



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 "Society"). 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 28, 2018



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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, 2018, 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 years ended March 31, 2018 and 2017, 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 March 31, 2017.

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, 2018 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 28, 2018
Calgary, Canada

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Statement of Financial Position

March 31, 2018 with comparative information for 2017

	March 31, 2018	March 31, 2017
	\$	\$
Assets		
Current assets:		
Cash (note 3)	864,115	648,500
Restricted cash (note 3)	270,353	174,317
Restricted short term investments (note 4)	-	5,525
Accounts receivable	24,561	75,599
Restricted accounts receivable (note 4)	-	95,096
Prepaid expenses	69,835	63,687
	1,228,864	1,062,724
Property and equipment (note 5)	50,213	117,725
Total assets	1,279,077	1,180,449
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	105,758	101,254
Deferred revenue (note 9)	588,112	428,128
	693,870	529,382
Deferred asset contributions (note 9)	46,373	111,830
Deferred revenue (note 9)	2,139	3,254
	742,382	644,466
Net assets:		
Big Brothers Big Sisters fund	266,342	261,044
Externally restricted fund (notes 3 and 4)	148,985	151,605
Internally restricted fund (notes 3 and 4)	101,955	100,947
Trust fund (notes 3 and 4)	19,413	22,387
	536,695	535,983
Commitments (notes 1 (c) and 11)		
Subsequent events (notes 1 (b) and (c))		
Total liabilities and net assets	1,279,077	1,180,449

See accompanying notes to financial statements.

On behalf of the Board:

Laurel Wood
Chair

Warren Book
Treasurer

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Statement of Operations

Year ended March 31, 2018 with comparative information for 2017

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Total 2018 (\$)	Total 2017 (\$)
Revenue						
Corporation Donations	201,208	-	-	-	201,208	255,708
Individual Donations	234,915	-	-	-	234,915	254,428
Federal Government	8,735	-	-	-	8,735	78,109
Provincial Government	434,941	-	-	-	434,941	373,868
Municipal Governments (FCSS's)	767,739	-	-	-	767,739	740,233
United Way Grants	370,478	-	-	-	370,478	432,596
Other Grants (Foundations and Service Clubs including CPC's)	366,183	51,373	-	-	417,556	500,720
Fundraising activities (note 7)	548,736	22,025	-	-	570,761	687,146
Interest and other investment income	4,034	-	1,008	(2,257)	2,785	4,443
Gifts in-kind	100,374	-	-	-	100,374	110,070
Deferred asset contribution amortization (note 9)	75,246	-	-	-	75,246	84,680
Total Revenue	3,112,589	73,398	1,008	(2,257)	3,184,738	3,522,001
Expenses						
Fundraising events (note 7)	71,791	165	-	-	71,956	138,919
Fund development	271,629	-	-	-	271,629	389,070
Program delivery	2,340,489	164,012	-	-	2,504,501	2,666,869
Program support	335,930	10	-	-	335,940	358,348
Total expenses	3,019,839	164,187	-	-	3,184,026	3,553,206
Excess (deficiency) of revenue over expenses	92,750	(90,789)	1,008	(2,257)	712	(31,205)

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Statement of Changes in Net Assets

Year ended March 31, 2018 with comparative information for 2017

	Big Brothers Big Sisters Fund (\$)	Externally Restricted Fund (\$)	Internally Restricted Fund (\$)	Trust Fund (\$)	Total (\$)
Net assets, March 31, 2016	345,747	99,259	100,023	22,159	567,188
(Deficiency) excess 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
Excess (deficiency) of revenue over expenses	92,750	(90,789)	1,008	(2,257)	712
Interfund transfers	(87,452)	88,169	-	(717)	-
Net assets, March 31, 2018	266,342	148,985	101,955	19,413	536,695

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA**Statement of Cash Flows****Year ended March 31, 2018, with comparative information for 2017**

	2018	2017
	(\$)	(\$)
Cash and restricted cash provided by (used in):		
Operating activities:		
Cash received from donors	3,309,889	3,347,975
Cash paid to suppliers	(936,890)	(1,091,354)
Cash paid to employees	(2,069,658)	(2,261,442)
Interest and other investment income	2,785	4,443
	306,126	(378)
Financing activities:		
Capital contributions from donors	9,789	-
Investing activities:		
Investments purchased	-	(5,038)
Cash received from sale of investments	5,525	5,132
Property and equipment acquired	(9,789)	-
	(4,264)	94
Net increase (decrease) in cash and restricted cash	311,651	(284)
Cash and restricted cash, beginning of year (note 3)	822,817	823,101
Cash and restricted cash, end of year (note 3)	1,134,468	822,817

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

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.

BBBS' focus is to create and empower mentoring relationships for children and youth in and around Calgary who are facing adversity. Each mentoring relationship ("match") is monitored and supported to ensure positive and meaningful relationships that have a direct and lasting effect on the lives of the children and youth ("Littles"), their families, the mentors ("Bigs"), and generations to follow. The Society categorizes its programs under two groupings: Community-Based and School-Based:

(i) Community-Based Programs include Big Brothers, Big Sisters, Big Couple, mPower Youth Mentoring (including All-in-for-Youth), Youth in Care (YIC), Youth Engaging Supports (YES), Airdrie Satellite, Cochrane Satellite, Okotoks Satellite, and High River Satellite.

In the community-based programs, volunteer mentors are matched with children and youth, ages 6-24, and together they spend time exploring the local community, choosing their activities based on shared interests. The children and youth as well as the volunteers come from diverse socio-economic and ethnocultural backgrounds, life experiences and geographical areas within Calgary and the surrounding communities.

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

Collaborating with schools in the community, Big Brothers Big Sisters of Calgary and Area sets children and youth up for academic success with its research-backed school-based mentoring programs. In the School-Based programs, mentors spend time with school-aged mentees in a school setting throughout the school year. School is a key site of belonging and community for children, and academic achievement increases when school is seen as a safe and welcoming place to be.

(iii) BBBS has a comprehensive infrastructure for supporting mentorship partnerships: detailed legal screening of mentors to ensure child safety; a broad network of professional staff supporting mentors and volunteers; systems for selecting, approving and supporting volunteers; referring families to agencies that provide other services if required for the mentee and their family. BBBS also hosts matched events and provides access to various community events and activities for the children and youth, families and volunteers it serves as well as those on its waitlist.

(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.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

1. Nature of operations - (continued)

(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.

Subsequent to year-end, the Board of Directors has approved a motion to unrestrict all internally restricted funds due to internal policy changes.

(c) Trust fund

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

In October, 2017 the funds allocated to the Society from AB Orange Foundation were released from restriction by the funder and could be used for operating purposes.

Subsequent to year-end, the Board of Directors has approved a motion to transfer all scholarship funds (BBBS Scholarship and T.L. Greene Memorial Fund) to Education Matters so that they can be distributed in accordance with CRA regulations.

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.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

2. Summary of significant accounting policies (continued)

(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.

(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.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

2. Summary of significant accounting policies (continued)

(h) Financial instruments (continued)

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. Program delivery and program support 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 human resources, program support, office, equipment, rentals, computer maintenance, marketing, staff and volunteer expenses, as well as liability insurance, audit fees, and membership fees. Fund development are allocated based on time spent by that department to support that program.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

3. Cash

	March 31, 2018	March 31, 2017
	\$	\$
Unrestricted cash - general operating account	864,115	648,500
Internally restricted cash		
Building	10,361	10,361
Cash held in general operating account	10,598	5,507
Cash held by investment company	80,996	80,041
Total internally restricted funds	101,955	95,909
Externally restricted cash		
Casino account	148,985	56,509
Cash held by investment company (trust account)	19,413	21,899
Total externally restricted cash	168,398	78,408
Total restricted cash	270,353	174,317
Total cash	1,134,468	822,817

(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, 2018 with comparative information for 2017

4. Short term investments

	March 31, 2018	March 31, 2017
	\$	\$
Internally restricted investment - GIC	-	5,038
Externally restricted funds - trust fund	-	487
Total restricted short term investments	-	5,525

Internally restricted reserve funds

These balances were externally unrestricted balances and were 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.

The restricted fund in net assets of \$250,940 (2017 - \$252,552) is comprised of restricted investment fund of \$nil (2017 - \$5,038); cash restricted funds of \$250,940 (2017 - \$152,418) and receivable restricted funds of \$nil (2017 - \$95,096).

5. Property and equipment

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
	\$	\$	\$	\$
Furniture, computer and office equipment	238,055	206,534	31,521	41,666
Laptops and computer software	101,349	82,793	18,556	43,365
Display equipment	5,645	5,509	136	169
Leasehold improvements	194,235	194,235	-	32,525
Total property and equipment	539,284	489,071	50,213	117,725

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

6. Program Delivery

	2018	2017
	\$	\$
Revenue for Community Programs		
Big Brothers/Big Sisters	778,689	824,915
mPower Youth Mentoring	367,889	467,772
Youth in Care	165,921	116,292
Youth Engaging Supports	154,184	146,727
Airdrie Satellite	98,502	153,466
Cochrane Satellite	65,935	70,883
Okotoks Satellite	57,425	90,621
High River Satellite	22,420	25,230
	1,710,965	1,895,906
Expenses for Community Programs		
Big Brothers/Big Sisters	685,939	938,523
mPower Youth Mentoring	367,889	467,772
Youth in Care	165,921	116,292
Youth Engaging Supports	154,184	146,727
Airdrie Satellite	98,502	153,466
Cochrane Satellite	65,935	70,883
Okotoks Satellite	57,425	90,621
High River Satellite	22,420	25,230
	1,618,215	2,009,514
Excess (deficiency) of revenue over expenses	92,750	(113,608)

Big Brothers/Big Sisters Program includes Big Brothers/Big Sisters/Big Couple for Kids Program, and other services provided by the Society.

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

6. Program delivery (continued)

	2018	2017
	\$	\$
Revenue for School-Based Programs		
Teen Mentoring	518,564	510,844
In-School Mentoring	516,754	583,085
Airdrie Satellite	178,193	100,681
Okotoks Satellite	91,512	76,549
Cochrane Satellite	79,863	54,377
High River Satellite	16,738	18,051
	<u>1,401,624</u>	<u>1,343,587</u>
Expenses for School-Based Programs		
In-School Mentoring	518,564	583,085
Teen Mentoring	516,754	510,844
Airdrie Satellite	178,193	100,681
Okotoks Satellite	91,512	76,549
Cochrane Satellite	79,863	54,377
High River Satellite	16,738	18,051
	<u>1,401,624</u>	<u>1,343,587</u>
Excess of revenue over expenses	-	-

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

7. Fundraising events

	2018	2017
	\$	\$
Revenue		
All Star Campaign	250,539	249,414
Holiday Giving Campaign	119,033	60,850
BBBS Bowl for Kids Sake/ Curl for Kids Sake	117,895	139,596
BBBS Casino	22,025	103,562
Alberta Treasury Management Charity Classic	40,591	43,248
Miscellaneous third-party fundraising events	20,678	10,010
Calgary Herald Christmas Campaign	-	80,466
	570,761	687,146
Expenses		
Holiday Giving Campaign	30,841	12,693
BBBS Bowl for Kids Sake/ Curl for Kids Sake	19,973	100,365
All Star Campaign	17,788	21,888
All Star Weekend	-	3,500
BBBS Casino	165	87
Miscellaneous third-party fundraising events	3,189	386
	71,956	138,919
Net fundraising events	498,805	548,227

Canadian Progress Club - Stampede City managed BBBS Bowl for Kids Sake for our Calgary location on the Society's behalf for the fiscal year ended March 31, 2017. In 2018 this event was no longer managed by them. 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, 2018 with comparative information for 2017

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.

	2018	2017
	\$	\$
Revenue:		
Gross contributions received	1,064,596	1,370,382
Expenses:		
Fundraising events (note 7)	71,956	138,919
Fund development (soliciting expenses)	357	728
Fund development (remuneration paid to employees)	170,082	140,286
Total Expenses	242,395	279,933

Total contributions include all funding received from Corporations, Individuals, Canadian Progress Clubs, and Fundraising activities. These gross contributions were used as follows: Fundraising events \$71,956 (2017 - \$138,919); Fund development \$248,561 (2017 - \$335,357); Program delivery \$677,094 (2017 - \$846,025 and Program support \$66,985 (2017 - \$50,081).

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, 2018 with comparative information for 2017

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 year ended March 31, 2018	\$	\$	\$	\$
Government of Alberta	205,506	511,268	(434,941)	281,833
City of Calgary	99,343	424,370	(424,370)	99,343
Other government agencies	44,625	381,935	(334,634)	91,926
United Way of Calgary and Area	24,240	397,279	(370,478)	51,041
Bowl for Kids Sake Calgary	6,803	72,490	(62,513)	16,780
Other funders	50,865	63,360	(64,897)	49,328
Total deferred revenue	431,382	1,850,702	(1,691,833)	590,251
Less current portion	428,128			588,112
Non-current portion	3,254			2,139

	Opening balance	Funds received and interest accrued	Spent and recognized as revenue	Ending balance
For 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)	-
Bowl for Kids Sake Calgary	-	6,803	-	6,803
Other funders	17,136	60,070	(26,341)	50,865
Total deferred revenue	348,760	1,734,769	(1,652,147)	431,382
Less current portion	344,109			428,128
Non-current portion	4,651			3,254

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

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.

	2018	2017
	\$	\$
Balance, beginning of year	111,830	196,510
Additional contributions received	9,789	-
Amortization of deferred capital contributions	(75,246)	(84,680)
Total deferred asset contributions	46,373	111,830

10. Financial instruments

Credit risk and economic dependence

Of the Society's accounts receivable 59 percent (2017 - 10 percent) is from the Provincial Government, Municipal Governments and United Way Grant donations. The positive historical payment record of this group minimizes the risk of non-payment. As this group provides 49 percent (2017 - 44 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, 2025. Future minimum lease payments for upcoming fiscal periods are as follows:

	\$
2019	91,190
2020	91,190
2021	91,190
2022	92,710
2023	100,309
2024	100,309
2025	83,591
	650,489

BIG BROTHERS BIG SISTERS OF CALGARY AND AREA

Notes to Financial Statements

Year ended March 31, 2018 with comparative information for 2017

12. Allocation of expenses

Fundraising events expenses reported in the statement of operations of \$71,956 (2017 - \$138,919) were allocated to Community-Based Programs \$3,576 (2017 - \$101,304), Site-Based Programs \$68,215 (2017 - \$37,560) and Restricted Funds \$165 (2017 - \$55).

General support expenses of \$2,895,871 have been allocated as follows for year ended March 31, 2018:

	Community- Based Programs \$	School-Based Programs \$	Restricted Funds \$
Fund development	113,772	157,857	-
Program delivery	1,148,961	975,338	164,012
Program support	168,489	167,432	10
Total	1,431,222	1,300,627	164,022

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

	Community- Based Programs \$	School-Based Programs \$	Restricted Funds \$
Fund development	216,116	170,090	-
Program delivery	1,305,184	939,408	200,038
Program support	195,033	161,813	12
Total	1,716,333	1,271,311	200,050

13. Comparative Figures

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