

**BRaille LITERACY CANADA**  
**(formerly the Canadian Braille Authority)**

**FINANCIAL STATEMENTS**  
Unaudited

**December 31, 2015**

**BRAILLE LITERACY CANADA**  
**For the year ended December 31, 2015**  
**FINANCIAL STATEMENTS**  
Unaudited

**December 31, 2015**

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*Tinkham & Associates LLP*  
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**REVIEW ENGAGEMENT REPORT**

To Members of

**BRaille LITERACY CANADA**

(formerly the Canadian Braille Association)

We have reviewed the accompanying financial statements of Braille Literacy Canada, which comprise the statement of financial position as at December 31, 2015 and the statements of income and surplus, changes in funded reserves, receipts and disbursements and changes in cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

April 25, 2016

TORONTO, Ontario

*Tinkham & Associates LLP*  
C H A R T E R E D   A C C O U N T A N T S

Licensed Public Accountants

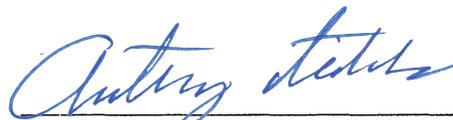
**BRaille LITERACY CANADA**  
**Statement of Financial Position**  
**For the year ended December 31, 2015**  
Unaudited

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 10,469	\$ 17,546
Other receivables	1,521	379
	<u>\$ 11,990</u>	<u>\$ 17,925</u>
<b>LIABILITIES AND SURPLUS</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	<u>\$ 4,282</u>	<u>\$ 2,000</u>
<b>Funded Reserves:</b>		
Canadian Braille Literacy Foundation Grants:		
ABC Braille Study	-	-
Standardized French Braille Code	<u>1,437</u>	<u>1,437</u>
Human Resources and Skills Development Canada Grant:		
Introduction to Unified English Braille	<u>-</u>	<u>-</u>
Braille Bounce Initiative	(1,929)	-
Edie Mourre Scholarship Fund	-	500
Translation of UEB Rulebook from English to French	<u>(3,153)</u>	<u>-</u>
	<u>(3,645)</u>	<u>1,937</u>
<b>Surplus</b>	<u>11,353</u>	<u>13,988</u>
	<u>\$ 11,990</u>	<u>\$ 17,925</u>

Approved on behalf of the board:



Director



Director

Unaudited - see accompanying notes to financial statements

**BRaille LITERACY CANADA**  
**Statement of Income and Surplus**  
**For the year ended December 31, 2015**  
Unaudited

	<b>2015</b>	<b>2014</b>
<b>Revenue</b>		
Donations and grants	\$ 12,525	\$ 10,215
Membership fees	2,151	2,125
Miscellaneous	100	-
	<u>14,776</u>	<u>12,340</u>
<b>Expenses</b>		
Bank charges	122	146
Insurance	985	-
Legal and accounting fees	2,977	2,557
Meetings and conferences	10,529	1,254
Memberships	685	567
Miscellaneous	476	726
Website design	1,637	-
	<u>17,411</u>	<u>5,250</u>
<b>Income for the period</b>	<u>(2,635)</u>	<u>7,090</u>
Surplus, beginning of year	13,988	6,898
<b>Surplus, end of year</b>	<u>\$ 11,353</u>	<u>\$ 13,988</u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
Unaudited

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**ABC BRAILLE STUDY**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	<u>\$ -</u>	<u>\$ 300</u>
Transfer to Introduction to Unified English Braille	<u>-</u>	<u>300</u>
	-	-
<b>Balance, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
 Unaudited

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**Braille Bounce Initiative**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	\$ -	\$ -
Disbursements during the year:		
Service and repairs	685	-
Shipping	1,244	-
	<u>1,929</u>	<u>-</u>
<b>Balance, end of year</b>	<u>\$ (1,929)</u>	<u>\$ -</u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
Unaudited

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**STANDARDIZED FRENCH BRAILLE CODE**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	<u>\$ 1,437</u>	<u>\$ 1,437</u>
<b>Balance, end of year</b>	<u><u>\$ 1,437</u></u>	<u><u>\$ 1,437</u></u>

Unaudited - see accompanying notes to financial statements

**BRaille LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
Unaudited

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**EDIE MOURRE SCHOLARSHIP FUND**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	<u>\$ 500</u>	<u>\$ 500</u>
Donations	<u>-</u>	<u>500</u>
	500	1,000
Less disbursements during the year Scholarship	<u>500</u>	<u>500</u>
<b>Balance, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ 500</u></u>

Unaudited - see accompanying notes to financial statements

**BRaille LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
 Unaudited

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**INTRODUCTION TO UNIFIED ENGLISH BRAILLE**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	\$ -	\$ 1,183
Transfer from ABC Braille Study	-	300
	<u>-</u>	<u>1,483</u>
Less disbursements during the year:		
Materials	-	1,483
	<u>-</u>	<u>1,483</u>
<b>Balance, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Statement of Changes in Funded Reserve**  
**For the year ended December 31, 2015**  
 Unaudited

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**Translation of UEB Rulebook from English to French**

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	\$ -	\$ -
Canadian Heritage Grant	3,850	
Donations	<u>1,000</u>	<u>-</u>
	4,850	-
Less disbursements during the year:		
Translation services	<u>8,003</u>	<u>-</u>
<b>Balance, end of year</b>	<u><u>\$ (3,153)</u></u>	<u><u>\$ -</u></u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Statement of Receipts and Disbursements**  
**For the year ended December 31, 2015**

Unaudited

	<b>2015</b>	<b>2014</b>
<b>Receipts</b>		
Grants and donations	\$ 17,375	\$ 10,715
Membership fees	2,151	2,125
Miscellaneous	100	-
	<u>19,626</u>	<u>12,840</u>
<b>Disbursements</b>		
Bank Charges	122	146
Insurance	985	-
Legal and accounting fees	2,977	2,557
Meetings and conferences	10,529	1,254
Materials	-	1,483
Memberships	685	567
Miscellaneous	476	726
Scholarship	500	500
Service and repairs	685	-
Shipping	1,244	-
Translation	8,003	-
Website design	1,637	-
	<u>27,843</u>	<u>7,233</u>
<b>Excess (deficiency) of receipts over disbursements</b>	(8,217)	5,607
<b>Decrease in non-cash items</b>	1,140	2,995
	<u>(7,077)</u>	<u>8,602</u>
<b>Cash and term deposits, beginning of year</b>	<u>17,546</u>	<u>8,944</u>
<b>Cash and term deposits, end of year</b>	<u>\$ 10,469</u>	<u>\$ 17,546</u>

Unaudited - see accompanying notes to financial statements

**BRaille LITERACY CANADA**  
**Statement of Changes in Cash Flow**  
**For the year ended December 31, 2015**  
Unaudited

	<b>2015</b>	<b>2014</b>
<b>Cash provided by (used in ) operating activities</b>		
Net income for the period	\$ (2,635)	\$ 7,090
<b>Changes in non-cash working capital balances</b>		
(Increase) / decrease in receivables	(1,142)	5,344
(Increase) / decrease in prepaids	-	-
Increase / (decrease) in payables and accrued liabilities	2,282	(2,309)
Increase / (decrease) in deferred revenue	-	(40)
Increase / (decrease) in funded reserves	(5,582)	(1,483)
	<u>(4,442)</u>	<u>1,512</u>
<b>Increase / (decrease) in cash and cash equivalents     during the year</b>	(7,077)	8,602
<b>Cash and cash equivalents, beginning of year</b>	<u>17,546</u>	<u>8,944</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 10,469</u>	<u>\$ 17,546</u>

Unaudited - see accompanying notes to financial statements

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
**For the year ended December 31, 2015**  
(Unaudited)

**1. Purpose of the Organization**

Braille Literacy Canada/Littératie Braille Canada ("BLC") is a registered charity incorporated without share capital under the laws of Canada on August 3, 1990. BLC changed its name from the Canadian Braille Authority by way of supplementary letter patent dated November 30, 2012. BLC is not subject to income taxes pursuant to exemptions accorded to registered charities in the income tax legislation, provided certain criteria are met.

BLC is dedicated to improving access to information for blind and visually impaired persons by participating in research related to all aspects of braille, encouraging the use and development of braille technology, establishing, adopting and monitoring standards for the production and teaching of braille and encouraging the use of braille in the home, school and general community.

The head office is located at 1929 Bayview Avenue in Toronto, Ontario.

**2. Significant Accounting Policies**

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) *Fund accounting*

Revenues and expenses relating to administrative activities are reported in the Statement of Income and Surplus.

Revenues and expenses relating to program delivery are reported in the Statement of Funded Reserves.

The ABC Braille Fund reports revenues and expenses related to determining if there is any difference in literacy between children

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
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(Unaudited)

Significant accounting policies (continued)

who learn to read using contracted and un-contracted Braille in their early years.

The Standardized French Braille Code Fund reports revenues and expenses related to unifying existing Braille codes amongst French speaking countries.

The Introduction to Unified Braille Code Fund reports revenues and expenses related to building awareness and providing information about Braille literacy through Unified English Braille (UEB), research regarding the UEB code, and the development of preliminary literacy instructional material to expose adults who read Braille to UEB.

The Brailier Bounce Initiative Fund reports revenues and expenses related to BLC's brailier redistribution service, whereby unused and surplus braille writing equipment is collected, repaired and refurbished as required, and then provided to braille-using children and adults who do not otherwise have access to such equipment.

The Edie Mourre Scholarship Fund awards scholarships to deserving individuals to help them pursue braille transcription or proofreading certification.

The Translation of Unified English Braille (UEB) Rulebook from English to French Fund reports revenues and expenses related to the translation to French of the new rules for the production of English Braille for use by French Braille producers.

(b) *Revenue Recognition*

BLC follows the restricted fund method whereby externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized as revenue in the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
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Significant accounting policies (continued)

Restricted investment income is recognized as revenue in the appropriate fund when earned. Unrestricted investment income is recognized as revenue in the general fund when earned.

Membership fees are recognized as revenue in the year to which it corresponds.

(c) *Cash*

Cash includes cash deposits with financial institutions.

(d) *Contributed Services*

The value of goods and services is recorded as revenue and an expense in the financial statements when the fair value can be reasonably estimated and when the goods and services would otherwise be purchased if not donated.

BLC is dependent upon and thankful for the many hours contributed by its members. Since volunteer time is not purchased, these contributed services are not recognized in the financial statements.

(e) *Financial Instruments*

(i) *Measurement*

BLC initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

BLC subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statements of operations in the period incurred. Financial

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
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Significant accounting policies (continued)

assets measured at amortized cost include cash and other receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(ii) Impairment

At the end of each reporting period, BLC assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of BLC. When there is an indication of impairment, BLC determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When BLC identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- i. the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- ii. the amount that could be realized by selling the asset at the statement of financial position date; and the amount BLC expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all costs necessary to exercise those rights. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statements of operations.

When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statements of operations in the period the reversal occurs.

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
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(Unaudited)

Significant accounting policies (continued)

(iii) Transaction costs

Transaction costs are recognized in the statements of operations in the period incurred, except for financial instruments that will be subsequently measured at amortized cost. Transaction costs associated with the acquisition and disposal of fixed income investments are capitalized and are included in the acquisition costs or reduce proceeds on disposal. Investment management fees associated with the mutual funds are expensed as incurred.

(f) *Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires the Board to make estimates and assumptions that affect the reported amounts 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 current period.

All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
**For the year ended December 31, 2015**  
(Unaudited)

**3. Financial instruments**

BLC is exposed to various risks through its financial instruments. The following analysis provides a measure of the BLC's risk exposure and concentrations.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. BLC is exposed to credit risk through its accounts receivable as accounts receivable are unsecured.

**Liquidity risk**

Liquidity risk is the risk that BLC will not be able to meet a demand for cash or fund its obligations as they come due. BLC meets its liquidity requirements by preparing and monitoring forecasts of cash flows from operations and anticipating investing and financing activities.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

**Currency risk**

Currency risk reflects the risk that BLC's earnings will decline due to the fluctuations in foreign exchange rates. BLC has no financial instruments denominated in a foreign currency and therefore is not exposed to currency risk.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**BRAILLE LITERACY CANADA**  
**Notes to Financial Statements**  
**For the year ended December 31, 2015**  
(Unaudited)

Financial instruments (continued)

BLC's cash includes amounts on deposit with financial institutions that earn interest at market rates. BLC manages its exposure to the interest rate risk of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the BLC's results of operations.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments in the market.

BLC is not exposed to other price risk.

Changes in risk

There have been no changes in the BLC's risk exposures from the prior year.

**4. Donations and grants**

Included in revenue from donations and grants is \$12,500 (2014 - \$10,175) in operational funding received from Canadian National Institute for the Blind ("CNIB"), representing 85% (2014 - 82%) of total revenue.