

BRAILLE LITERACY CANADA

FINANCIAL STATEMENTS

Unaudited

December 31, 2018

BRaille LITERACY CANADA
For the year ended December 31, 2018
FINANCIAL STATEMENTS
Unaudited

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REVIEW ENGAGEMENT REPORT

To Members of
BRAILLE LITERACY CANADA

We have reviewed the accompanying financial statements of Braille Literacy Canada, which comprise the statement of financial position as at December 31, 2018, 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.

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 the 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Braille Literacy Canada as at December 31, 2018, and the statements of income and surplus, changes in funded reserves, receipts and disbursements and changes in cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

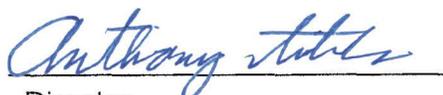
DATE
TORONTO, Ontario

Licensed Public Accountants

BRAILLE LITERACY CANADA
Statement of Financial Position
For the year ended December 31, 2018
Unaudited

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,286	\$ 7,637
Prepaid expenses	-	50
Public service body rebate	1,183	1,180
	<u>\$ 9,469</u>	<u>\$ 8,867</u>
LIABILITIES AND SURPLUS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,906	\$ 2,400
Deferred memberships	340	610
	<u>3,246</u>	<u>3,010</u>
Funded Reserves:		
Canadian Braille Literacy Foundation Grants:		
Standardized French Braille Code	-	1,437
	<u>-</u>	<u>1,437</u>
Braille Bounce Initiative	(2,525)	(2,525)
Edie Mourre Scholarship Fund	743	500
French Print Braille	1,437	-
	<u>(345)</u>	<u>(588)</u>
Surplus	<u>6,568</u>	<u>6,445</u>
	<u>\$ 9,469</u>	<u>\$ 8,867</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, 2018

Unaudited

	2018	2017
Revenue		
Donations and grants (note 3)	\$ 19,199	\$ 13,415
Membership fees	3,885	3,175
	<u>23,084</u>	<u>16,590</u>
Expenses		
Bank charges	344	285
Insurance	702	702
Legal and accounting fees	2,569	2,517
Meetings and conferences	12,490	10,747
Memberships	645	677
Miscellaneous	603	529
Promotional material	1,865	-
Website design and development	3,744	3,571
	<u>22,961</u>	<u>19,028</u>
Net income (loss) for the year	<u>123</u>	<u>(2,438)</u>
Surplus, beginning of year	6,445	8,883
Surplus, end of year	<u>\$ 6,568</u>	<u>\$ 6,445</u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Statement of Changes in Funded Reserve
For the year ended December 31, 2018
Unaudited

French Print Braille

	2018	2017
Balance, beginning of year	\$ -	\$ -
Transfer from French Braille Standards	<u>1,437</u>	<u>-</u>
Balance, end of year	<u>\$ 1,437</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, 2018

Unaudited

Edie Mourre Scholarship Fund

	2018	2017
Balance, beginning of year	<u>\$ 500</u>	<u>\$ -</u>
Receipts during the year		
Donations	6,921	500
Event proceeds	<u>1,076</u>	<u>-</u>
	7,997	500
	8,497	500
Less disbursements during the year		
Transfer to Vancouver Foundation Edie Mourre Fund	6,500	-
Scholarships	250	-
Event disbursements	824	-
Fundraising expenses	<u>180</u>	<u>-</u>
	7,754	-
Balance, end of year	<u><u>\$ 743</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, 2018
 Unaudited

Braille Bounce Initiative

	2018	2017
Balance, beginning of year	\$ (2,525)	\$ (2,350)
Disbursements during the year:		
Service and repairs	<u>-</u>	<u>175</u>
Balance, end of year	<u>\$ (2,525)</u>	<u>\$ (2,525)</u>

Unaudited - see accompanying notes to financial statements

BRAILLE LITERACY CANADA
Statement of Changes in Funded Reserve
For the year ended December 31, 2017
Unaudited

Standardized French Braille Code

	2018	2017
Balance, beginning of year	<u>\$ 1,437</u>	<u>\$ 1,437</u>
Transfer to French Print Braille	<u>(1,437)</u>	<u>-</u>
Balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ 1,437</u></u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Statement of Receipts and Disbursements
For the year ended December 31, 2018

Unaudited

	2018	2017
Receipts		
Grants and donations	\$ 26,120	\$ 13,915
Fundraising event	1,076	\$ -
Membership fees	3,885	3,175
	<u>31,081</u>	<u>17,090</u>
Disbursements		
Bank charges	344	285
Fundraising expenses	1,004	-
Insurance	702	702
Gifts to other charities	6,500	-
Legal and accounting fees	2,569	2,517
Meetings and conferences	12,490	10,747
Memberships	645	677
Miscellaneous	603	529
Promotional material	1,865	-
Scholarships	250	-
Service and repairs	-	175
Website design	3,744	3,571
	<u>30,715</u>	<u>19,203</u>
Excess (deficiency) of receipts over disbursements	<u>\$ 366</u>	<u>\$ (2,113)</u>

Unaudited - see accompanying notes to financial statements

BRaille LITERACY CANADA
Statement of Changes in Cash Flow
For the year ended December 31, 2018

Unaudited

	2018	2017
Cash provided by (used in) operating activities		
Net income (loss) for the year	\$ 123	\$ (2,438)
Changes in non-cash working capital balances		
(Increase) / decrease in prepaid expenses	50	(50)
(Increase) / decrease in public service body rebate	(3)	(545)
Increase / (decrease) in payables and accrued liabilities	506	(505)
Increase / (decrease) in deferred memberships	(270)	610
Increase / (decrease) in funded reserves	243	325
	<u>526</u>	<u>(165)</u>
Increase / (Decrease) in cash and cash equivalents during the year	649	(2,603)
Cash and cash equivalents, beginning of year	<u>7,637</u>	<u>10,240</u>
Cash and cash equivalents, end of year	<u>\$ 8,286</u>	<u>\$ 7,637</u>

Unaudited - see accompanying notes to financial statements

BRAILLE LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2018
(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 Changes in Funded Reserves.

BRaille LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2018
(Unaudited)

Significant accounting policies (continued)

The French Print Braille Fund supports initiatives to produce and increase the availability of French language Print/Braille books for children.

The Edie Moure Scholarship Fund awards scholarships to deserving individuals to help them pursue braille transcription or proofreading certification. In November 2018 the Edie Moure Scholarship Fund was established at the Vancouver Foundation with the understanding that income from the fund will be disbursed to BLC each year to support scholarship awards. Most of the funds on hand were transferred to the Vancouver Foundation with a small amount retained for 2019 awards.

The Brailer Bounce Initiative Fund reports revenues and expenses related to BLC's brailer 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 Standardized French Braille Code Fund reported revenues and expenses related to unifying existing Braille codes amongst French speaking countries.

(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
For the year ended December 31, 2018
(Unaudited)

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*

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.

BRaille LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2018
(Unaudited)

Significant accounting policies (continued)

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

(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. Donations and grants

Included in revenue from donations and grants is \$18,130 (2017 - \$10,700) in operational funding received from Canadian National Institute for the Blind ("CNIB"), representing 58% (2017 - 63%) of total revenue.

4. 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.

BRAILLE LITERACY CANADA
Notes to Financial Statements
For the year ended December 31, 2018
(Unaudited)

Financial instruments (continued)

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.

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.