

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND**

**COMPILED FINANCIAL INFORMATION
DECEMBER 31, 2022**

LAYMAN FINANCIAL SERVICES

Box 1360, Ladysmith, BC V9G 1A9

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

Email: elaine@laymangroup.com

COMPILATION ENGAGEMENT REPORT

To the management of Big Brothers Big Sisters of Central Vancouver Island

On the basis of information provided by management, I have compiled the statement of financial position of Big Brothers Big Sisters of Central Vancouver Island as at December 31, 2022, the statement of operations and changes in net assets for the year then ended, and note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Prior to compiling Big Brothers Big Sisters of Central Vancouver Island's compiled financial information my accounting firm prepared several journal entries which have a material effect on this financial information.



Elaine J. Layman, CPA, CMA
Chartered Professional Accountant

Ladysmith, B.C.
March 1, 2023

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF FINANCIAL POSITION, continued
AS AT DECEMBER 31, 2022**

	<u>2022</u>	<u>2021</u>
Liabilities		
Current		
Accounts payable (note 7)	\$ 17,164	\$ 18,827
Deferred Revenue (note 8)	9,891	102,247
Deposits - Rent	<u>250</u>	<u>250</u>
	<u>27,305</u>	<u>121,324</u>
Long-term liabilities		
Government CBBA Loan (note 9)	<u>40,000</u>	<u>40,000</u>
Fund balances		
Externally Restricted	1,763	94,058
Internally Restricted	47,228	46,729
Building Reserve	107,548	106,900
Balance	<u>84,745</u>	<u>31,173</u>
	<u>241,284</u>	<u>278,860</u>
	<u>\$ 308,589</u>	<u>\$ 440,184</u>

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022</u>	<u>2021</u>
Revenues, Schedule 1	\$ 189,779	\$ 271,068
Expenditures		
Advertising and promotion	394	1,543
Amortization	32	36
Fees & Dues	4,957	4,659
Community Engagement	7,198	5,068
Consultant - Grant Writing	4,928	990
Insurance	12,055	7,561
Interest and bank charges	345	417
Meeting and Board costs	501	516
Office	3,847	6,035
Program Development	135	-
Professional fees	2,986	2,920
Rent	20,910	20,398
Repairs and maintenance	4,525	2,925
Supplies and Postage	7,404	4,198
Training & Professional development	2,712	(343)
Telephone and utilities	11,469	11,568
Travel	1,979	890
Wages and benefits	<u>140,978</u>	<u>114,310</u>
	<u>227,355</u>	<u>183,691</u>
(Deficiency) excess of revenues over expenditures before undernoted item	(37,576)	87,377
Other income		
CEBA Government Loan forgiveness	<u>-</u>	<u>10,000</u>
(Deficiency) excess of revenues over expenditures	\$ <u>(37,576)</u>	\$ <u>97,377</u>

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Operational Reserve	Externally Restricted	Unrestricted	Total 2022	Total 2021
Balance, Beginning of year	153,629	94,058	31,173	278,860	181,483
Excess of revenue over expenses (expenses over revenue)	1,147	- 92,295	53,572	- 37,576	97,377
Reserve funds allocated to current	-		-	-	
Balance, end of year	<u>\$ 154,776</u>	<u>\$ 1,763</u>	<u>\$ 84,745</u>	<u>\$ 241,284</u>	<u>\$ 278,860</u>

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

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE COMPILED FINANCIAL INFORMATION
DECEMBER 31, 2022**

1. Basis of accounting

The basis of accounting applied in the preparation of the financial information is on the historical cost basis, reflecting cash transactions with the addition of:

- accounts receivable
- property, plant and equipment amortized on the same basis as for income tax
- accounts payable and accrued liabilities
- deferred income

2. General information

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.

3. Significant accounting policies and general information

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

(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:

Vehicles - Delivery Van	30%
Office equipment	20%
Computer equipment	45%
Clothing Drop Box	20%

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE COMPILED FINANCIAL INFORMATION
DECEMBER 31, 2022**

3. Significant accounting policies and general information, continued

(c) Donated material and services

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

4. Cash and Term Deposits Restricted

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

	2022	2021
Prudent Operating Reserve	\$ 47,228	\$ 66,729
Gaming Account Funds	1,763	94,058
Building Fund Reserve	107,548	106,900
	\$ 156,539	\$ 267,687

There are 2 term deposits totaling \$ 39,690 (2021-\$31245) a GIC's of \$7,500, plus a savings account of \$ 38 (2021-\$7,515) which makes up the Prudent Operating funds. The fund was set up on December 12, 2019 and these funds can be accessed only by Board approval. There are 2 Term Deposits totaling \$107,548 (2021-\$106,900) for the Building Fund, which also needs Board Approval to access. Funds in the gaming account are externally restricted to the 2023 operation year by the BC Gaming Authority.

5. Accounts receivable

Accounts receivable are made up of Interest accrued on term deposits to the year end, an small amount due from customers, (\$1,020) from GST (\$738) and for bulk clothes sales (\$8,849). There is no need for allowance for bad debts.

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE COMPILED FINANCIAL INFORMATION
DECEMBER 31, 2022**

6. Property, plant and equipment

			<u>2022</u>	<u>2021</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Vehicles - Delivery Van	\$ 27,375	\$ 21,788	\$ 5,587	\$ 7,981
Office equipment	12,006	11,892	114	143
Computer equipment	10,997	10,997	-	-
Clothing Drop Box	854	840	14	17
	<u>\$ 51,232</u>	<u>\$ 45,517</u>	<u>\$ 5,715</u>	<u>\$ 8,141</u>

7. Accounts payable

Included in accounts payable and accrued liabilities are the following amounts owing for Workers Compensation (\$ 1,411), amount for Source Deductions (\$2,543) amounts owing to employees (\$7,379) and Trade Payables (\$5,248).

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 2023 year.

	<u>2022</u>	<u>2021</u>
Gaming Funds	\$ -	\$ 91,750
First West Credit Union	9,000	9,000
Rogers Foundation	-	606
District of Nanaimo - computer equipment grant	891	891
	<u>\$ 9,891</u>	<u>\$ 102,247</u>

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
NOTES TO THE COMPILED FINANCIAL INFORMATION
DECEMBER 31, 2022**

9. Government CEBA loan

	<u>2022</u>
Government COVID Loan	<u>\$ 40,000</u>

The Government of Canada guaranteed CEBA Loan for \$60,000 has \$20,000 forgivable portion written off, as required, in the year the funds were received . The balance must be repaid by Dec 31,2023 with no interest charged.

10. Gaming Funds

The gaming grant for 2023 has been approved. Funds are externally restricted by the Gaming Commission and a separate report is completed by the society each year.

11. Related party transactions

The society paid \$4,658 in dues to the national level organization, Big Brothers and Big Sisters of Canada.

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
SCHEDULES TO THE COMPILED FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Schedule of revenues	Schedule 1	
	2022	2021
Gaming Revenue	\$ 91,750	\$ 91,750
Donations	41,912	53,579
HRDC Summer Student Grant	-	5,531
Foundation Grants	8,506	29,545
Rental	8,400	8,400
Program Sponsorship	21,500	14,500
Interest income	4,141	1,728
Recycled Clothing Program, Schedule 2	6,360	7,356
	\$ 189,779	\$ 271,068
Schedule of recycled clothing program	Schedule 2	
	2022	2021
Sales	\$ 59,447	\$ 33,742
Cost of sales		
Clothing purchased	15,644	12
Amortization	2,394	3,425
Delivery and Collection	7,346	3,540
Storage Costs	6,150	6,048
Misc Clothing expenses	2,939	1,402
Clothing wages	18,614	11,959
	53,087	26,386
Gross profit (2022 - 3.4%; 2021 - 2.7%)	\$ 6,360	\$ 7,356

**BIG BROTHERS BIG SISTERS
OF CENTRAL VANCOUVER ISLAND
SCHEDULES TO THE COMPILED FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Schedule of fundraising income

Schedule 3

	<u>2022</u>	<u>2021</u>
Revenue		
Third Party Fundraisers	\$ 1,085	\$ 1,526
Raffles	3,126	5,642
Country Club Santa Photos	<u>3,000</u>	<u>-</u>
	<u>\$ 7,210</u>	<u>\$ 7,167</u>