

Jefferies, Cyndy

From: Stephen Cochrane <stephen.cochrane@bigbrothersbigsisters.ca>
Sent: Thursday, July 25, 2019 3:55 PM
To: Inquiries
Subject: BBBS Community Grant Application 2019
Attachments: BalanceSheet_2019.pdf; Financials2018.pdf; IncomeStatement_Jan_June2019.pdf; RDN_community_grants_-_application_form.pdf

Caution: This email is from an **external source**. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To whom it may concern,

We are pleased to be applying for the 2019 RDN Community Grant, please find attached our grant application and supporting documentation, if further documentation is required do not hesitate to email this address or phone us [REDACTED].

Thank you and we look forward to hearing from you soon,

Kieran Davidson on behalf of Stephen Cochrane





COMMUNITY GRANTS PROGRAM APPLICATION

NAME OF ORGANIZATION Big Brothers Big Sisters of Central Vancouver Island		GRANT AMOUNT REQUESTED \$3,000
MAILING ADDRESS 2030 Northfield Rd.		
POSTAL CODE V9S 3B8	CONTACT PERSON Stephen Cochrane	
EMAIL ADDRESS Stephen.cochrane@bigbrothersbigsisters.ca	TELEPHONE NUMBER [REDACTED]	

PLEASE REVIEW THE COMMUNITY GRANTS CRITERIA OUTLINED ON THE LAST PAGE OF THIS FORM. DOES YOUR ORGANIZATION MEET THE CRITERIA FOR THIS PROGRAM?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
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IMPORTANT: If your organization meets the Community Grants criteria, and if you can answer 'yes' to the following four questions, please proceed to complete this application for submission.

Are you a registered non-profit organization in good standing?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Does your organization provide a social enrichment service to the community?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Does the project fill a need in the community?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Does the project promote volunteer participation and citizen involvement?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Application Submission Requirements

Please provide the following information. Items 1 through 14 are mandatory requirements for consideration of the application. Please attach additional pages with corresponding question numbers if more space is required.

1. Provide information about the programs and services offered to the community by your organization.

Big Brothers Big Sisters of Central Vancouver Island offers three core programs to the Nanaimo and Regional District: Community Mentoring, Adult In-School Mentoring and Teen In-School Mentoring, and our Game on! and Go Girls Group Mentoring Programs. Our Community Mentoring Program was our first and longest-serving program that matches a mentor with a mentee in need of an additional and consistent developmental relationship. Mentees, ages 6-16, to go on outings in the community with their mentor (sports, activities, hiking, biking, movies...) for 2-5 hours once a week; the mentor serves as a role model that helps their mentee learn the importance of starting and maintaining healthy relationships as well as other valuable social skills to help the mentee reach their full potential. Our In-School mentoring programs match a mentor with a mentee, ages 6-12, to meet with them once a week for 1 hour once a week during the school year on school grounds; much like our Community Mentoring Program, the mentors spends time with their mentee to show them the value in forming healthy and positive relationships through fun and educational games and activities provided by our agency. While Our Game On! and Go Girls! are group-based programs helping kids ages 10-14 deal with the challenges of growing up and fitting in. Activities for the seven 75-minute sessions are focused on developing healthy minds and healthy bodies. These group mentoring programs address difficulties children are facing socially and environmentally (i.e. body image and lack of supports) by providing support through activities and relevant discussion. In the short-term kids get group support and learn the importance of peer relationships and in the long term, these kids take the lessons from their mentoring and apply them into their lives by making healthier decisions, staying in school, and maintaining healthy relationships post-program. All of our Game On! and Go Girls! Programs take place on school grounds.

2. Provide information regarding your organization's revenue generating activities and other sources of income.

At our local agency we fund our programs and operations through various grants, donations, a bulk clothing program, fundraising initiatives such as beer and burgers and 50/50 draws, and our on-site slightly used clothing store (Big Deals Boutique).

3. Does your organization own its own facility? Yes ☐ No ☒

Grant Request Information:

4. Describe the project that this grant is intended to be used for.

The project our agency is planning is to upgrade our outdated and failing computers in our office so we can continue providing our programs with the quality and systematic efficiency that is fundamental to our agency and the people we serve. Currently, we are operating on computers and systems that are not capable of keeping up with the demands of our agency. Our outdated computers are slowing down because of constant updates, increased workflow, and accreditation standards required by the national office of Big Brothers Big Sisters Canada. Since 2016 our agency has expanded our programs by increasing the overall volume of people served from 155 to 356, and next year our agency is projected to increase the number of people served again to over 400. Although we are pleased by the success of our programs in recent years our computer systems are no longer operating at optimum efficiency for the size and scope of our programs; this ultimately ends up affecting the service user. Without up to date computers, we are having to spend a significant portion of our revenue and time addressing failing technological systems that are causing lagging, loss of documentation, and startup failure.

5. Provide the project start and end date.

Start Date: Ongoing

End Date: Ongoing

6. Describe the benefit of the project for the residents fo the Regional District.

By updating our computer systems, our agency will be able to operate at optimum efficiency, in doing so we will be able to increase our work output by screening and training more volunteers, focus our intentions on increasing the volume of our current programs, and expand our programs into new locations in the Nanaimo Regional District. Our agency provides communities with programs that assist young people and their families with social-emotional competence, mental health & well being, and educational engagement & employment readiness skills. The young people we serve in our communities face adversity in one form or another (families facing adversity, mental illness, and trauma), and by providing these young people with an additional consistent and supportive mentor relationship, we are expressing care, fostering growth, and expanding possibilities. We offer all of our programs at no cost and meet the service user where they are at; by using this approach, our agency is reaching young people and their families who wouldn't otherwise receive support.

Through feedback we received from young people and their families the programs we deliver helped form a positive identity, increased self and social awareness, contributed to a sense of mental and physical well-being, enhanced their constructive use of time, showed a connectedness and commitment to learning/school, and most importantly the young people we served had fun!

7. How many people does your organization anticipate will attend, benefit or participate in this project?

With updated technology at our agency we will be able to assist all of our clients in a time efficient matter, the speed and efficiency that we are able to do our jobs helps everyone we serve; last year we served 356 people and are projected to serve over 400 this year.

8. Describe how the project will promote volunteer participation and citizen involvement. Include a description of the types of roles the volunteers will undertake.

With only seven paid staff members at our agency, we rely on the hard work, passion, and dedication of our volunteer base. Last year we had 161 volunteers in our Community Mentoring, In-School Mentoring, Game on! and Go Girls!, board positions, bulk clothing program, special events, and our Big Deals Boutique clothing store. Any member of the community can volunteer at our agency once they complete our screening checklist. Volunteers can choose to be apart of any program, and our agency will train them, if necessary, free of charge. The most sought after positions volunteers take are our Mentoring Programs where the volunteers are either working one on one or in a group setting with young people teaching them the valuable life skills to help them reach their full potential. With the increasing volume of people that we serve in the Nanaimo Regional District, the need for dedicated volunteers is always in demand, and that is why our agency is continuously enrolling new volunteers across Central Vancouver Island.

9. Provide details of how the grant funding will be used and a breakdown of expenses.

We have a tentative deal in place with our local Best Buy that if we secure funding, we will be purchasing two laptops for our agency. The price per laptop would be \$1,489.50 with a four-year warranty on the products included. This is important because a non-profit cannot absorb the cost of maintenance on this type of equipment for an extended period of time.

10. Provide information regarding revenues and fees that will be charged for the event or program (if applicable).

N/A,


11. Provide details regarding all other sources of funding for this project including financial contributions and any grants received, or applied for, from other sources, i.e. other municipalities, levels of government or service organizations.

Currently, we have not applied for any grants, or received any private donations, that would fund our agency in acquiring the new office equipment.

Budget Information – please provide the following information as separate attachments:

- | | | |
|---|----------|-----|
| 12. Provide a copy of your organization's current year budget. | Attached | |
| 13. Provide a copy of your organization's latest financial statement. | Attached | |
| 14. Provide an annual report for your organization, if applicable. | Attached | N/A |

Applications received that are incomplete, that do not meet the criteria, or are received after the deadline will not be considered. Please check to ensure that you have provided all information and details as requested in this application prior to submission.

SIGNATURE 	DATE July,25/2019
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Please submit your organization's completed application to:

Finance Department
Regional District of Nanaimo
6300 Hammond Bay Road, Nanaimo, BC V9T 6N2
Telephone: 250-390-4111 or toll free 1-877-607-4111, Fax: 250-390-6572
Email: corpsrv@rdn.bc.ca

Please Note: The Regional District of Nanaimo is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* and cannot guarantee that information provided can or will be held in confidence.

Big Brothers Big Sisters of CVI

Balance Sheet As at Jun 30, 2019

ASSET

Current Assets		
Petty Cash	300.00	
Float for Clothing Store	100.00	
Float for Clothing Helpers	400.00	
Island Savings Prudent Reserve Svgs	7,503.59	
Island Savings Prudent Reserve GIC	30,000.00	
Island Savings	39,364.35	
Island Savings Membership Shares	5.48	
Island Savings Gaming	437.05	
CCCU - Equity Shares	5.00	
CWB - Organization Account	333.23	
CWB - Gaming	36,037.00	
Total Cash		114,485.70
Accounts Receivable		10,949.96
Interest Receivable		390.93
Refundable Deposits		250.00
AirMiles a/c 8010 1080 220		486.32
Total Current Assets		126,562.91
Capital Assets		
Delivery Van	27,375.00	
Accum. Amort -Delivery Van	(4,106.25)	
Net - Delivery Van		23,268.75
Office equipment	12,005.67	
Accum. Amort -Office Furn. & Equip.	(11,727.78)	
Net - Office Furn & Equipment		277.89
Computer - Post 2005	2,698.66	
Accum. Amort.- Computer Post 2005	(2,705.74)	
Net - Computer Post 2005		(7.08)
Computer Post March 17/07	8,298.04	
Accum. Amort. -Computer 2007	(8,289.16)	
Net - Computer Post March 17/07		8.88
Clothing Drop Box	854.18	
Accum Amort - Clothing Drop Boxes	(820.40)	
Net-Clothing Drop Boxes		33.78
Total Capital Assets		23,582.22
TOTAL ASSET		150,145.13

LIABILITY

Current Liabilities		
Accounts Payable		262.60
Accruals		2,500.00
Credit Card Payable: Stephen		(1,531.71)
Credit Card Payable: Jennifer		(828.18)
Wages Payable		780.00
Vacation payable		4,603.67
TFSA Payable		5,363.26
TFSA paid out		(5,363.26)
RRSP Payable		292.50
EI Payable	1,277.36	
CPP Payable	2,702.36	
Federal Income Tax Payable	3,488.10	
Total Receiver General		7,467.82
WCB Payable		375.87
GST Paid on Purchases	(368.87)	
Net GST		(368.87)
Deferred Revenue		15,893.75
Refundable Security Deposit		250.00

Big Brothers Big Sisters of CVI
Balance Sheet As at Jun 30, 2019

Total Current Liabilities	<u>29,697.45</u>
Net Assets	
Internal Restricted Operating Reser	37,500.00
Total Restricted Assets	<u>37,500.00</u>
TOTAL LIABILITY	<u>67,197.45</u>
EQUITY	
BBBS OF CVI Equity	
Retained Earnings - Previous Year	56,485.65
Current Earnings	26,462.03
Total Owners Equity	<u>82,947.68</u>
TOTAL EQUITY	<u>82,947.68</u>
LIABILITIES AND EQUITY	<u><u>150,145.13</u></u>

Big Brothers Big Sisters of CVI

Income Statement Jan 01, 2019 to Jun 30, 2019

REVENUE

Revenue		
Donations		9,798.83
Donations at Special Events		1,034.15
Program Sponsorship		21,485.36
United Way		2,000.00
Comic Con (3rd Party Event)		2,923.04
Beer & Burger Fundraiser		1,583.33
In House Clothing Sales	7,735.75	
Recycled Clothing Program	20,963.52	
Purchase of Clothing	(1,957.50)	
Delivery & Collection Expenses	(1,088.75)	
Storage Expenses	(2,460.00)	
Miscellaneous Clothing Expenses	(1,863.02)	
Clothing Wages	(9,530.05)	
Gas for Trucks	(3,350.62)	
Clothing Program: Net Surplus		8,449.33
Gaming		69,500.00
Interest Income		412.86
Total Other Revenue		<u>117,186.90</u>
Earned Income		
Rental Income		2,750.00
Total Earned Income		<u>2,750.00</u>
TOTAL REVENUE		<u>119,936.90</u>

EXPENSE

Payroll Expenses		
Wages & Salaries		59,169.88
EI Expense		1,353.12
CPP Expense		2,448.17
WCB Expense		375.87
RSP Expense		1,887.38
Wages Allocated to Clothing Program		(9,462.55)
Total Payroll Expenses		<u>55,771.87</u>
General & Administrative Expenses		
Accounting & Legal		3,557.34
Fees to National BBBSC		4,170.00
Memberships & Dues		50.00
Consulting Fees/Website Maintenance		2,525.00
Program Development		482.23
Insurance		6,259.00
Interest & Bank Charges		190.08
Office Expenses		1,295.83
Program Supplies		2,021.25
Rent		6,180.00
Equipment Lease & Repair		682.80
Janitorial Services		1,125.00
Telephone		3,056.68
Travel		851.54
Training & Professional Development		2,549.27
Hydro/Heat		3,084.78
Suspense		(377.80)
Total General & Admin. Expenses		<u>37,703.00</u>
TOTAL EXPENSE		<u>93,474.87</u>
NET INCOME		<u>26,462.03</u>

Projected Program Budget 2019/20 school year

Expenses	Per-match/based on 289 Children Served	In-Kind	
Personnel (include salaries, wages, taxes,& benefits)			
Direct Program Staff- Recruitment, orientations Applications, Interview, training, matching, monitoring, Evaluations, Facilitation, meeting w/ schools, closure, Year End Parties, evaluations, travel	35- New volunteer start up/orientation 6hrs = 210x 23hr= \$4,830 Match Monitoring; Teen-ISM 35 Matching and monitoring X 6hrs = 30 = 210x 23hr = \$4,830 Activity Totes 3 schools x \$200 per school = \$600 Community Match Monitoring 18 matches x6hrs per matchx\$21hr= \$2,268 Adult-ISM Activity Totes 10 schools x 200 per school = \$2,000 48 mentorsx3hr per mentorx21hr= \$3,025 Group Monitoring 10 programsx3 cyclesx4hrs per cyclex\$21hr= \$2,520		\$4,830 \$4,830 \$600 \$2,268 \$2,000 \$3,025 \$2,520
Total of match monitoring expense			\$20,073
Premises/Occupancy Costs			
Rent	\$6,180.00 per year		\$6,180.00
Telephones	\$3,058.00 per year		\$3,058.00
Utilities	\$3,085.00 per year		\$3,085.00
Total Premises/Occupancy Costs			\$12,323.00
Program Expenses			
Paper-applications, training manuals, certificates, evaluations, forms	All in kind including year-end celebration to honor mentors/kids	2,000	
2 laptops	\$2,979.30 (one time cost)		\$2,979.30
Advertising/Recruitment Rack cards, business cards, website, newsletters		2,000	
BBBSC National Fees	\$70.42 per child X 289 = \$20,251.38		\$20,251.38
Insurance	\$37.32 per child X 289 = \$10,785.48		\$10,785.48
Total Program Expenses			\$34,016.16
Overall cost of mentoring programs		4,000	\$66,412.16

BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND

FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Unaudited)

LAYMAN FINANCIAL SERVICES

Box 1360, Ladysmith, BC V9G 1A9

Phone: 250-245-8803 Fax 250-245-8867

Email: elaine@laymangroup.com

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

**To the Members of
Big Brothers Big Sisters of Central Vancouver Island**

I have reviewed the accompanying financial statements of Big Brothers Big Sisters of Central Vancouver Island that comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Central Vancouver Island as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Ladysmith, B.C.
February 27, 2019



Elaine J. Layman, CPA, CMA
Chartered Professional Accountant

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND**
STATEMENT OF FINANCIAL POSITION, continued
AS AT DECEMBER 31, 2018
(Unaudited)

	<u>2018</u>	<u>2017</u>
Liabilities		
Current		
Accounts payable (note 7)	\$ 9,545	\$ 20,476
Deferred Revenue (note 8)	99,594	103,343
Deposits - Rent	<u>-</u>	<u>325</u>
	<u>109,139</u>	<u>124,144</u>
Fund balances		
Internally Restricted	37,500	36,167
Balance	<u>56,486</u>	<u>(8,254)</u>
	<u>93,986</u>	<u>27,913</u>
	<u><u>\$ 203,125</u></u>	<u><u>\$ 152,057</u></u>

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018
(Unaudited)**

	<u>2018</u>	<u>2017</u>
Assets		
Current		
Cash	\$ 62,271	\$ 18,958
Cash and Term Deposits Restricted (note 3)	108,415	116,716
Accounts receivable (note 4)	6,610	13,662
Prepaid expenses	50	50
Deposits (note 5)	1,918	-
GST receivable	<u>278</u>	<u>648</u>
	179,542	150,034
Property, plant and equipment (note 6)	<u>23,583</u>	<u>2,023</u>
	<u>\$ 203,125</u>	<u>\$ 152,057</u>

Approved by the board

Members _____

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Unaudited)**

	<u>2018</u>	<u>2017</u>
Revenues		
Gaming Revenue	\$ 81,900	\$ 85,500
Donations	20,023	27,331
HRDC Summer Student Grant	3,404	3,295
Foundation Grants	10,853	6,750
Rental	6,675	-
Interest income	47,708	15,847
Bequests	48,000	-
Recycled Clothing Program, Schedule 1	10,007	6,502
Fundraising Activities	<u>4,201</u>	<u>2,092</u>
	<u>232,771</u>	<u>147,317</u>
Expenditures		
Advertising and promotion	150	-
Amortization	1,916	1,804
Fees & Dues	4,433	5,157
Consulting Fees for Fund Development	5,850	8,576
Honorariums	425	476
Insurance	7,270	5,614
Interest and bank charges	255	520
Meeting and Board costs	527	696
Office	3,063	5,082
Program Development	1,003	188
Professional fees	3,002	2,603
Rent	12,360	11,657
Repairs and maintenance	3,807	2,974
Supplies and Postage	6,136	972
Training & Professional development	1,554	2,207
Telephone and utilities	10,843	11,177
Travel	1,718	1,976
Wages and benefits	<u>102,386</u>	<u>111,557</u>
	<u>166,698</u>	<u>173,236</u>
Excess (deficiency) of revenues over expenditures	<u><u>\$ 66,073</u></u>	<u><u>\$ (25,919)</u></u>

BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Unaudited)

	Operational Reserve	Externally Restricted	Unrestricted	Total 2018	Total 2017
Balance, Beginning of year	36,216	80,500	8,075	27,913	53,832
Excess of revenue over expenses (expenses over revenue)	-	9,585	75,658	66,073	- 25,919
Reserve funds allocated to current	1,284	-	1,284	-	-
Change in deferred contributions					
Balance, end of year	<u>\$ 37,500</u>	<u>\$ 70,915</u>	<u>\$ 82,449</u>	<u>\$ 93,986</u>	<u>\$ 27,913</u>

See accompanying notes
Elaine J. Layman, CPA, CMA, Chartered Professional Accountant

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Unaudited)**

	<u>2018</u>	<u>2017</u>
Operating activities		
Excess (deficiency) of revenues over expenditures	\$ 66,073	\$ (25,919)
Item not affecting cash		
Amortization	<u>5,817</u>	<u>1,804</u>
	71,890	(24,115)
Change in non-cash working capital items		
Accounts receivable	7,052	(13,662)
Prepaid expenses	-	(50)
Deposits	(1,918)	537
GST receivable	370	216
Accounts payable	(10,933)	1,275
Deferred Revenue	(3,749)	22,843
Deposits - Rent	<u>(325)</u>	<u>325</u>
	62,387	(12,631)
Investing activity		
Proceeds on disposal of property, plant and equipment	<u>(27,375)</u>	<u>-</u>
Change in cash position	35,012	(12,631)
Cash, beginning of year	<u>135,674</u>	<u>148,305</u>
Cash, end of year	<u><u>\$ 170,686</u></u>	<u><u>\$ 135,674</u></u>
Cash consists of:		
Cash	\$ 62,271	\$ 18,958
Cash and Term Deposits Restricted	<u>108,415</u>	<u>116,716</u>
	<u><u>\$ 170,686</u></u>	<u><u>\$ 135,674</u></u>

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

(Unaudited)

1. Nature of operations

Big Brothers Big Sisters of Central Vancouver Island is a not-for-profit organization that provides young people with qualified volunteers that give support, mentor, friendship, reinforcement, and positive example. Programs are supported by organizing fundraising events, donation programs and other social programs. The Society is a registered charity under the Income Tax Act.

2. Significant accounting policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

(a) Fund accounting restricted

The revenues and expenses related to the collection of unrestricted donations and fund raising activities are reported in the General Fund. The Restricted Fund reports amounts for which the use is restricted by the donors and related investment income on the fund balance.

(b) Property, plant and equipment

Property, plant and equipment are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer equipment	45%
Clothing Drop Box	20%

(c) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are .

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Unaudited)**

2. Significant accounting policies, continued

(d) Donated material and services

Donated capital, materials and investments are recorded in the financial statements at fair value on the date of the donation.

(e) 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 can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of property, plant and equipment that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired property, plant and equipment. Externally restricted contributions for the purchase of property, plant and equipment that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

3. Cash and Term Deposits Restricted

The cash balance is composed of restricted and unrestricted funds. The restricted funds are composed of:

	<u>2018</u>	<u>2017</u>
ISCU Prudent savings and term deposit - Internally restricted	\$ 37,500	\$ 36,216
Gaming Fund - Externally restricted	<u>70,915</u>	<u>80,500</u>
	<u>\$ 108,415</u>	<u>\$ 116,716</u>

Both the term deposit and the savings account are internally restricted as emergency operation funds. Funds in the gaming accounts are externally restricted to the 2018 operation year by the BC Gaming Authority.

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Unaudited)**

1. Nature of operations

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2. Significant accounting policies

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(a) Fund accounting restricted

The revenues and expenses related to the collection of unrestricted donations and fund raising activities are reported in the General Fund. The Restricted Fund reports amounts for which the use is restricted by the donors and related investment income on the fund balance.

(b) Property, plant and equipment

Property, plant and equipment are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer equipment	45%
Clothing Drop Box	20%

(c) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are .

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Unaudited)**

8. Deferred Revenue

Deferred revenue represents funds externally restricted for specific programs received in the current or prior periods that relate to a subsequent period and/or for income designated to the 2019 year.

	<u>2018</u>	<u>2017</u>
Gaming Funds	\$ 68,500	\$ 80,500
BC Recreation and Parks	3,200	7,343
First West Credit Union	12,000	10,000
Rogers Foundation	15,894	5,000
Rent received for January 2018	-	500
	<u>\$ 99,594</u>	<u>\$ 103,343</u>

9. Gaming Funds

The gaming grant for 2019 has been approved and received. Funds are externally restricted by the Gaming Commission and a separate report is completed by the society each year.

10. Contractual obligation

The society is committed under a lease agreement for the rental of the facility at a rate of \$1,200 per month. The lease term is for three years, commencing on September 1, 2018.

The organization's total obligation, under various operating leases and a property lease agreement, exclusive of occupancy costs, is as follows:

2019	\$ 14,400
2020	14,400
2021	<u>14,400</u>
	<u>\$ 43,200</u>

11. Related party transactions

The society paid \$4,373 in dues to the national level organization, Big Brothers and Big Sisters of Canada.

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
SCHEDULE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

(Unaudited)

Schedule of recycled clothing program	Schedule 1	
	<u>2018</u>	<u>2017</u>
Sales	\$ 51,900	\$ 52,099
Cost of sales		
Clothing purchased	3,243	3,533
Amortization	3,901	-
Delivery and Collection	12,637	23,813
Storage Costs	4,920	4,686
Misc Clothing expenses	988	2,211
Clothing wages	<u>16,204</u>	<u>11,354</u>
	<u>41,893</u>	<u>45,597</u>
Gross profit (2018 - 4.3%; 2017 - 4.4%)	<u>\$ 10,007</u>	<u>\$ 6,502</u>