

BRAILLE LITERACY CANADA
(formerly the Canadian Braille Authority)

FINANCIAL STATEMENTS

Unaudited

December 31, 2016

BRAILLE LITERACY CANADA
For the year ended December 31, 2016
FINANCIAL STATEMENTS
Unaudited

December 31, 2016

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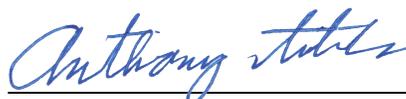
BRaille LITERACY CANADA
Statement of Financial Position
For the year ended December 31, 2016
 Unaudited

	2016	2015
ASSETS		
Current assets:		
Cash	\$ 10,240	\$ 10,469
HST receivable	635	1,521
	<u>\$ 10,875</u>	<u>\$ 11,990</u>
LIABILITIES AND SURPLUS		
Current liabilities:		
Accounts payable and accrued liabilities	<u>\$ 2,905</u>	<u>\$ 4,282</u>
Funded Reserves:		
Canadian Braille Literacy Foundation Grants:		
Standarized French Braille Code	<u>1,437</u>	<u>1,437</u>
Braille Bounce Initiative	(2,350)	(1,929)
Edie Mourre Scholarship Fund	-	-
Translation of UEB Rulebook from English to French	<u>-</u>	<u>(3,153)</u>
	<u>(913)</u>	<u>(3,645)</u>
Surplus	<u>8,883</u>	<u>11,353</u>
	<u>\$ 10,875</u>	<u>\$ 11,990</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, 2016

Unaudited

	2016	2015
Revenue		
Donations and grants (note 4)	\$ 15,580	\$ 12,525
Membership fees	1,605	2,151
Miscellaneous	-	100
	<u>17,185</u>	<u>14,776</u>
Expenses		
Bank charges	215	122
Insurance	702	985
Legal and accounting fees	2,417	2,977
Meetings and conferences	11,772	10,529
Memberships	681	685
Miscellaneous	32	476
Website design	683	1,637
	<u>16,502</u>	<u>17,411</u>
Income for the period	<u>683</u>	<u>(2,635)</u>
Surplus, beginning of year	11,353	13,988
Transfer to funded reserves	(3,153)	-
Surplus, end of year	<u>\$ 8,883</u>	<u>\$ 11,353</u>

Unaudited - see accompanying notes to financial statements

BRAILLE LITERACY CANADA
Statement of Changes in Funded Reserve
For the year ended December 31, 2016
Unaudited

Standardized French Braille Code

	2016	2015
Balance, beginning of year	<u>\$ 1,437</u>	<u>\$ 1,437</u>
Balance, end of year	<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, 2016
 Unaudited

Braille Bounce Initiative

	2016	2015
Balance, beginning of year	\$ (1,929)	\$ -
Disbursements during the year:		
Service and repairs	200	685
Shipping	221	1,244
	<u>421</u>	<u>1,929</u>
Balance, end of year	<u>\$ (2,350)</u>	<u>\$ (1,929)</u>

Unaudited - see accompanying notes to financial statements

BRAILLE LITERACY CANADA
Statement of Changes in Funded Reserve
For the year ended December 31, 2016
Unaudited

Edie Mourre Scholarship Fund

	2016	2015
Balance, beginning of year	<u>\$ -</u>	<u>\$ 500</u>
Donations	<u>-</u>	<u>-</u>
Less disbursements during the year Scholarship	<u>-</u>	<u>500</u>
Balance, end of year	<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, 2016
Unaudited

Translation of UEB Rulebook from English to French

	2016	2015
Balance, beginning of year	\$ (3,153)	\$ -
Canadian Heritage Grant	-	3,850
Donations	-	1,000
Transfer from general funds	<u>3,153</u>	<u>-</u>
	3,153	4,850
Less disbursements during the year:		
Translation services	<u>-</u>	<u>8,003</u>
Balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ (3,153)</u></u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Statement of Receipts and Disbursements
For the year ended December 31, 2016

Unaudited

	2016	2015
Receipts		
Grants and donations	\$ 15,580	\$ 17,375
Membership fees	1,605	2,151
Miscellaneous	-	100
	<u>17,185</u>	<u>19,626</u>
Disbursements		
Bank Charges	215	122
Insurance	702	985
Legal and accounting fees	2,417	2,977
Meetings and conferences	11,772	10,529
Memberships	681	685
Miscellaneous	32	476
Scholarship	-	500
Service and repairs	200	685
Shipping	221	1,244
Translation	-	8,003
Website design	683	1,637
	<u>16,923</u>	<u>27,843</u>
Excess (deficiency) of receipts over disbursements	262	(8,217)
Decrease in non-cash items	(491)	1,140
	<u>(229)</u>	<u>(7,077)</u>
Cash and term deposits, beginning of year	<u>10,469</u>	<u>17,546</u>
Cash and term deposits, end of year	<u><u>\$ 10,240</u></u>	<u><u>\$ 10,469</u></u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Statement of Changes in Cash Flow
For the year ended December 31, 2016
Unaudited

	2016	2015
Cash provided by (used in) operating activities		
Net income for the period	\$ 683	\$ (2,635)
Transfer to funded reserves	(3,153)	\$ -
	<u>(2,470)</u>	<u>(2,635)</u>
Changes in non-cash working capital balances		
(Increase) / decrease in receivables	886	(1,142)
Increase / (decrease) in payables and accrued liabilities	(1,377)	2,282
Increase / (decrease) in deferred revenue	-	-
Increase / (decrease) in funded reserves	2,732	(5,582)
	<u>2,241</u>	<u>(4,442)</u>
Increase / (decrease) in cash and cash equivalents during the year	(229)	(7,077)
Cash and cash equivalents, beginning of year	<u>10,469</u>	<u>17,546</u>
Cash and cash equivalents, end of year	<u><u>\$ 10,240</u></u>	<u><u>\$ 10,469</u></u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2016
(Unaudited)

1. Purpose of the Organization

Braille Literacy Canada/Litt ratie 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 Changes in Funded Reserves.

BRAILLE LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2016
(Unaudited)

Significant accounting policies (continued)

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

The Brailleur Bounce Initiative Fund reports revenues and expenses related to BLC's brailleur 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.

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.

BRaille LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2016
(Unaudited)

Significant accounting policies (continued)

(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*

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 statement of income and surplus in the period incurred.

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

BRILLE LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2016
(Unaudited)

Significant accounting policies (continued)

(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.

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 not exposed to credit risk.

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.

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.

BRaille LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2016
(Unaudited)

Financial instruments (continued)

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. BLC is not exposed to interest rate risk.

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 \$15,000 (2015 - \$12,500) in operational funding received from Canadian National Institute for the Blind ("CNIB"), representing 87% (2015 - 85%) of total revenue.