



37 Main Street
Toronto, Ontario M4E 2V5

Tel. 416-690-6800
Fax. 416-690-9919

Web Page:
www.krienslarose.com

BRAIN INJURY SOCIETY OF TORONTO

FINANCIAL STATEMENTS

MARCH 31, 2016



37 Main Street
Toronto, Ontario M4E 2V5

Tel. 416-690-6800
Fax. 416-690-9919

Web Page:
www.krienslarose.com

BRAIN INJURY SOCIETY OF TORONTO
FINANCIAL STATEMENTS
MARCH 31, 2016

INDEX	PAGE
Independent Auditors' Report	1 - 2
Statement of Financial Position	3
Statement of Operations and Net Assets	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 9



37 Main Street
Toronto, Ontario M4E 2V5

Tel. 416-690-6800
Fax. 416-690-9919

Web Page:
www.krienslarose.com

Page 1

INDEPENDENT AUDITORS' REPORT

To the Members of
Brain Injury Society of Toronto

Report on the Financial Statements

We have audited the accompanying financial statements of Brain Injury Society of Toronto, which comprise the statements of financial position as at March 31, 2016, and the statement of operations and 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.

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 organization'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 organization'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.

INDEPENDENT AUDITORS' REPORT (Continued)

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

In common with many charitable organizations, the organization derives significant revenue from its members and the general public in the form of fundraising and various social events, the completeness of which is not susceptible to satisfactory audit procedures. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization. Therefore we were not able to determine whether any adjustments might be necessary to operating revenue, excess of revenues over expenses and cash flows for the years ended March 31, 2016 and March 31, 2015, current assets as at March 31, 2016 and March 31, 2015, and net assets balances as at the beginning and the end of the years ended March 31, 2016 and March 31, 2015. Our audit opinion on the financial statements for the year ended March 31, 2016 was modified accordingly because of the possible effects of this limitation in scope.

Qualified 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 Brain Injury Society of Toronto as at March 31, 2016, 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.

Other Matter

The prior year financial statements are presented for comparative purposes only as a Review Engagement was completed for the 2015 fiscal year.

KRIENS-LAROSE, LLP



Chartered Professional Accountants
Licensed Public Accountants

**BRAIN INJURY SOCIETY OF TORONTO
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016**

Page 3

	2016	2015
	\$	(unaudited) \$
ASSETS		
CURRENT		
Cash		
HST receivable	33,827	32,167
Accounts receivable	43,340	22,417
Prepaid expenses	4,854	5,801
Investments (Note 2)	11,485	7,105
	40,472	60,455
	133,978	127,945
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	18,936	18,112
Deferred revenue (Note 3)	21,555	34,018
	40,491	52,130
NET ASSETS		
Unrestricted net assets	93,487	75,815
	133,978	127,945

APPROVED ON BEHALF OF THE BOARD:

_____, Director

_____, Director

See accompanying notes to the financial statements

BRAIN INJURY SOCIETY OF TORONTO
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2016

Page 4

	2016	2015
	\$	(unaudited) \$
REVENUES		
Fundraising/events	195,972	115,058
BIST	30,768	21,038
OBIA	20,441	12,932
Donations and membership	7,251	4,290
Miscellaneous and interest	3,913	2,954
TOTAL REVENUES	258,345	156,272
EXPENSES		
BIST program	90,977	94,987
Fundraising/events	69,673	28,666
Contractors fees	34,291	17,961
Rent	25,590	20,063
Communications	9,350	4,437
Professional fees	5,220	3,390
Insurance	3,106	2,284
Administration	2,062	3,804
Bank fees	404	341
TOTAL EXPENSES	240,673	175,933
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	17,672	(19,661)
Net assets, beginning of year	75,815	86,470
Restatement (Note 4)	-	9,006
Net assets, end of year	93,487	75,815

See accompanying notes to the financial statements

BRAIN INJURY SOCIETY OF TORONTO
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED MARCH 31, 2016

Page 5

	2016	2015
	\$	(unaudited) \$
CASH WAS PROVIDED BY (USED IN):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from fundraising/events	184,456	137,275
Other cash receipts	62,373	41,205
Cash (paid to) suppliers	(265,152)	(185,792)
	(18,323)	(7,312)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net redemption of investments	19,983	-
Change in cash	1,660	(7,312)
Cash, beginning of year	32,167	39,479
Cash, end of year	33,827	32,167

PURPOSE OF THE ORGANIZATION

The Brain Injury Society of Toronto (BIST) works to help raise awareness of Acquired Brain Injury and its effects. BIST volunteers speak to community groups to help increase the knowledge of brain injury and improve their ability to support people in their community.

The Society is a registered charity, and is exempt from income taxes under section 149 of the Income Tax Act (Canada).

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, accounts receivable, and investments.

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

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Continued...

1. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Prepaid Expenses

Prepaid expenses are recorded for goods and services being received in the next fiscal year but paid for in the current fiscal year.

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

OBIA funds are recognized as revenue when received.

Fundraising event income is recognized as revenue when the service/event is substantially complete.

Donations and membership income are recognized as revenue when received.

BIST program income is recognized as revenue as the service/event is completed on a percentage completion basis.

Miscellaneous income is recognized as revenue when received.

Interest income is recognized as revenue as incurred i.e. is accrued

Trillium funds are are recognized as revenue in the year in which the related expenses are incurred.

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the Society, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

Allocation of Expenses

The Society incurs costs for their general operations and for funded projects. The costs of each program includes the expenses that are directly related to providing the programs.

Continued...

2. **INVESTMENTS**

The investments are made up of two guaranteed investment certificates, which both bear an interest rate of .9% per annum, and mature on August 31, 2016.

3. **DEFERRED REVENUE**

Deferred revenue represents sponsorship funds and fees received for events to take place in the next fiscal year.

4. **RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENT**

The March 31, 2015 and prior financial statements were restated to reflect a HST refund applied for the 2012 to 2015 fiscal years, as the HST refund was not recorded as an asset on the previous financial statements.

The total refund was \$22,417. \$9,006 of the refund was for the 2012 to 2014 fiscal years, \$13,411 was for the March 3, 2015 fiscal year. The effect of the restatement was to reduce the March 31, 2015 expenses by \$13,411 and to increase the opening net assets as at April 1, 2014 by \$9,006.

The refund was received in June, 2016.

5. **COMMITMENT**

The Society has a lease for their office premises for the period August 1, 2014 to July 31, 2017.

The annual base rental commitment remaining is approximately \$8,600 for March 31, 2017 fiscal year, and \$2,800 for the March 31, 2018 fiscal year.

The Society is also committed to common area costs on a annual basis.

Continued...

6. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following presents the Society's risk exposures and concentrations at March 31, 2016.

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. The Society's main credit risk relate to accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$0 (2015: \$0).

Liquidity Risk

Liquidity risk is the risk the Society will encounter difficulties in meeting obligations associated with financial liabilities. The Society is exposed to this risk primarily in respect of accounts payable and accrued liabilities. The Society has a plan to meet its obligations as they come due, primarily from requiring prepayment from its members and cash flow from operations. There has been no change in the risk assessment from the prior period.

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 comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society is not exposed to foreign 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. The Society has a low interest rate risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is not exposed to other price risk.