

**BRITISH COLUMBIA  
GUIDE DOG SERVICES  
FINANCIAL STATEMENTS**

**JUNE 30, 2017**

# BRITISH COLUMBIA GUIDE DOG SERVICES

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Audited Financial Statements  
as at June 30, 2017

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**Independent Auditors' Report****To the Members of  
British Columbia Guide Dog Services**

We have audited the accompanying financial statements of British Columbia Guide Dog Services, which comprise the statement of financial position as at June 30, 2017, and the statements of operations and changes in net assets and cash flows for the year then ended, and 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.

**Auditors' Responsibility**

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### Basis for Qualified Opinion

British Columbia Guide Dog Services derives a material amount of revenue from donations and fundraising activities. We were not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for accounts receivable, donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

#### Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of British Columbia Guide Dog Services as at June 30, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Crowe MacKay LLP*

**Chartered Professional Accountants  
Vancouver, British Columbia  
December 4, 2017**

**BRITISH COLUMBIA GUIDE DOG SERVICES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2017**

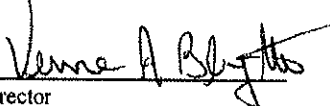
	<u>General</u> <u>Fund</u>	<u>Endowment</u> <u>Funds</u> (note 4)	<u>Gaming</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>	<u>V. Adams</u> <u>Fund</u>	<u>Fisher</u> <u>Fund</u> (note 8)	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash	\$ -	\$ -	\$ 40,393	\$ -	\$ 1,455	\$ -	\$ 41,848	\$ 122,111
Accounts receivable	13,500	-	-	-	-	-	13,500	-
GST receivable	4,744	-	9	-	-	-	4,753	4,524
Interfund receivables (payables)	(11,000)	-	-	11,000	-	-	-	-
Prepaid expenses	18,154	-	-	-	-	-	18,154	29,714
Bequests receivable (note 5)	247,000	-	-	-	-	-	247,000	60,031
	272,398	-	40,402	11,000	1,455	-	325,255	216,380
<b>CAPITAL ASSETS (note 3)</b>	<b>25,478</b>	<b>-</b>	<b>-</b>	<b>1,057,477</b>	<b>6,688</b>	<b>-</b>	<b>1,089,643</b>	<b>1,115,192</b>
<b>OTHER ASSETS</b>								
Investments (note 2b)	99,937	69,271	-	-	1,281,335	98,228	1,548,771	1,513,347
Breeding centre development	-	-	-	78,293	-	-	78,293	75,936
	<b>\$ 397,813</b>	<b>\$ 69,271</b>	<b>\$ 40,402</b>	<b>\$ 1,146,770</b>	<b>\$ 1,289,478</b>	<b>\$ 98,228</b>	<b>\$ 3,041,962</b>	<b>\$ 2,920,855</b>

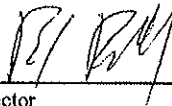
*(See accompanying notes to financial statements)*

**BRITISH COLUMBIA GUIDE DOG SERVICES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2017**

<b>LIABILITIES</b>	<u>General Fund</u>	<u>Endowment Funds</u> (note 4)	<u>Gaming Fund</u>	<u>Capital Fund</u>	<u>V. Adams Fund</u>	<u>Fisher Fund</u> (note 8)	<u>2017 Total</u>	<u>2016 Total</u>
<b>CURRENT LIABILITIES</b>								
Bank indebtedness (note 2b)	\$ 209,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,093	\$ 85,256
Accounts payable	79,629	-	-	-	-	-	79,629	54,909
Payroll liabilities	22,615	-	-	-	-	-	22,615	21,054
Deferred contributions (note 6)	43,327	-	40,402	11,000	1,289,478	98,228	1,482,435	1,530,704
	<u>354,664</u>	<u>-</u>	<u>40,402</u>	<u>11,000</u>	<u>1,289,478</u>	<u>98,228</u>	<u>1,793,772</u>	<u>1,691,923</u>
<b>NET ASSETS</b>								
Internally restricted	-	10,000	-	-	-	-	10,000	17,974
Externally restricted	-	59,271	-	-	-	-	59,271	56,771
Unrestricted	43,149	-	-	1,135,770	-	-	1,178,919	1,154,187
	<u>43,149</u>	<u>69,271</u>	<u>-</u>	<u>1,135,770</u>	<u>-</u>	<u>-</u>	<u>1,248,190</u>	<u>1,228,932</u>
	<u>\$ 397,813</u>	<u>\$ 69,271</u>	<u>\$ 40,402</u>	<u>\$ 1,146,770</u>	<u>\$ 1,289,478</u>	<u>\$ 98,228</u>	<u>\$ 3,041,962</u>	<u>\$ 2,920,855</u>

APPROVED ON BEHALF OF THE BOARD:

  
 Director

  
 Director

(See accompanying notes to financial statements)

**BRITISH COLUMBIA GUIDE DOG SERVICES**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	General Fund		Endowment Funds	Gaming Fund	Capital Fund	V. Adams Fund	Fisher Fund	2017 Total	2016 Total
	<u>BC</u>	<u>Alberta</u>							
<b>REVENUES</b>									
Individual donations	\$ 385,462	\$ 47,434	\$ -	\$ -	\$ -	\$ 50,666	\$ -	\$ 483,562	\$ 440,516
B.C. Gaming funds	-	-	-	162,179	-	-	-	162,179	107,098
Special events (note 7)	124,817	21,314	-	12,255	-	-	-	158,386	87,433
Shopping malls and sales	2,112	6,822	-	-	-	-	-	8,934	8,993
Dog food and medicine in kind	47,755	9,079	-	-	-	-	-	56,834	71,235
Corporation donations	60,728	11,007	-	-	-	-	-	71,735	52,483
Service Club donations	79,544	356	-	4,425	-	-	-	84,325	120,761
Foundations	159,240	125,884	-	250	-	-	-	285,374	285,727
Sale of non-qualifying dogs	13,214	904	-	-	-	-	-	14,118	21,113
Puppy sponsorship	160,070	122,401	-	-	-	-	-	282,471	212,672
Investment income	15,738	-	-	-	-	22,232	-	37,970	53,577
	<b>1,048,680</b>	<b>345,201</b>	<b>-</b>	<b>179,109</b>	<b>-</b>	<b>72,898</b>	<b>-</b>	<b>1,645,888</b>	<b>1,461,608</b>
<b>EXPENSES</b>									
Training and client services (Schedule 1)	611,403	301,803	-	179,109	6,395	72,809	-	1,171,519	1,016,794
Fundraising activities (Schedule 2)	206,847	60,343	-	-	-	-	-	267,190	315,538
Administration expenses (Schedule 3)	151,400	37,121	-	-	1,811	89	-	190,421	238,610
	<b>969,650</b>	<b>399,267</b>	<b>-</b>	<b>179,109</b>	<b>8,206</b>	<b>72,898</b>	<b>-</b>	<b>1,629,130</b>	<b>1,570,942</b>
Excess (deficiency) of revenues over expenses	79,030	(54,066)	-	-	(8,206)	-	-	16,758	(109,334)
NET ASSETS, beginning	(412,237)	424,805	74,745	-	1,141,619	-	-	1,228,932	1,330,766
Endowment contribution	-	-	2,500	-	-	-	-	2,500	7,500
Interfund transfer (note 9)	5,617	-	(7,974)	-	2,357	-	-	-	-
NET ASSETS, ending	<b>\$(327,590)</b>	<b>\$370,739</b>	<b>\$ 69,271</b>	<b>\$ -</b>	<b>\$ 1,135,770</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,248,190</b>	<b>\$ 1,228,932</b>

*(See accompanying notes to financial statements)*

**BRITISH COLUMBIA GUIDE DOG SERVICES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

NET INFLOW (OUTFLOW) OF CASH	<u>General</u> <u>Fund</u>	<u>Endowment</u> <u>Funds</u>	<u>Gaming</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>	<u>V. Adams</u> <u>Fund</u>	<u>Fisher</u> <u>Fund</u>	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
<b>OPERATING ACTIVITIES</b>								
Excess (deficiency) of revenues over expenses	\$ 24,964	\$ -	\$ -	\$ (8,206)	\$ -	\$ -	\$ 16,758	\$ (109,334)
<i>Items not affecting cash:</i>								
Amortization of capital assets	19,234	-	-	8,206	2,843	-	30,283	39,612
(Gain) Loss on investments	(7,288)	-	-	-	(2,158)	-	(9,446)	7,940
Reinvested dividends	(155)	-	-	-	(548)	-	(703)	(4,455)
<i>Net change in non-cash working capital items:</i>								
Accounts and GST receivable	(13,909)	-	180	-	-	-	(13,729)	1,970
Bequests receivable	(186,969)	-	-	-	-	-	(186,969)	(60,031)
Prepaid expenses	11,560	-	-	-	-	-	11,560	3,697
Accounts payable and payroll liabilities	29,496	-	(3,215)	-	-	-	26,281	5,707
Deferred contributions	6,669	-	(42,179)	11,000	(55,586)	-	(80,096)	(34,505)
Cash from (used in) operating activities	<b>(116,398)</b>	<b>-</b>	<b>(45,214)</b>	<b>11,000</b>	<b>(55,449)</b>	<b>-</b>	<b>(206,061)</b>	<b>(149,399)</b>
<b>FINANCING ACTIVITIES</b>								
Contribution of cash for endowment	-	2,500	-	-	-	-	2,500	7,500
Cash from (used in) financing activities	<b>-</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>7,500</b>
<b>INVESTING ACTIVITIES</b>								
Additions to capital assets	(4,734)	-	-	-	-	-	(4,734)	(22,204)
Project development costs	-	-	-	(2,357)	-	-	(2,357)	(14,534)
Decrease (increase) in investments	(54,317)	5,474	-	-	55,395	-	6,552	84,463
Cash from (used in) investing activities	<b>(59,051)</b>	<b>5,474</b>	<b>-</b>	<b>(2,357)</b>	<b>55,395</b>	<b>-</b>	<b>(539)</b>	<b>47,725</b>
<b>INTERFUND TRANSFER</b>	<b>51,612</b>	<b>(7,974)</b>	<b>-</b>	<b>(8,643)</b>	<b>(34,995)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DECREASE IN CASH</b>	<b>(123,837)</b>	<b>-</b>	<b>(45,214)</b>	<b>-</b>	<b>(35,049)</b>	<b>-</b>	<b>(204,100)</b>	<b>(94,174)</b>
<b>CASH (BANK INDEBTEDNESS), beginning of year</b>	<b>(85,256)</b>	<b>-</b>	<b>85,607</b>	<b>-</b>	<b>36,504</b>	<b>-</b>	<b>36,855</b>	<b>131,029</b>
<b>CASH (BANK INDEBTEDNESS), end of year</b>	<b>\$ (209,093)</b>	<b>\$ -</b>	<b>\$ 40,393</b>	<b>\$ -</b>	<b>\$ 1,455</b>	<b>\$ -</b>	<b>\$ (167,245)</b>	<b>\$ 36,855</b>

*(See accompanying notes to financial statements)*



# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 1. PURPOSE OF THE ORGANIZATION

British Columbia Guide Dog Services (the "Association") was incorporated under the Canada Corporations Act on June 28, 1996, is registered as an extraprovincial society under the B.C. Society Act, is registered under the Alberta Business Corporations Act as an extraprovincial corporation, and is a registered charity under the Income Tax Act and therefore exempt from income tax.

British Columbia Guide Dog Services charitable purposes:

1. To promote health and relief of medical conditions of eligible beneficiaries through breeding, raising, and training dogs and providing related facilities and services to provide efficient and safe:
  - (a) "Guide Dogs" for assistance to visually impaired persons;
  - (b) "Autism Support Dogs" for assistance to persons with autism; and
  - (c) "Service Dogs" for assistance to persons who may be affected by medical conditions other than forms of visual impairment or autism.
2. To train and educate the eligible beneficiaries and their respective families, care-givers, and community support workers in the proper and safe use of Guide Dogs, Autism Support Dogs, and Service Dogs as may be applicable.

Alberta Guide Dog Services began in May 2002 as a division of British Columbia Guide Dog Services, governed by the same board and managed by the same CEO, and continue to place guide dog teams in Alberta. In 2006, a Manager of Development and Communications was hired in Alberta, and an office was opened in Calgary. In March 2008 Autism Support Dogs was incorporated as a registered charity. On October 21, 2014, Autism Support Dogs amalgamated with British Columbia Guide Dog Services, and will continue as British Columbia Guide Dog Services.

# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue recognition

British Columbia Guide Dog Services 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, including bequests, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income are recognized as revenue or deferred revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The funds are as follows:

- General Fund is used for the operation and administration of the organization and to report the assets, liabilities, revenues and expenses.
- Endowment Funds report funds contributed for endowment. Investment income earned on the resources of the Endowment Funds are reported in the General Fund as there are no restrictions imposed by the contributors. See Note 4 for more detail.
- Capital Fund reports the assets, liabilities, revenues and expenses related to the building, breeding centre and land of the Association.
- Gaming Fund reports proceeds from the B.C. Gaming Commission and related expenditures. Expenditures are restricted to those related to breeding, raising and training of guide dogs and direct client services.
- Victoria Adams Fund (“V. Adams Fund”) reports the specific bequest received for the provision of Guide Dog Teams for those in need on Vancouver Island, the investment income earned on the resources of the fund, the donation revenue recognized and deferred, and the expenses for the designated Guide Dog Teams.

# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (b) Financial instruments

The carrying amounts of financial assets measured at amortized costs is \$302,348 (2016 - \$182,142). It is management's view that the carrying amounts reported in the statement of financial position for cash, accounts receivable, bequests receivable, bank indebtedness, and accounts payable approximate their fair values.

Investments in the General Fund, Endowment Funds, V. Adams Fund, and Fisher Fund are invested in mutual funds, Canadian equities, guaranteed investment certificates and provincial bonds monitored by TD Canada Trust. The Association does not hold or issue financial instruments for trading purposes and does not hold any derivative instruments. Investments are measured at their fair values, determined by quoted market prices.

Investment income comprises the fund's share of interest, dividends and realized and material unrealized gain/losses on the underlying securities.

These investments are exposed to market risk due to changing market conditions, and are controlled by an investment policy approved by the Board of Directors establishing and monitoring asset allocation strategies and diversifying investments. The Board of Directors has overall responsibility for the establishment and oversight of the Association's risk management framework.

The Association is exposed to interest rate risk on short-term deposits, investments, and its bank indebtedness. Management frequently reviews the interest rates to mitigate risk.

The Association does not have a significant concentration of credit risk in any single party or group of parties.

The Association does not have significant liquidity risk, which is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association has no long-term debt. The Association has an authorized line of credit for \$500,000 bearing interest at the bank's prime rate plus 1% and secured by land owned by the Association (note 3).

# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (c) Capital assets

Capital assets are recorded at cost. Amortization has been recorded at the following rates:

Building	4% on a declining balance basis
Computer equipment	over 36 months straight line basis
Computer software	100% on a declining balance
Leasehold improvements	over the remaining term of the lease
Office and breeding equipment	20% on a declining balance basis
Vehicles	30% on a declining balance basis

In the year of acquisition, 1/2 of the above rates is used for assets amortized on the declining balance basis.

#### (d) Measurement uncertainty

In preparing these financial statements, management has made estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

#### (e) Contributed services

Volunteers contribute to assist British Columbia Guide Dog Services in carrying out its services and activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### (f) Prior period

Certain prior period amounts have been restated to conform to current presentation.

# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (g) Allocated expenses

- The salary for the CEO, a qualified Guide Dog Mobility instructor, is allocated 80% to Training and Client Services, 10% to Fundraising Activities, and 10% to Administrative expense, based on estimated time allocations.
- The salary for the CEO's assistant is allocated 90% to Training and Client Services, and 10% to Fundraising Activities, based on estimated time allocations.
- The salary for the office bookkeeper is allocated 85% to Administrative expenses, and 15% to Fundraising Activities, for her tracking and issuing of donation receipts.
- The salary for the Alberta manager is allocated 50% to Training and Client Services, 25% to Fundraising Activities, and 25% to Administrative expense, based on estimated time allocations.
- The salary for the B. C. manager is allocated 50% to Fundraising Activities and 50% to Administrative expense, based on estimated time allocations.
- Audit costs are split 60% to Training and Client Services, 20% to Fundraising Activities, and 20% to Administrative expenses, based on estimated total expenditures for each function.
- Telecommunications costs are split 50% Training and Client Services, 40% Fundraising Activities, and 10% Administrative expenses, based on normal usage.
- Postage costs are split 70% Fundraising Activities, 20% Training and Client Services, and 10% Administrative expenses, based on normal usage.

## BRITISH COLUMBIA GUIDE DOG SERVICES

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

#### 3. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2017</u>	<u>Net 2016</u>
Building	\$ 104,406	\$ 17,486	\$ 86,920	\$ 90,544
Computer equipment	50,178	37,517	12,661	18,101
Computer software	60,196	60,196	-	4,493
Leasehold improvements	4,290	4,290	-	-
Office and breeding equipment	52,801	45,359	7,442	9,680
Vehicles	226,654	203,894	22,760	32,514
	498,525	368,742	129,783	155,332
Land	959,860	-	959,860	959,860
	<u>\$ 1,458,385</u>	<u>\$ 368,742</u>	<u>\$ 1,089,643</u>	<u>\$ 1,115,192</u>

## BRITISH COLUMBIA GUIDE DOG SERVICES

### NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

#### 4. ENDOWMENT FUNDS

	<u>Christiansen</u>	<u>Tom Merillat</u>	<u>BCGD/ASD</u>	<u>Other</u>	<u>2017</u>	<u>2016</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		
Beginning balance	\$ 24,271	\$ 25,000	\$ 15,000	\$ 10,474	\$ 74,745	\$ 59,745
Endowment contributions	-	-	2,500	-	2,500	7,500
Transfer (to) from General Fund	-	-	2,500	(10,474)	(7,974)	7,500
Ending balance	<u>\$ 24,271</u>	<u>\$ 25,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 69,271</u>	<u>\$ 74,745</u>

Since 2003, \$11,000 has been contributed to the Christiansen Fund, and \$20,000 to the Tom Merillat Fund, with any investment income earned available for use by the General Fund.

In 2005, the Association allocated \$10,000 of the General Fund to the Endowment Funds as follows: \$5,000 to each of the Tom Merillat Fund and the Christiansen Fund. In 2007 and 2008, an aggregate of \$10,474 was allocated from the General Fund to the Other Fund. In 2009, \$8,271 was allocated from the General Fund to the Christiansen Fund.

During the current year, the Association allocated \$2,500 (2016 - \$7,500) from the General Fund to the British Columbia Guide Dogs/Autism Support Dogs Fund, which was matched by a contribution of \$2,500 (2016 - \$7,500) from the Victoria Foundation. The amount in this fund is administered by the Victoria Foundation in accordance with the Victoria Foundation Act.

The Christiansen Fund, the Tom Merillat Fund, and the BCGD/ASD Fund are endowment funds to be retained in perpetuity.

The Other Fund is internally restricted that is not available for unrestricted purposes without the approval of the Board of Directors. During the current year, the Board of Directors approved the transfer \$10,474 (2016 – Nil) in the Other Fund to the General Fund.

Investment income of \$7,483 was recognized in the General Fund during the year ended June 30, 2017 (2016 – \$1,016).

# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

### 5. BEQUESTS RECEIVABLE

Bequests receivable consists of a testamentary bequest which has been classified as a current asset (2016 – two testamentary bequests).

### 6. DEFERRED CONTRIBUTIONS

Deferred contributions reported in each fund relate to restricted funding received that is unspent, or related to the subsequent period. Changes in the deferred contributions balance are as follows:

	<u>General</u> <u>Fund</u>	<u>Gaming</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>	<u>V. Adams</u> <u>Fund</u>	<u>Fisher</u> <u>Fund</u>	<u>2017</u>	<u>2016</u>
Beginning balance	\$ 36,657	\$ 82,581	\$ -	\$1,313,238	\$ 98,228	\$1,530,704	\$ 1,537,147
Add amount received related to the following years	48,771	40,402	11,000	-	-	100,173	123,593
Less amount recognized as revenue in the year	(42,101)	(82,581)	-	(23,760)	-	(148,442)	(130,036)
Ending balance	<u>\$ 43,327</u>	<u>\$ 40,402</u>	<u>\$ 11,000</u>	<u>\$1,289,478</u>	<u>\$ 98,228</u>	<u>\$1,482,435</u>	<u>\$ 1,530,704</u>

Deferred contributions in the Capital Fund include the restricted contributions for the breeding centre. After the breeding centre is put in use and start to amortize, the related deferred contributions will be amortized to revenue accordingly.



# BRITISH COLUMBIA GUIDE DOG SERVICES

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017

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### 7. SPECIAL EVENTS

Special events, such as a golf tournament, charity auctions and Trivia Night, are organized to raise funds. The results are as follows:

	<u>2017</u>	<u>2016</u>
Gross revenues	\$217,451	\$ 133,706
Expenses	<u>(59,065)</u>	<u>(46,273)</u>
Net revenues	<u>\$ 158,386</u>	<u>\$ 87,433</u>

### 8. FISHER FUND

In 2005 a donation of \$100,000 was made from the Fisher Foundation to the British Columbia Guide Dog Services Fisher Fund. It is a condition of this fund that any investment income earned may be available for use by the General Fund. In addition, at the discretion of the British Columbia Guide Dog Services, up to \$10,000 may be drawn annually if needed. A draw of \$1,772 was taken for the first time in 2014.

Investment income of \$4,249 was recognized in the General Fund during the year ended June 30, 2017 (2016 – \$1,713).

### 9. INTERFUND TRANSFER

During the year, the Association transferred \$2,500 (2016 - \$7,500) from the General Fund to the British Columbia Guide Dogs/Autism Support Dogs Fund and \$2,357 (2016 - \$nil) to the Capital Fund. \$10,474 (2016 - \$nil) was transferred from the Other Fund to the General Fund.

# **BRITISH COLUMBIA GUIDE DOG SERVICES**

## **NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2017**

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### **10. CAPITAL MANAGEMENT**

Capital is comprised of British Columbia Guide Dog Services' net assets, which had a balance of \$1,248,190 at June 30, 2017 (2016 - \$1,215,655). The objectives when managing its capital is to maintain financial strength and stability and to protect its ability to continue as a going concern training and educating guide dogs for physically disabled persons over the long term. Senior management and the board of directors develop the capital strategy and oversee capital management. There are externally imposed requirements on capital as disclosed in notes 2a and 4.

### **11. DISCLOSURE OF REMUNERATION**

For the fiscal year ended June 30, 2017, the Association paid total remuneration of \$335,768 to four employees and contractors for services whose remuneration was \$75,000 or greater per individual. No remuneration was paid to any member of the Board of Directors.

# BRITISH COLUMBIA GUIDE DOG SERVICES

## SCHEDULES TO STATEMENT OF OPERATIONS

JUNE 30, 2017

### SCHEDULE 1 - TRAINING AND CLIENT SERVICES

	General		General	Endowment	Gaming	Capital	V. Adams	Fisher	2017	2016
	<u>BC</u>	<u>Alberta</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>	<u>Total</u>
Amortization	\$ 8,791	\$ 1,000	\$ 9,791	\$ -	\$ -	\$ 6,395	\$ 2,809	\$ -	\$ 18,995	\$ 16,894
Audit and accounting	9,328	2,332	11,660	-	-	-	-	-	11,660	11,130
Bank charges and interest	16,838	1,123	17,961	-	-	-	-	-	17,961	-
Class expenditures	34,335	20,977	55,312	-	-	-	-	-	55,312	23,569
Gas and mileage	14,255	1,099	15,354	-	-	-	-	-	15,354	14,368
Purchased dogs	-	-	-	-	-	-	-	-	-	180
Insurance and maintenance	31,089	2,421	33,510	-	-	-	-	-	33,510	37,012
Kennel supplies	47,755	9,080	56,835	-	-	-	-	-	56,835	71,235
Legal fees	6,787	-	6,787	-	-	-	-	-	6,787	1,750
Moving expenses	6,677	-	6,677	-	-	-	-	-	6,677	8,754
Newsletter	18,135	12,090	30,225	-	-	-	-	-	30,225	8,389
Postage	1,660	36	1,696	-	-	-	-	-	1,696	1,746
Puppy walking general	27,052	10,154	37,206	-	-	-	-	-	37,206	23,831
Rent and property taxes	5,397	24,015	29,412	-	-	-	-	-	29,412	14,888
Repairs and maintenance	13,948	77	14,025	-	-	-	-	-	14,025	14,311
Salaries and benefits (note 11)	363,147	197,579	560,726	-	169,632	-	-	-	730,358	647,277
Staff training and education	12,112	214	12,326	-	-	-	-	-	12,326	19,952
Telephone	7,496	1,870	9,366	-	-	-	-	-	9,366	10,180
Training supplies	7,360	2,260	9,620	-	-	-	-	-	9,620	4,080
Training services fee (recovery)	(70,000)	-	(70,000)	-	-	-	70,000	-	-	-
Utilities	5,716	443	6,159	-	-	-	-	-	6,159	6,143
Veterinary and drugs	43,525	15,033	58,558	-	9,477	-	-	-	68,035	81,105
	<b>\$ 611,403</b>	<b>\$ 301,803</b>	<b>\$ 913,206</b>	<b>\$ -</b>	<b>\$ 179,109</b>	<b>\$ 6,395</b>	<b>\$ 72,809</b>	<b>\$ -</b>	<b>\$ 1,171,519</b>	<b>\$ 1,016,794</b>

# BRITISH COLUMBIA GUIDE DOG SERVICES

## SCHEDULES TO STATEMENT OF OPERATIONS

JUNE 30, 2017

### SCHEDULE 2 - FUNDRAISING ACTIVITIES

	General		General	Endowment	Gaming	Capital	V. Adams	Fisher	2017	2016
	<u>BC</u>	<u>Alberta</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>	<u>Total</u>
Advertising	\$ 12,243	\$ 588	\$ 12,831	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,831	\$ 20,262
Amortization	3,974	2,425	6,399	-	-	-	-	-	6,399	11,845
Audit and accounting	3,536	884	4,420	-	-	-	-	-	4,420	3,931
Collection box	2,676	758	3,434	-	-	-	-	-	3,434	6,218
Gas and mileage	-	-	-	-	-	-	-	-	-	547
Postage	3,693	2,309	6,002	-	-	-	-	-	6,002	6,109
PR and fundraising	37,371	3,286	40,657	-	-	-	-	-	40,657	14,056
Rent and property taxes	-	3,002	3,002	-	-	-	-	-	3,002	9,223
Salaries and benefits (note 11)	136,341	45,540	181,881	-	-	-	-	-	181,881	230,924
Subscriptions	1,034	-	1,034	-	-	-	-	-	1,034	4,279
Telephone	5,979	1,551	7,530	-	-	-	-	-	7,530	8,144
	<b>\$ 206,847</b>	<b>\$ 60,343</b>	<b>\$ 267,190</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 267,190</b>	<b>\$ 315,538</b>

# BRITISH COLUMBIA GUIDE DOG SERVICES

## SCHEDULES TO STATEMENT OF OPERATIONS JUNE 30, 2017

### SCHEDULE 3 - ADMINISTRATIVE EXPENSES

	General		General	Endowment	Gaming	Capital	V. Adams	Fisher	2017	2016
	BC	Alberta	Fund	Funds	Fund	Fund	Fund	Fund	Total	Total
Amortization	\$ 2,159	\$ 885	\$ 3,044	\$ -	\$ -	\$ 1,811	\$ 34	\$ -	\$ 4,889	\$ 10,873
Audit and accounting	3,536	884	4,420	-	-	-	-	-	4,420	3,931
Bank charges and interest	4,205	281	4,486	-	-	-	55	-	4,541	13,661
Computer support	21,322	10	21,332	-	-	-	-	-	21,332	23,879
Gas & mileage	66	-	66	-	-	-	-	-	66	-
Legal	-	-	-	-	-	-	-	-	-	1,849
Licenses and dues	2,413	1,076	3,489	-	-	-	-	-	3,489	3,034
Office supplies and stationery	25,515	3,074	28,589	-	-	-	-	-	28,589	36,477
Payroll service charges	1,789	-	1,789	-	-	-	-	-	1,789	-
Postage	830	27	857	-	-	-	-	-	857	873
Rent and property taxes	3,002	-	3,002	-	-	-	-	-	3,002	9,223
Salaries and benefits (note 11)	84,454	30,427	114,881	-	-	-	-	-	114,881	129,354
Staff training and education	614	-	614	-	-	-	-	-	614	3,420
Telephone	1,495	457	1,952	-	-	-	-	-	1,952	2,036
	<b>\$ 151,400</b>	<b>\$ 37,121</b>	<b>\$ 188,521</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,811</b>	<b>\$ 89</b>	<b>\$ -</b>	<b>\$ 190,421</b>	<b>\$ 238,610</b>