

Financial Statements of

**BIG BROTHERS BIG
SISTERS OF LANGLEY**

And Independent Practitioners' Review Engagement
Report thereon

Year ended December 31, 2021
(Unaudited)



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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Directors of Big Brothers Big Sisters of Langley

We have reviewed the accompanying financial statements of Big Brothers Big Sisters of Langley, which comprise the statement of financial position as at December 31, 2021, the statements of operations, changes in fund balances 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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Langley as at December 31, 2021, 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

Langley, Canada

March 10, 2022

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Financial Position

December 31, 2021, with comparative information for 2020
(Unaudited)

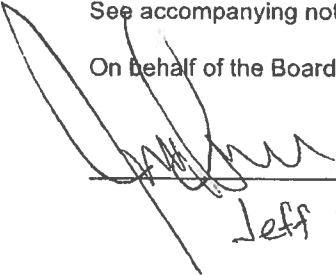
	2021	2020
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 545,876	\$ 496,643
Receivables	2,250	2,500
Prepaid expenses and deposits	3,650	13,606
	<u>551,776</u>	<u>512,749</u>
Capital assets (note 4)	2,436	1,843
	<u>\$ 554,212</u>	<u>\$ 514,592</u>

Liabilities

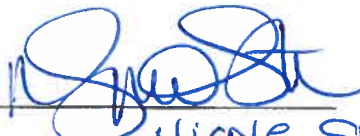
Current liabilities:		
Accounts payable and accrued liabilities	\$ 10,897	\$ 7,425
Government agencies payable	406	267
Externally restricted funds (note 5)	172,685	173,989
	<u>183,988</u>	<u>181,681</u>
Net assets:		
Invested in capital assets	2,436	1,843
General fund	367,788	331,068
	<u>370,224</u>	<u>332,911</u>
Lease commitments (note 6)		
	<u>\$ 554,212</u>	<u>\$ 514,592</u>

See accompanying notes to financial statements.

On behalf of the Board:



Jeff Farrell



Nicole Sproston

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020
(Unaudited)

	General Fund 2021	Restricted Fund 2021	Total 2021	Total 2020
Revenues:				
CEWS Subsidy (note 8)	\$ 94,238	\$ -	\$ 94,238	\$ 75,161
Donations, grants and other income	182,267	-	182,267	194,183
Fundraising (note 7)	72,900	-	72,900	71,490
Gaming	-	100,000	100,000	100,000
Interest income	2,993	-	2,993	3,688
Renew crew	3,470	-	3,470	3,883
Service clubs and campaigns	40,666	-	40,666	54,352
United Way	78	-	78	10,543
	396,612	100,000	496,612	513,300
Expenses:				
Amortization	1,836	-	1,836	2,968
Board and committee meetings	3,038	-	3,038	398
Conventions and workshops	577	-	577	936
Dues and insurance	22,926	-	22,926	21,620
Equipment leases and maintenance	3,189	-	3,189	5,685
Fundraising (note 7)	38,465	-	38,465	20,461
Mileage and transportation	4,998	-	4,998	4,966
Office and miscellaneous	12,013	-	12,013	13,769
Professional fees	3,617	-	3,617	3,869
Publicity and promotion	6,208	-	6,208	10,996
Recreation and group activities	12,200	-	12,200	16,633
Rent and occupancy costs	22,932	-	22,932	22,348
Salaries and benefits	220,174	100,000	320,174	308,893
Staff development and training	511	-	511	1,112
Telephone	3,204	-	3,204	3,198
Utilities	3,411	-	3,411	3,807
	359,299	100,000	459,299	441,659
Excess of revenues over expenses	\$ 37,313	\$ -	\$ 37,313	\$ 71,641

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Changes In Fund Balances

Year ended December 31, 2021, with comparative information for 2020
(Unaudited)

	Invested in capital assets	General fund	Total 2021	Total 2020
Net assets, beginning of year	\$ 1,843	\$ 331,068	\$ 332,911	\$ 261,270
Excess of revenues over expenses (expenses over revenues)	(1,836)	39,149	37,313	71,641
Investment in capital assets	2,429	(2,429)	-	-
Net assets, end of year	\$ 2,436	\$ 367,788	\$ 370,224	\$ 332,911

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020
(Unaudited)

	2021	2020
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$ 37,313	\$ 71,641
Item not involving cash:		
Amortization of capital assets	1,836	2,968
	39,149	74,609
Changes in non-cash operating working capital:		
Receivables	250	(1,976)
Government agencies receivable	-	2,722
Prepaid expenses and deposits	9,956	(1,226)
Accounts payable and accrued liabilities	3,473	(603)
Government agencies payable	139	267
Externally restricted funds	(1,304)	16,843
	51,663	90,636
Investing:		
Purchase of capital assets	(2,430)	(2,457)
Increase in cash and cash equivalents	49,233	88,179
Cash and cash equivalents, beginning of year	496,643	408,464
Cash and cash equivalents, end of year	\$ 545,876	\$ 496,643

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements

Year ended December 31, 2021
(Unaudited)

Purpose of the Society:

Big Brothers Big Sisters of Langley (the "society") is a not-for-profit organization incorporated under the Societies Act of British Columbia. As a registered charity the society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. The society is subordinate to Big Brothers Big Sisters of Canada (118808740RR0001).

The society operates to provide mentorship, friendship, guidance, and support to children aged six to sixteen who have need for an adult role model. The society was founded in 1974, and is administered by an elected Board of Directors, an Executive Director and other staff.

1. Basis of presentation:

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

2. Significant accounting policies:

(a) Cash and cash equivalents:

Cash includes cash and cash equivalents. Cash equivalents consist primarily of commercial paper and deposits. The society considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents. Due to the short-term maturity of these investments, their carrying value approximates fair value.

(b) Fund Accounting:

The society follows the restricted fund method of accounting for contributions. There are two funds that are used by the society.

The General Fund: This fund is used for the day-to-day operations of the society as directed by the Board of Directors.

The Restricted Fund: This fund is used to pay for the operational and capital disbursements as allowed by the B.C. Gaming Branch Guidelines.

(c) Receivables:

Receivables are recorded at face value less any provisions for uncollectible accounts considered necessary.

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2021
(Unaudited)

2. Significant accounting policies (continued):

(d) Capital assets:

Capital assets are stated at cost or deemed cost and contributed capital assets are recorded at fair market value at the date of contribution. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Asset	Rate
Equipment	5 years
Computer equipment	2 years
Furniture and fixtures	5 years
Leasehold improvements	over the term of the lease

The society regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

(e) Revenue recognition:

Restricted contributions are deferred and recognized as revenue in the General Fund in the same period the related program expenses are incurred and recognized.

Unrestricted contributions are recognized as revenue in the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Pledges are recognized as revenue when their estimated realizable value can be reasonably determined.

Externally restricted funds balances consist of donations that have been received for specific programs which are to occur in the next fiscal year, in accordance with respective funders guidelines, agreements and timelines.

(f) Donated materials and services:

The society does not record donated materials and services unless used in the normal course of operations and would otherwise be purchased. In 2021 NIL (2020 - NIL) donated materials and services were recorded as revenue.

(g) Income taxes:

The society is a non-profit organization and a registered charity and is therefore exempt from income tax.

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2021
(Unaudited)

2. Significant accounting policies (continued):

(h) Impairment of long-lived assets:

The society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

(i) Financial instruments policy:

(i) Initial measurement:

The society initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The society subsequently measures all its financial assets and financial liabilities at amortized cost, except for any investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, government agencies receivable and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government agencies payable.

Management is of the opinion that the society is not subject to significant interest, currency or credit risks on the financial instruments included in these financial statements.

(j) Government assistance:

The Company periodically applies for financial assistance under available government incentive programs. Government assistance related to current expenses and revenue is included in the determination of excess revenues over expenses for the period.

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2021
(Unaudited)

2. Significant accounting policies (continued):

(k) 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

The significant areas requiring management estimates include the estimates of useful lives for amortization, the timing of revenue recognition and the collectibility of accounts receivable.

3. Cash and cash equivalents:

	2021		2020	
Cash and cash equivalents	\$	515,876	\$	466,643
Cash - internally restricted		30,000		30,000
	\$	545,876	\$	496,643

4. Capital assets:

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Equipment	\$ 21,468	\$ 21,468	\$ -	\$ -
Computer	55,004	52,568	2,436	1,843
Furniture and fixtures	5,506	5,506	-	-
Leasehold improvements	931	931	-	-
	\$ 82,909	\$ 80,473	\$ 2,436	\$ 1,843

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2021
(Unaudited)

5. Externally restricted funds:

Program related externally restricted funds - from grants that are for 2021 programming:

Granter	Designated Mentoring Program	Funding Period	Total Grant/ Donation Received	Amount Externally Restricted in 2021
Gala Sponsorships/tickets	2021 event cancelled - revenue deferred to 2022	January 2022 - December 2022	\$ 21,625	\$ 21,625
United Way of Lower Mainland	Go Girls/Game On	July 2021 - June 2022	60,000	30,000
United Way of Lower Mainland	Future Leaders	September 2021 - September 2022	15,000	10,500
BC Gaming Corporation	Community Based Mentoring	January 2022 - December 2022	100,000	100,000
Hamber Foundation	In School Mentoring	January 2022 - December 2022	4,000	4,000
First West Foundation	In School Mentoring	September 2021 - September 2022	10,000	6,025
Other			-	535
Total externally restricted				\$ 172,685

6. Lease commitments:

The society has a lease agreement with respect to its premises. It is obligated to make the following minimum payments:

2022	\$ 11,400
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BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2021
(Unaudited)

7. Fundraising income:

	2021	2020
Revenue:		
Christmas hamper	\$ 1,645	\$ 3,065
Gala	-	68,425
Golf	71,255	-
	72,900	71,490
Expenditures:		
Gala	(900)	(17,568)
Golf	(31,122)	-
Other	(6,443)	(2,893)
	(38,465)	(20,461)
Net fundraising income	\$ 34,435	\$ 51,029

8. Government assistance:

Included in revenue is government assistance related to the Canadian Emergency Wage Subsidy ("CEWS") of \$94,238 (2020 - \$75,161) to assist with paying employee wages during the COVID-19 pandemic.

