

**BIG BROTHERS BIG SISTERS OF HALTON**  
**FINANCIAL STATEMENTS**  
**AS AT**  
**MARCH 31, 2008**

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**GLENN • GRAYDON • WRIGHT LLP**  
CHARTERED ACCOUNTANTS

## AUDITORS' REPORT

To the Members  
**Big Brothers Big Sisters of Halton**  
Oakville, Ontario

We have audited the statement of financial position of Big Brothers Big Sisters of Halton as at March 31, 2008 and the statements of changes in fund balances and operations for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the organization derived revenue from contributions and fundraising activities, the completeness of which are not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions and fundraising revenue, general fund or cash at year end.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

*Glenn Graydon Wright LLP*

Chartered Accountants  
Licensed Public Accountants  
Oakville, Ontario  
May 27, 2008

**BIG BROTHERS BIG SISTERS OF HALTON**

(Incorporated without share capital)

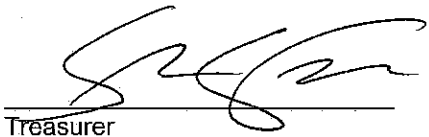
Statement of financial position

as at March 31, 2008

	General fund	Endowment fund	Investment in property and equipment	Total 2008	Total 2007
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents (Note 2(c))	\$ 207,189			207,189	260,339
Accounts receivable	206			206	1,130
Prepaid expenses	7,525			7,525	24,159
	214,920			214,920	285,628
<b>Investments</b> (Note 2(a)(iii))		103,359		103,359	
<b>Property and equipment</b> (Notes 2(d), 4)			28,376	28,376	16,652
	\$ 214,920	103,359	28,376	346,655	302,280
<b>Liabilities and fund balances</b>					
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	\$ 30,619			30,619	29,745
Deferred revenue	10,000			10,000	15,848
	40,619			40,619	45,593
<b>Fund balances</b>					
General fund (Note 2(a)(i))	174,301			174,301	165,035
Capacity fund (Note 2(a)(ii))					75,000
Endowment fund (Note 2(a)(iii))		103,359		103,359	
Investment in property and equipment (Note 2(a)(iv))			28,376	28,376	16,652
	174,301	103,359	28,376	306,036	256,687
	\$ 214,920	103,359	28,376	346,655	302,280

Approved by the Board


  
Chairperson


  
Treasurer


**BIG BROTHERS BIG SISTERS OF HALTON**

(Incorporated without share capital)

**Statement of changes in fund balances  
for year ended March 31, 2008**

	General fund	Capacity fund	Endowment fund	Investment in property and equipment	Total 2008	Total 2007
<b>Balance, beginning of year</b>	\$ 165,035	75,000		16,652	256,687	179,026
Excess of (expenditure over revenue) revenue over expenditure for year	(46,667)			(7,343)	(54,010)	77,661
Additions			103,359		103,359	
Interfund transfers						
Property and equipment purchases	(19,067)			19,067		
Allocation from capacity fund	75,000	(75,000)				
<b>Balance, end of year</b>	\$ 174,301	Nil	103,359	28,376	306,036	256,687



**BIG BROTHERS BIG SISTERS OF HALTON**

(Incorporated without share capital)

**Statement of operations**

for year ended March 31, 2008

	General fund	Capacity fund	Investment in property and equipment	Total 2008	Total 2007
<b>Revenue</b>					
Grants	\$ 461,781			461,781	452,333
Contributions	122,820			122,820	130,059
Fundraising, net	108,862			108,862	108,795
Other	5,755			5,755	5,298
	699,218			699,218	696,485
<b>Expenditure</b>					
Advertising	7,908			7,908	8,108
Amortization			7,343	7,343	6,793
BBBS Canada membership fees	12,807			12,807	13,439
Insurance	3,928			3,928	4,030
Interest and bank charges	1,899			1,899	1,127
Occupancy costs	71,540			71,540	59,346
Office and general	17,271			17,271	16,223
Office equipment and maintenance	10,594			10,594	11,493
Postage	4,267			4,267	4,455
Printing and reproduction	3,848			3,848	3,471
Professional fees	25,295			25,295	3,400
Program/events/camp costs	41,765			41,765	29,705
Salaries and benefits	507,359			507,359	425,182
Staff training and development	4,169			4,169	5,280
Telephone	12,146			12,146	10,283
Travel	15,646			15,646	9,841
Volunteer and donor recognition	5,443			5,443	6,648
	745,885		7,343	753,228	618,824
<b>Excess of (expenditure over revenue) revenue over expenditure for year</b>	\$ (46,667)	Nil	(7,343)	(54,010)	77,661



**BIG BROTHERS BIG SISTERS OF HALTON**  
(Incorporated without share capital)  
Notes to financial statements  
as at March 31, 2008

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**1. Purpose of the organization**

Big Brothers Big Sisters of Halton is a volunteer based non-profit organization that is committed to providing mentoring for children and youth in need, to enhance their sense of belonging, self worth and capacity to make healthy, well informed choices. The organization was incorporated under the Ontario Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

**2. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the significant accounting policies summarized below:

**a) Fund accounting**

For financial reporting purposes, the accounts have been classified into the following funds:

**i) General fund**

Revenue and expenditure, other than those recorded in special purpose funds, are recorded in the general fund.

**ii) Capacity fund**

The Board of Directors established an internally restricted fund to help expand the organization's service delivery throughout Halton. The creation of this fund represents the implementation of specific service and mentoring plans set forth in the agency's 2005 Strategic Plan.

**iii) Endowment fund**

Amounts placed in the endowment fund are considered to be permanent in nature, pursuant to restrictions established at the time that donations are received, and only the investment income is recognized in the statement of operations.

**iv) Investment in property and equipment**

The investment in property and equipment reports the assets, liabilities, revenue and expenditure related to the organization's property and equipment owned by the organization.

**b) Management estimates**

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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 and the effect on the financial statements of changes in such estimates in future periods could be significant.



**BIG BROTHERS BIG SISTERS OF HALTON**  
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as at March 31, 2008

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**2. Significant accounting policies - continued**

**c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts and highly liquid temporary money market instruments with original maturities of three months or less.

**d) Property and equipment**

Property and equipment are recorded at acquisition cost. Amortization is recorded in the accounts at rates intended to write off the cost of the assets over their estimated useful life. Methods and rates used are:

Furniture and fixtures  
20% diminishing balance basis

Computer equipment  
30% diminishing balance basis

Leasehold improvements  
Straight-line basis over the remaining term of the lease

**e) Contributed materials and services**

The organization recognizes contributed materials and services if the determination of fair value is readily available. The value of volunteer time is not reflected in these financial statements.

**f) Revenue recognition**

The organization follows the deferral method of accounting for contributions. As such, contributions received that relate to future periods are reflected in revenue in the period in which the related expenses are recognized.

Revenues from operating grants and subsidies are recognized in the period to which they relate.

Revenues received from fundraising activities and investments are recognized in the period of receipt.

**3. Financial instruments**

**Fair value**

The carrying value of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair value due to the short-term maturities of those instruments. Fair value estimates are made at the balance sheet date based on relevant market information about the financial instruments. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from the financial instruments.



**BIG BROTHERS BIG SISTERS OF HALTON**

(Incorporated without share capital)

Notes to financial statements

as at March 31, 2008

**4. Property and equipment**

		2008		2007
	Cost	Accumulated amortization	Net	Net
Furniture and fixtures	\$ 14,659	10,558	4,101	5,126
Computer equipment	59,874	35,599	24,275	11,526
Leasehold improvements	6,060	6,060		
	<u>\$ 80,593</u>	<u>52,217</u>	<u>28,376</u>	<u>16,652</u>

Amortization recorded during the year amounted to \$7,343.

During the year, property and equipment were acquired for cash at an aggregate cost of \$19,067.

**5. Operating lease commitments**

Future minimum rental payments required under operating leases that have remaining terms in excess of one year are:

2009	\$ 69,725
2010	40,233
2011	5,246
2012	5,246
2013	3,935
	<u>\$ 124,385</u>

**6. Statement of cash flows**

A statement of cash flows has not been provided as it would not provide any additional meaningful information.

**7. Comparative figures**

Certain figures in the 2007 financial statements have been reclassified to conform with the basis of presentation used in 2008.

