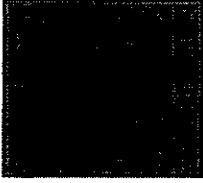


**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED
FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2010**

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED
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AS AT DECEMBER 31, 2010**

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AUDITORS' REPORT

To the Members of
Big Brothers Big Sisters Kingston, Frontenac, Lennox and Addington, Incorporated

Report on the Financial Statements

We have audited the accompanying financial statements of Big Brothers Big Sisters Kingston, Frontenac, Lennox And Addington, Incorporated, which comprise the statement of financial position as at December 31, 2010 and the statements of revenue and expenditures and fund balances 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 generally accepted accounting principles 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.

Auditor's 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 auditor's 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.

WILKINSON & COMPANY LLP
Chartered Accountants & Tax Specialists Since 1964

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Basis for Qualified Opinion

In common with many charitable organizations, Big Brothers Big Sisters Kingston, Frontenac, Lennox And Addington, Incorporated derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Big Brothers Big Sisters Kingston, Frontenac, Lennox And Addington, Incorporated and we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenue over expenditure, assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Big Brothers Big Sisters Kingston, Frontenac, Lennox And Addington, Incorporated as at December 31, 2010, and its financial performance for the year then ended in accordance with Canadian generally accepted accounting principles.

KINGSTON, Canada
April 19, 2011

Wilkinson Company LLP

Chartered Accountants
Licensed Public Accountants

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**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED**

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2010

	2010	2009
	\$	\$
ASSETS		
CURRENT		
Cash	49,313	58,208
Short-term investments - Note 3	20,070	19,820
HST/GST receivable	888	731
Other receivables	5,509	1,188
Prepaid expenses	400	400
	75,780	80,347
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	6,358	5,475
Deferred revenue	10,010	
	16,368	5,475
FUND BALANCES		
General Fund	20,039	35,503
Harley Shaw Scholarship Fund	2,573	2,569
Internally Restricted Fund	36,800	36,800
	59,412	74,872
	75,780	80,347

APPROVED ON BEHALF OF THE BOARD

 Director

 Director

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED**

**STATEMENT OF FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	2010	2009		
	General Fund \$	Harley Shaw Scholarship Fund \$	Internally Restricted Fund \$	Total \$
FUND BALANCES - BEGINNING OF YEAR	35,503	2,569	36,800	74,872
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR YEAR	(15,464)	4		(15,460)
FUND BALANCES - END OF YEAR	20,039	2,573	36,800	59,412
				74,872

The accompanying notes form an integral part of these financial statements

WILKINSON & COMPANY LLP

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED**

**STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	2010		2009
	General Fund \$	Harley Shaw Scholarship Fund \$	Total \$
REVENUE			
Grant - United Way serving Kingston, Frontenac, Lennox and Addington	62,159		62,159
Other grants	14,867		14,867
Donations	17,461		17,461
Investment income	310	4	314
Bowl for Millions - Note 4	20,745		20,745
Bingo - Note 5	12,754		12,754
Fundraising	8,816		8,816
	137,112	4	137,116
EXPENDITURES			
Salaries	98,752		98,752
Employee benefits	7,541		7,541
Travel	1,547		1,547
Training	569		569
Office supplies	4,532		4,532
Postage	1,088		1,088
Telephone	1,868		1,868
Rent	8,741		8,741
Equipment	1,162		1,162
Insurance	2,752		2,752
Professional fees	2,413		2,413
In-School Mentoring program	656		656
Dues	4,382		4,382
Fundraising	1,470		1,470
Promotion	294		294
Annual meeting and volunteer recognition	583		583
Utilities	1,425		1,425
Program support	5,227		5,227
Bowl for Millions - Note 4	7,574		7,574
Bingo - Note 5			255
	152,576		152,576
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR YEAR	(15,464)	4	(15,460)
			14,807

The accompanying notes form an integral part of these financial statements
WILKINSON & COMPANY LLP

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

1. NATURE OF OPERATIONS

Big Brothers Big Sisters Kingston, Frontenac, Lennox and Addington, Incorporated provides adult role models to children without an adequate and stable adult influence in their lives. The corporation is incorporated under the laws of Ontario without share capital and is registered as a Canadian charitable organization.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the corporation considered to be particularly significant:

(a) Fund Accounting

The accompanying financial statements include the activities of the corporation for which the Board of Directors is legally accountable. In order to properly reflect its activities, the corporation maintains its accounts in accordance with the principles of "fund accounting" in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources for various purposes are classified for accounting and reporting into funds in accordance with activities or objectives specified.

The Operating Fund accounts for the cost of operations of providing support services financed by grants and other general income.

The Harley Shaw Scholarship Fund was established to provide a scholarship to be awarded to a qualifying candidate who is proceeding with post secondary education.

The Internally Restricted Fund was established to provide a resource equal to three months of operating expenditures to enable the corporation to cover immediate expenses in the event of income interruption.

The balance sheet represents the combined position of all the funds of the corporation.

(b) Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivables. Actual results could differ from those estimates.

(c) Short-term Investments

Investments are classified as held to maturity, and are initially recorded at their acquisition cost. At the balance sheet date the investments are adjusted to amortized cost, and the corresponding effective interest earned is recorded in the statement of revenues and expenditures.

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

2. ACCOUNTING POLICIES (Cont'd)

(d) Revenue Recognition

Grant revenue is recognized when received or as expenditures are made from the grants. Any undisbursed grant revenue at year end is deferred to the subsequent year.

(e) Contributed Goods and Services

Volunteers contribute a substantial number of hours each year to assist the corporation in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.

(f) Equipment

Equipment is expensed in the year purchased.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

	2010	2009
	\$	\$
Term deposit, maturing September 9, 2011 - 1.05%	17,727	17,481
Term deposit, maturing November 30, 2011 - 0.4%	<u>2,343</u>	<u>2,339</u>
Matured investments		
	<u>20,070</u>	<u>19,820</u>

The market value of the short-term investments as at December 31, 2010 was \$20,070 (\$19,820 - 2009).

BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

4. BOWL FOR MILLIONS

	2010	2009
	\$	\$
REVENUE	20,745	24,578
EXPENDITURES		
Alley fees	898	848
Office supplies and postage	684	549
Promotion and refreshments	5,992	1,700
	7,574	3,097
NET REVENUE	13,171	21,481

5. BINGO

	2010	2009
	\$	\$
REVENUE	12,754	16,399
EXPENDITURES		
Administration and sundry	255	255
	12,754	16,144
NET REVENUE	12,754	16,144

**BIG BROTHERS BIG SISTERS KINGSTON, FRONTENAC, LENNOX AND ADDINGTON,
INCORPORATED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

6. COMMITMENTS

The corporation entered into a new lease in June 2010 which expires on May 31, 2013. Future lease payments are as follows:

	2010
	\$
2011	10,745
2012	11,067
2013	4,668
	<hr/> 26,480 <hr/>

7. STATEMENT OF CASH FLOWS

A statement of cash flows has not been included in these financial statements as the required cash flow information is readily apparent from the other financial statements. Cash flow from operations approximates the excess of revenue over expenditures (expenditures over revenue), and there were no investing or financing activities during the year.

8. FINANCIAL INSTRUMENTS

Financial instruments consist of accounts receivable and accounts payable and accrued liabilities. The carrying amounts approximate their fair market value due to the immediate or short-term maturity of these financial instruments. It is management's opinion that the corporation is not exposed to significant interest, currency or credit risk from these financial instruments.

9. CAPITAL DISCLOSURE

The organization's objectives with respect to capital management are to maintain a minimum capital base that allows the organization to continue with and execute its overall purpose as outlined in the fund balances accounting policy in Note 2(a). The organization's Board of Directors performs periodic reviews of the organization's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the organization.