

Financial Statements of

**BIG BROTHERS BIG SISTERS
OF LANGLEY**

And Independent Practitioner's Review Engagement Report
thereon

Year ended December 31, 2023



KPMG LLP

3rd Floor, 8506 - 200th Street
Langley, BC V2Y 0M1
Canada
Telephone 604 455 4000
Fax 604 881 4988

INDEPENDENT PRACTITIONER'S 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 balance sheet as at December 31, 2023, 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.

Practitioner's 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.



Page 2

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, 2023, 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 4, 2024

BIG BROTHERS BIG SISTERS OF LANGLEY

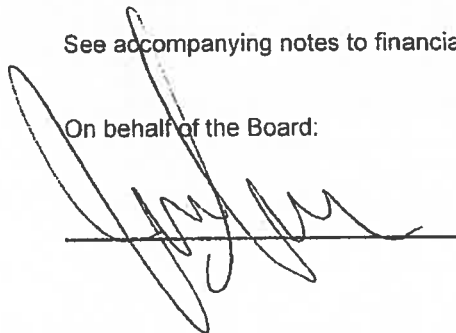
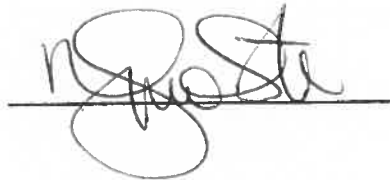
Balance Sheet

December 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 520,256	\$ 516,785
Receivables	1,000	-
Government agencies receivable	1,513	443
Prepaid expenses and deposits	3,832	3,759
	<u>526,601</u>	<u>520,987</u>
Capital assets (note 4)	5,279	4,441
	<u>\$ 531,880</u>	<u>\$ 525,428</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 9,232	\$ 9,931
Externally restricted funds (note 5)	157,487	150,400
	<u>166,719</u>	<u>160,331</u>
Net assets:		
Invested in capital assets	5,279	4,441
General fund	359,882	360,656
	<u>365,161</u>	<u>365,097</u>
Lease commitments (note 6)		
	<u>\$ 531,880</u>	<u>\$ 525,428</u>

See accompanying notes to financial statements.

On behalf of the Board:


_____

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Earnings

Year ended December 31, 2023, with comparative information for 2022

	General Fund 2023	Restricted Fund 2023	Total 2023	Total 2022
Revenues:				
Donations, grants and other income	\$ 254,227	\$ -	\$ 254,227	\$ 214,242
Fundraising (note 7)	154,578	-	154,578	69,962
Gaming	-	100,000	100,000	100,000
Interest income	20,437	-	20,437	8,123
Renew crew	9,955	-	9,955	16,912
Service clubs and campaigns	61,406	-	61,406	87,573
United Way	65	-	65	79
	500,668	100,000	600,668	496,891
Expenses:				
Amortization	1,848	-	1,848	2,334
Board and committee meetings	338	-	338	-
Conventions and workshops	923	-	923	-
Dues and insurance	26,480	-	26,480	24,744
Equipment leases and maintenance	9,288	-	9,288	3,313
Fundraising (note 7)	62,589	-	62,589	25,628
Mileage and transportation	6,143	-	6,143	6,053
Office and miscellaneous	50,998	-	50,998	11,826
Recreation and group activities	11,749	-	11,749	14,454
Professional fees	4,661	-	4,661	4,113
Publicity and promotion	8,841	-	8,841	4,831
Rent and occupancy costs	25,707	-	25,707	24,538
Salaries and benefits	281,966	100,000	381,966	369,635
Staff development and training	-	-	-	2,057
Telephone	4,780	-	4,780	4,240
Utilities	4,293	-	4,293	4,252
	500,604	100,000	600,604	502,018
Excess of revenues over expenses				
(expenses over revenues)	\$ 64	\$ -	\$ 64	\$ (5,127)

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Changes in Fund Balances

Year ended December 31, 2023, with comparative information for 2022

	Invested in capital assets	General fund	Total 2023	Total 2022
Net assets, beginning of year	\$ 4,441	\$ 360,656	\$ 365,097	\$ 370,224
Excess of revenues over expenses (expenses over revenues)	(1,847)	1,911	64	(5,127)
Investment in capital assets	2,685	(2,685)	-	-
Net assets, end of year	\$ 5,279	\$ 359,882	\$ 365,161	\$ 365,097

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses (expenses over revenues)	\$ 64	\$ (5,127)
Item not involving cash:		
Amortization	1,848	2,334
	1,912	(2,793)
Changes in non-cash operating working capital:		
Receivables	(1,000)	2,250
Government agencies receivable	(1,070)	(443)
Prepaid expenses and deposits	(73)	(109)
Accounts payable and accrued liabilities	(700)	(966)
Government agencies payable	-	(406)
Externally restricted funds	7,087	(22,285)
	6,156	(24,752)
Investing:		
Purchase of capital assets	(2,685)	(4,339)
Increase (decrease) in cash and cash equivalents	3,471	(29,091)
Cash and cash equivalents, beginning of year	516,785	545,876
Cash and cash equivalents, end of year	\$ 520,256	\$ 516,785

See accompanying notes to financial statements.

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements

Year ended December 31, 2023

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 (ASNFPPO).

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, 2023

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 2023 NIL (2022 - 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, 2023

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, 2023

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:

	2023	2022
Cash and cash equivalents	\$ 490,256	\$ 486,785
Cash - internally restricted	30,000	30,000
	\$ 520,256	\$ 516,785

	2023	2022
Funds for the future capital acquisition of new office building were approved November 2017	\$ 20,000	\$ 20,000
Funds for the future capital acquisition of new office building were approved February 2018	10,000	10,000
	\$ 30,000	\$ 30,000

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2023

4. Capital assets:

				2023	2022
	Cost	Accumulated amortization		Net book value	Net book value
Equipment	\$ 25,335	\$ 22,551	\$	2,784	\$ 3,480
Computer	58,160	55,665		2,495	961
Furniture and fixtures	5,506	5,506		-	-
Leasehold improvements	931	931		-	-
	\$ 89,932	\$ 84,653	\$	5,279	\$ 4,441

5. Externally restricted funds:

Program related externally restricted funds - from grants that are for 2024 programming:

Granter	Designated Mentoring Program	Funding Period	Total Grant/ Donation Received	Amount Externally Restricted in 2023
Gala Sponsorships	2024 Big Deal Gala	January 2024 - December 2024	\$ 8,000	\$ 8,000
United Way of Lower Mainland	Schools Out Funding - Groups	July 2023 - June 2024	60,000	30,000
United Way of Lower Mainland	Future Leaders	September 2023 - September 2024	15,000	9,000
BC Gaming Corporation	Community Based Mentoring	January 2024 - December 2024	100,000	100,000
Chris Spencer Foundation	Group Programs	September 2023 - June 2024	5,000	3,000
Community Service Relief Fund	File Digitization Project	September 2023 - March 2024	45,400	7,487
Total externally restricted funds				\$ 157,487

BIG BROTHERS BIG SISTERS OF LANGLEY

Notes to Financial Statements (continued)

Year ended December 31, 2023

6. Lease commitments:

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

2024	\$	19,380
2025		13,680
	\$	33,060

7. Fundraising income:

	2023	2022
Revenue:		
Auction	\$ -	\$ 7,545
Christmas hamper	800	1,460
Gala	87,718	-
Golf	66,060	60,957
	154,578	69,962
Expenditures:		
Gala	(33,983)	-
Golf	(24,690)	(21,447)
Other	(3,916)	(4,181)
	(62,589)	(25,628)
Net fundraising income	\$ 91,989	\$ 44,334

8. Government assistance:

Included in donations, grants and other income is government assistance of \$37,913 (2022 - \$NIL). This was from the Community Services Recovery Fund, which supports COVID-19 pandemic recovery for community service organizations.

