



**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 29, 2017



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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, 2017, the statements of operations, changes in net assets, and cash flows for the year then ended, 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 year ended March 31, 2017 and the eleven months ended March 31, 2016, 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 eleven months ended March 31, 2016.

### **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, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

May 29, 2017

Calgary, Canada

**BIG BROTHERS BIG SISTERS OF CALGARY AND AREA****Statement of Financial Position****March 31, 2017, with comparative information for March 31, 2016**

	March 31, 2017	March 31, 2016
	\$	\$
<b>Assets</b>		
Current assets:		
Cash (note 3)	648,500	607,279
Restricted cash (note 3)	174,317	215,822
Restricted short term investments (note 4)	5,525	5,619
Accounts receivable	75,599	212,509
Restricted accounts receivable (note 4)	95,096	-
Prepaid expenses	63,687	58,450
	1,062,724	1,099,679
Property and equipment (note 5)	117,725	205,312
<b>Total assets</b>	<b>1,180,449</b>	<b>1,304,991</b>
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	101,254	192,533
Deferred revenue (note 9)	428,128	344,109
	529,382	536,642
Deferred asset contributions (note 9)	111,830	196,510
Deferred revenue (note 9)	3,254	4,651
	644,466	737,803
Net assets:		
Big Brothers Big Sisters fund	261,044	345,747
Externally restricted fund (notes 3 and 4)	151,605	99,259
Internally restricted fund (notes 3 and 4)	100,947	100,023
Trust fund (notes 3 and 4)	22,387	22,159
	535,983	567,188
Commitments (note 11)		
<b>Total liabilities and net assets</b>	<b>1,180,449</b>	<b>1,304,991</b>

See accompanying notes to financial statements.

On behalf of the Board:

Approved 29-May-2017  
Judy Burke  
Chair

Approved 29-May-2017  
Warren Book  
Treasurer

**BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**

**Statement of Operations**

**Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016**

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Year ended March 31, 2017 (\$)	Eleven months ended March 31, 2016 (\$)
<b>Revenue</b>						
Corporation Donations	255,708	-	-	-	255,708	195,915
Individual Donations	254,428	-	-	-	254,428	398,504
Federal Government	78,109	-	-	-	78,109	150,320
Provincial Government	373,868	-	-	-	373,868	284,534
Municipal Governments (FCSS's)	750,358	-	-	-	750,358	507,445
United Way Grants	422,471	-	-	-	422,471	379,746
Other Grants (Foundations and Service Clubs)	327,620	-	-	-	327,620	347,606
Canadian Progress Clubs - Calgary	5,306	167,794	-	-	173,100	286,691
Fundraising activities (note 7)	573,584	113,562	-	-	687,146	882,959
Interest and other investment income	3,291	-	924	228	4,443	3,979
Gifts in-kind	110,070	-	-	-	110,070	361,370
Deferred asset contribution amortization (note 9)	84,680	-	-	-	84,680	88,504
<b>Total Revenue</b>	<b>3,239,493</b>	<b>281,356</b>	<b>924</b>	<b>228</b>	<b>3,522,001</b>	<b>3,887,573</b>
<b>Expenses</b>						
Fundraising events (note 7)	138,864	55	-	-	138,919	377,665
Fund development	352,188	-	-	-	352,188	331,455
Program delivery	2,344,560	200,038	-	-	2,544,598	2,643,381
Program support	517,489	12	-	-	517,501	550,700
<b>Total expenses</b>	<b>3,353,101</b>	<b>200,105</b>	<b>-</b>	<b>-</b>	<b>3,553,206</b>	<b>3,903,201</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(113,608)</b>	<b>81,251</b>	<b>924</b>	<b>228</b>	<b>(31,205)</b>	<b>(15,628)</b>

See accompanying notes to financial statements.

**BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**

**Statement of Changes in Net Assets**

**Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016**

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Total (\$)
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
Excess (deficiency) of revenue over expenses	(113,608)	81,251	924	228	(31,205)
Interfund transfers	28,905	(28,905)	-	-	-
Net assets, March 31, 2017	261,044	151,605	100,947	22,387	535,983

See accompanying notes to financial statements.

**Statement of Cash Flows**

**Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016**

	Year ended March 31, 2017 (\$)	Eleven months ended March 31, 2016 (\$)
<b>Cash and restricted cash provided by (used in):</b>		
<b>Operating activities:</b>		
Cash received from donors	3,347,975	3,136,973
Cash paid to suppliers	(1,091,354)	(1,100,872)
Cash paid to employees	(2,261,442)	(2,246,739)
Interest and other investment income	4,443	3,979
	(378)	(206,659)
<b>Financing activities:</b>		
Capital contributions from donors	-	(1,139)
<b>Investing activities:</b>		
Investments purchased	(5,038)	(77)
Cash received from investments	5,132	-
Property and equipment sold (acquired)	-	4,208
	94	4,131
<b>Net (decrease) in cash and restricted cash</b>	<b>(284)</b>	<b>(203,667)</b>
<b>Cash and restricted cash, beginning of period (note 3)</b>	<b>823,101</b>	<b>1,026,768</b>
<b>Cash and restricted cash, end of period (note 3)</b>	<b>822,817</b>	<b>823,101</b>

See accompanying notes to financial statements.

## BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

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### 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, Recreation Mentoring, mPower Youth Mentoring, Airdrie Satellite, Cochrane Satellite, Okotoks Satellite, High River Satellite and Pilot Projects (Youth Engaging Supports (YES), Youth in Care (YIC) and All-in-for-Youth (AIFY).

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.

## BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

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### 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 improvements	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.

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**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 - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

<b>3. Cash</b>		
	March 31, 2017	March 31, 2016
	\$	\$
Unrestricted cash - general operating account	648,500	607,279
Internally restricted cash		
Building	10,361	10,361
Cash held in general operating account	5,507	5,323
Cash held by investment company	80,041	79,207
Total internally restricted funds	95,909	94,891
Externally restricted cash		
Casino account	56,509	99,259
Cash held by investment company (trust account)	21,899	21,672
Total externally restricted cash	78,408	120,931
Total restricted cash (note 4)	174,317	215,822
Total cash	822,817	823,101

### (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 - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

### 4. Short term investments

	March 31, 2017	March 31, 2016
	\$	\$
Internally restricted investment - GIC	5,038	5,132
Externally restricted funds - trust fund	487	487
Total restricted short term investments	5,525	5,619

#### *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 2016 a GIC was purchased using internally restricted cash and earned interest at 1.46 percent. The previous GIC was cashed in November 2016 and earned interest at 1.60 percent.

The restricted fund in net assets of \$252,552 (2016 - \$199,282) is comprised of restricted investment fund of \$5,038 (2016 - \$5,132); cash restricted funds of \$152,418 (2016 - \$194,150); and receivable restricted funds of \$95,096 (2016 - \$nil).

### 5. Property and equipment

	Cost	Accumulated amortization	March 31, 2017 Net book value	March 31, 2016 Net book value
	\$	\$	\$	\$
Furniture, computer and office equipment	240,646	198,980	41,666	65,304
Laptops and computer software	101,349	57,984	43,365	68,241
Display equipment	5,645	5,476	169	212
Leasehold improvements	194,235	161,710	32,525	71,555
Total property and equipment	541,875	424,150	117,725	205,312

**BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

**6. Program Delivery**

	Year Ended March 31, 2017 \$	Eleven months ended March 31, 2016 \$
Revenue for Community Programs		
Big Brothers/Big Sisters	603,350	1,171,714
Pilot Projects	464,707	445,678
mPower Youth Mentoring	266,084	212,673
Recreation Mentoring	221,565	265,378
Airdrie Satellite	153,466	72,441
Okotoks Satellite	90,621	24,493
Cochrane Satellite	70,883	55,837
High River Satellite	25,230	27,104
	<b>1,895,906</b>	<b>2,275,318</b>
Expenses for Community Programs		
Big Brothers/Big Sisters	716,958	1,188,809
Pilot Projects	464,707	445,678
mPower Youth Mentoring	266,084	212,673
Recreation Mentoring	221,565	265,378
Airdrie Satellite	153,466	72,441
Okotoks Satellite	90,621	24,493
Cochrane Satellite	70,883	55,837
High River Satellite	25,230	27,104
	<b>2,009,514</b>	<b>2,292,413</b>
<b>Deficiency of revenue over expenses</b>	<b>(113,608)</b>	<b>(17,095)</b>

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 - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

**6. Program delivery (continued)**

	Year Ended March 31, 2017 \$	Eleven months ended March 31, 2016 \$
Revenue for Site-Based Programs		
Teen Mentoring	510,844	561,538
In-School Mentoring	386,705	462,840
Between Generations	196,380	179,438
Airdrie Satellite	100,681	64,846
Okotoks Satellite	76,549	40,247
Cochrane Satellite	54,377	58,831
High River Satellite	18,051	15,379
	<u>1,343,587</u>	<u>1,383,119</u>
Expenses for Site-Based Programs		
Teen Mentoring	510,844	561,538
In-School Mentoring	386,705	462,840
Between Generations	196,380	179,438
Airdrie Satellite	100,681	64,846
Okotoks Satellite	76,549	40,247
Cochrane Satellite	54,377	58,831
High River Satellite	18,051	15,379
	<u>1,343,587</u>	<u>1,383,119</u>
<b>Excess of revenue over expenses</b>	-	-

**BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

**7. Fundraising events**

	Year Ended March 31, 2017 \$	Eleven months ended March 31, 2016 \$
Revenue		
All Star Campaign	249,414	-
BBBS Bowl for Kids	116,270	211,775
BBBS Casino	103,562	130,957
Calgary Herald Christmas Campaign	80,466	-
Holiday Giving Campaign	60,850	-
Alberta Treasury Management Charity Classic	43,248	52,481
BBBS Satellite Bowl/Curl for Kids Sake	23,326	38,510
Miscellaneous third-party fundraising events	10,010	10,883
All Star Weekend	-	402,419
Chrome 15	-	35,934
	687,146	882,959
Expenses		
BBBS Bowl for Kids	94,757	166,258
All Star Campaign	21,888	-
Holiday Giving Campaign	12,693	-
BBBS Satellite Bowl/Curl for Kids Sake	5,608	4,825
All Star Weekend	3,500	190,129
BBBS Casino	87	87
Miscellaneous third-party fundraising events	386	736
Chrome 15	-	15,630
	138,919	377,665
Net fundraising events	548,227	505,294

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

The Society is registered under the *Charitable Fund-raising 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 - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

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### 8. Charitable Fundraising Act of Alberta

As required under Alberta's *Charitable Fund-raising Act Regulation*, the following amounts are disclosed for fundraising activities in the province of Alberta.

	Year Ended March 31, 2017 \$	Eleven months ended March 31, 2016 \$
Revenue:		
Gross contributions received	1,370,382	1,764,069
Expenses:		
Fundraising events (note 7)	138,919	377,665
Fund development (soliciting expenses)	728	67
Fund development (remuneration paid to employees)	140,286	62,574
<b>Total Expenses</b>	<b>279,933</b>	<b>440,306</b>

Total contributions include all funding received from Corporations, Individuals, Canadian Progress Clubs, and Fundraising activities. These gross contributions were used as follows: Fundraising events \$138,919 (2016 - \$377,665); Fund development \$309,103 (2016 - \$289,036); Program delivery \$723,754 (2016 - \$774,487) and Program support \$198,606 (2016 - \$322,881).

Total remuneration paid to employees includes their salaries and related company benefits (registered retirement savings plan and group insurance) who principal duties involve fundraising.

## BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

### 9. Deferred revenue and deferred asset contributions

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

	Opening Balance	Funds received and interest accrued	Spent and recognized as revenue	Ending balance
For the year ended March 31, 2017	\$	\$	\$	\$
Government of Alberta	191,925	387,449	(373,868)	205,506
City of Calgary	86,843	409,621	(397,121)	99,343
Other government agencies	-	475,971	(431,346)	44,625
United Way of Calgary and Area	51,856	394,855	(422,471)	24,240
All Star Weekend	1,000	-	(1,000)	-
Other funders	17,136	66,873	(26,341)	57,668
<b>Total deferred revenue</b>	<b>348,760</b>	<b>1,734,769</b>	<b>(1,652,147)</b>	<b>431,382</b>
Less current portion	344,109			428,128
Non-current portion	4,651			3,254

	Opening balance	Funds received and interest accrued	Spent and recognized as revenue	Ending balance
For the eleven month period ended March 31, 2016	\$	\$	\$	\$
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	268,555	(329,803)	-
United Way of Calgary and Area	141,649	289,953	(379,746)	51,856
All Star Weekend	189,545	213,874	(402,419)	1,000
Other funders	46,697	26,023	(55,584)	17,136
<b>Total deferred revenue</b>	<b>749,727</b>	<b>1,379,081</b>	<b>(1,780,048)</b>	<b>348,760</b>
Less current portion	737,264			344,109
Non-current portion	12,463			4,651

## BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

### 9. 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.

	Year Ended March 31, 2017	Eleven months ended March 31, 2016
	\$	\$
Balance, beginning of year	196,510	286,153
Disposal of assets	-	(1,139)
Amortization of deferred capital contributions	(84,680)	(88,504)
Total deferred asset contributions	111,830	196,510

### 10. Financial instruments

#### *Credit risk and economic dependence*

Of the Society's accounts receivable 59 percent (2016 - 19 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 8 percent (2016 - 13 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.

### 11. 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:

	\$
2018	136,785
	136,785

## BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements - Year ended March 31, 2017, with comparative information for the eleven months ended March 31, 2016

### 12. Allocation of expenses

Fundraising events expenses reported in the statement of operations of \$138,919 (2016 - \$377,655) were allocated to Community-Based Programs \$101,304 (2016 - \$184,544), Site-Based Programs \$37,560 (2016 - \$193,121) and Restricted Funds \$55 (2016 - \$nil).

General support expenses of \$3,187,694 have been allocated as follows for the year ended March 31, 2017:

	Community- Based Programs \$	Site-Based Programs \$	Restricted Funds \$
Fund development	196,048	153,276	-
Program delivery	1,238,259	884,061	200,038
Program support	282,027	233,973	12
Total	1,716,334	1,271,310	200,050

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	2,014,689	1,172,132	227,670

### 13. Comparative Figures

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