	562
	<u>38,116</u>	<u>37,869</u>
INCOME FROM OPERATIONS	<u>\$ 17,982</u>	<u>\$ 7,321</u>

See notes to financial statements