

**BIG BROTHERS BIG SISTERS
OF REGINA AND AREA INC.**

Financial Statements

Year Ended June 30, 2021

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
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Year Ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of Big Brothers Big Sisters of Regina and Area Inc. (the organization), which comprise the statement of financial position as at June 30, 2021, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

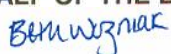
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan
September 14, 2021


Dudley & Company LLP
Chartered Professional Accountants

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Financial Position****June 30, 2021**

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 393,718	\$ 191,783
Accounts receivable	8,815	42,899
Inventory	21,350	23,100
GST receivable	1,963	7,223
Prepaid expenses	8,779	3,402
Government assistance receivable (Note 6)	20,000	-
	454,625	268,407
CAPITAL ASSETS (Note 4)	13,692	12,141
TOTAL ASSETS	\$ 468,317	\$ 280,548
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 10,312	\$ 16,104
Employee deductions payable	18,000	15,399
Deferred revenue (Note 5)	107,150	89,694
	135,462	121,197
LONG TERM DEBT (Note 6)	60,000	-
	195,462	121,197
NET ASSETS	272,855	159,351
TOTAL LIABILITIES AND NET ASSETS	\$ 468,317	\$ 280,548

ON BEHALF OF THE BOARD

Director



Director

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses****Year Ended June 30, 2021**

	2021	2020
REVENUES		
Grants	\$ 115,758	\$ 203,088
Corporate sponsorship	103,933	23,250
Province of Saskatchewan	46,195	45,324
United Way of Regina	45,000	45,993
Fundraisers	35,401	155,083
Donations	31,133	38,678
Canada Summer Student grant	-	6,544
	377,420	517,960
EXPENSES		
Salaries and wages	286,916	304,341
Rent	29,539	29,944
Professional fees	18,721	14,605
Fundraising expenses	15,624	50,184
Memberships and fees	11,950	14,175
Advertising and promotion	11,243	7,804
Mentorship activities	9,001	32,249
Insurance	8,904	5,954
Office and equipment rental	6,036	5,401
Telephone	5,558	9,351
Settlement compensation	5,000	-
Amortization	3,812	3,690
Utilities	3,078	3,536
Training and conventions	2,635	869
Bank charges and interest	1,549	3,081
Repairs and maintenance	1,140	526
Mileage and parking	461	3,929
	421,167	489,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(43,747)	28,321
OTHER INCOME		
Government Assistance (Note 7)	81,140	-
COVID-19 support funding (Note 7)	56,101	8,899
CEBA loan forgivable portion (Note 6)	20,000	-
Interest income	10	-
	157,251	8,899
EXCESS OF REVENUES OVER EXPENSES	\$ 113,504	\$ 37,220

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Statement of Changes in Net Assets
Year Ended June 30, 2021

	2020 Balance	Excess of revenues over expenses	Capital asset purchases/ amortization	Transfers	2021 Balance
Regina - unrestricted	\$ 28,540	\$ 118,312	\$ (1,827)	\$ (13,180)	\$ 131,845
Weyburn - unrestricted	42,032	8,541	165	(39,455)	11,283
Moose Jaw - unrestricted	25,417	(13,349)	112	(3,833)	8,347
Capital Fund	12,142	-	1,550	-	13,692
Operating Reserve	51,220	-	-	56,468	107,688
	<u>\$ 159,351</u>	<u>\$ 113,504</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,855</u>

	2019 Balance	Excess of revenues over expenses	Capital asset purchases/ amortization	Transfers	2020 Balance
Regina - unrestricted	\$ 15,150	\$ (1,976)	\$ 3,294	\$ 12,072	\$ 28,540
Weyburn - unrestricted	27,044	21,214	236	(6,462)	42,032
Moose Jaw - unrestricted	12,885	17,982	160	(5,610)	25,417
Capital Fund	15,832	-	(3,690)	-	12,142
Operating Reserve	51,220	-	-	-	51,220
	<u>\$ 122,131</u>	<u>\$ 37,220</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,351</u>

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Cash Flows****Year Ended June 30, 2021**

	2021	2020
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 113,504	\$ 37,220
Item not affecting cash:		
Amortization of capital assets	3,812	3,690
	<u>117,316</u>	<u>40,910</u>
Changes in non-cash working capital:		
Accounts receivable	34,084	(25,737)
Inventory	1,750	-
Accounts payable	(5,792)	3,562
Deferred revenue	17,456	47,261
Prepaid expenses	(5,377)	478
Goods and services tax payable	5,260	(2,315)
Government assistance receivable	(20,000)	-
Employee deductions payable	2,601	1,980
	<u>29,982</u>	<u>25,229</u>
Cash Flows From (For) Operating Activities	<u>147,298</u>	<u>66,139</u>
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Purchase of capital assets	(5,363)	-
CASH FLOWS FROM (FOR) FINANCING ACTIVITIES		
Proceeds from long term financing	60,000	-
INCREASE IN CASH FLOWS	<u>201,935</u>	<u>66,139</u>
Cash - beginning of year	<u>191,783</u>	<u>125,644</u>
CASH - END OF YEAR	<u>\$ 393,718</u>	<u>\$ 191,783</u>

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2021

1. PURPOSE OF THE ORGANIZATION

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

The organization operates in Regina, Weyburn, and Moose Jaw.

The organization's mission is to enable life-changing mentoring relationships to ignite power and potential of young people. The organization does this by professionally screening, matching, and monitoring volunteering adult mentors and their youth mentees. Matches are made with the intent to create a development relationship where a youth is positively impacted by a mentor's strengths, knowledge, and skills.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash

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

Financial instruments

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

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

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

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

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

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

(continues)

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2021

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

Capital assets

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

Computer equipment	30%
Office furnishings and equipment	20%

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

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

Inventory

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

Revenue recognition

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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

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

Revenue from fundraising and events are recognized when the fundraiser or event has taken place.

Revenues from government subsidies and grants are recognized in the period in which the funding covers and when reasonable assurance exists regarding collectability.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts as well as an allowance for valuation of inventories are provided where considered necessary. Amortization is based on the estimated useful life of capital assets.

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

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2021

3. FINANCIAL INSTRUMENTS

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

Risks and uncertainties

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

Credit risk

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

Liquidity risk

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

Interest rate risk

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

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

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 21,073	\$ 14,399	\$ 6,674	\$ 3,023
Office furnishings and equipment	23,118	18,412	4,706	5,882
Leasehold improvements	4,623	2,311	2,312	3,236
	<u>\$ 48,814</u>	<u>\$ 35,122</u>	<u>\$ 13,692</u>	<u>\$ 12,141</u>

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.

Notes to Financial Statements

Year Ended June 30, 2021

5. DEFERRED REVENUE

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

	2021	2020
Community Initiatives Fund	\$ 48,444	\$ 26,444
City of Regina	19,500	19,500
United Way	10,000	5,000
South Saskatchewan Community Foundation	2,143	25,000
K+S Potash	18,333	13,750
Sask Lotteries	8,730	-
	<u>\$ 107,150</u>	<u>\$ 89,694</u>

6. LONG TERM DEBT

Canada Emergency Business Account (CEBA) loan. 0% interest until December 31, 2022. 33% of the loan (\$20,000) will be forgiven if 66% of the principal is repaid by December 31, 2022. If the loan is not repaid prior to December 31, 2022, it converts to an interest only loan at 5% until December 31, 2025, when the loan is due in full.

	2021	2020
	\$ 60,000	\$ -
	<u>\$ 60,000</u>	<u>\$ -</u>

7. GOVERNMENT ASSISTANCE

The organization has received funding from the Federal Government through the Canada Emergency Wage Subsidy (CEWS) and the Canada Emergency Rent Subsidy (CERS) totalling \$81,140. This amount has been reported as income on the Statement of Revenues and Expenditures. There are no repayment conditions on the funding. The organization also received COVID-19 support payments from the Government of Canada in the amount of \$56,101.

Additionally in the year, the organization applied for and received funding through the Canada Emergency Business Account (CEBA). The terms of the loan are described in Note 6.

8. COMMITMENTS

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

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.
Notes to Financial Statements
Year Ended June 30, 2021

9. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The organization continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the organization's financial position and operations.

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.

Statement of Financial Position by Branch

(Schedule 1)

Year Ended June 30, 2021

	Regina 2021	Weyburn 2021	Moose Jaw 2021	Total 2021
ASSETS				
Cash	\$ 273,693	\$ 86,400	\$ 33,625	\$ 393,718
Accounts receivable	4,807	3,258	750	8,815
Inventory	21,350	-	-	21,350
GST receivable	1,903	60	-	1,963
Prepaid expenses	7,879	500	400	8,779
Government assistance receivable	20,000	-	-	20,000
Capital assets	13,045	386	261	13,692
TOTAL ASSETS	\$ 342,677	\$ 90,604	\$ 35,036	\$ 468,317
LIABILITIES AND NET ASSETS				
Accounts payable	\$ 10,310	\$ -	\$ -	\$ 10,310
Inter-branch payable	(34,233)	19,109	15,124	-
Employee deductions payable	18,000	-	-	18,000
Deferred revenue	70,358	25,774	11,018	107,150
Long term debt	60,000	-	-	60,000
Net assets	218,242	45,721	8,894	272,857
TOTAL LIABILITIES AND NET ASSETS	\$ 342,677	\$ 90,604	\$ 35,036	\$ 468,317

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Financial Position by Branch****(Schedule 2)****Year Ended June 30, 2020**

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

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Regina****(Schedule 3)****Year Ended June 30, 2021**

	2021	2020
REVENUES		
Corporate sponsorship	\$ 103,933	\$ 23,250
Grants	89,261	123,230
Province of Saskatchewan	41,323	40,452
Fundraisers	35,401	145,161
Donations	30,491	36,093
United Way of Regina	30,000	30,060
Canada Summer Student grant	-	4,476
	<u>330,409</u>	<u>402,722</u>
OTHER INCOME		
Government assistance	81,140	-
COVID-19 support funding	21,577	3,423
CEBA loan forgivable portion	20,000	-
Interest income	10	-
	<u>122,727</u>	<u>3,423</u>
EXPENSES		
Salaries and wages	207,708	239,462
Rent	29,539	25,857
Professional fees	18,721	14,605
Fundraising expenses	13,814	50,184
Advertising and promotion	11,183	7,565
Memberships and fees	10,040	9,986
Insurance	8,904	5,954
Mentorship activities	8,215	30,615
Office and equipment rental	5,991	4,767
Settlement compensation	5,000	-
Telephone	3,824	8,048
Amortization	3,535	3,294
Utilities	3,078	3,536
Training and conventions	2,414	725
Bank charges and interest	1,257	2,513
Repairs and maintenance	1,140	526
Mileage and parking	461	484
	<u>334,824</u>	<u>408,121</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 118,312</u>	<u>\$ (1,976)</u>

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Weyburn****(Schedule 4)****Year Ended June 30, 2021**

	2021	2020
REVENUES		
Grants	\$ 20,715	\$ 38,683
United Way of Regina	15,000	15,933
Province of Saskatchewan	4,872	4,872
Donations	349	2,390
City of Weyburn	-	-
	<u>40,936</u>	<u>61,878</u>
OTHER INCOME		
COVID-19 support funding	<u>17,262</u>	<u>2,738</u>
EXPENSES		
Salaries and wages	45,372	35,775
Telephone	1,141	1,097
Memberships and fees	1,000	2,300
Fundraising expenses	905	-
Mentorship activities	721	1,225
Bank charges and interest	185	314
Amortization	165	236
Training and conventions	123	144
Advertising and promotion	45	225
Office and equipment rental	-	226
Mileage and parking	-	1,860
	<u>49,657</u>	<u>43,402</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 8,541</u>	<u>\$ 21,214</u>

See notes to financial statements

BIG BROTHERS BIG SISTERS OF REGINA AND AREA INC.**Statement of Revenues and Expenses - Moose Jaw****(Schedule 5)****Year Ended June 30, 2021**

	2021	2020
REVENUES		
Grants	\$ 5,782	\$ 41,175
Donations	293	195
Canada Summer Student grant	-	2,068
Fundraisers	-	9,922
	<u>6,075</u>	<u>53,360</u>
OTHER INCOME		
COVID-19 support funding	<u>17,262</u>	<u>2,738</u>
EXPENSES		
Salaries and wages	33,838	29,104
Memberships and fees	910	1,889
Fundraising expenses	905	-
Telephone	593	206
Amortization	112	160
Bank charges and interest	105	254
Training and conventions	98	-
Mentorship activities	65	409
Office and equipment rental	45	408
Advertising and promotion	15	14
Mileage and parking	-	1,584
Rent	-	4,088
	<u>36,686</u>	<u>38,116</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (13,349)</u>	<u>\$ 17,982</u>

See notes to financial statements