

BRAIN INJURY SOCIETY OF TORONTO

FINANCIAL STATEMENTS

MARCH 31, 2020

BRAIN INJURY SOCIETY OF TORONTO

FINANCIAL STATEMENTS

MARCH 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Members of
Brain Injury Society of Toronto

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Brain Injury Society of Toronto, which comprise the statement of financial position as at March 31, 2020, and the statement of operations and net assets and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fundraising and various social event activities 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, 2020, 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.

Basis for Qualified Opinion

In common with many charitable organizations, the Society 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 Society. 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, 2020 and March 31, 2019, current assets as at March 31, 2020 and March 31, 2019, and net assets balances as at the beginning and the end of the years ended March 31, 2020 and March 31, 2019. Our audit opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Brain Injury Society of Toronto in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT (Continued)

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITORS' REPORT (Continued)

- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KRIENS~LAROSE, LLP



Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
September 29, 2020

BRAIN INJURY SOCIETY OF TORONTO
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

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	2020	2019
	\$	\$
ASSETS		
CURRENT		
Cash	222,161	172,417
HST receivable	11,024	10,886
Accounts receivable	34,363	4,516
Prepaid expenses	4,685	4,685
Investments (Note 3)	62,781	61,945
	335,014	254,449
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	32,626	37,657
Government remittances payable	-	4,089
Deferred revenue (Note 4)	161,554	127,764
	194,180	169,510
NET ASSETS		
Unrestricted net assets	140,834	84,939
	335,014	254,449

APPROVED ON BEHALF OF THE BOARD:

Joshua Himmel, Director

Erik Joffe (signed electronically), 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, 2020

	2020	2019
	\$	\$
REVENUES		
Fundraising/events	207,834	179,252
Trillium grant (Note 5)	159,217	111,801
Grants (Note 6)	41,791	-
BIST	29,745	25,397
OBIA	16,788	11,881
Donations and membership	15,018	11,735
Miscellaneous and interest	11,956	2,890
Canada Emergency Wage Subsidy	4,154	-
TOTAL REVENUES	486,503	342,956
EXPENSES		
Trillium grant (Note 5)	159,250	111,801
Contractors fees / wages	121,825	34,223
Fundraising / events	74,702	66,772
Grant expenses (Note 6)	42,541	-
Rent	19,129	25,586
Professional fees	5,181	5,975
Insurance	3,625	2,251
Communications	1,876	5,159
Administration	1,683	2,716
Bank fees	796	1,570
BIST program	-	96,930
TOTAL EXPENSES	430,608	352,983
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	55,895	(10,027)
Net assets, beginning of year	84,939	94,966
Net assets, end of year	140,834	84,939

See accompanying notes to the financial statements

BRAIN INJURY SOCIETY OF TORONTO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

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	2020	2019
	\$	\$
CASH WAS PROVIDED BY (USED IN):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from fundraising/events	164,292	241,368
Other cash receipts	326,154	163,704
Cash (paid to) suppliers	(439,866)	(336,002)
	50,580	69,070
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) redemption of investments	(836)	(683)
Change in cash	49,744	68,387
Cash, beginning of year	172,417	104,030
Cash, end of year	222,161	172,417

See accompanying notes to the financial statements

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. IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared a global pandemic due to the outbreak of the novel Coronavirus ("COVID-19"). The situation is continuously developing and the economic impact has been substantial to both Canada and the globe. As at September 29, 2020, the Organization is aware of the changes in its operations as a result of the COVID-19 pandemic, including the inability to provide face to face support service and the potential reduction in the ability to host fundraising events.

Management is closely monitoring the situation, and as at September 29, 2020, the Society is not able to fully estimate the impact of COVID-19 on operations at this time given the continuous evolution of the pandemic and the global responses thereon to mitigate the spread. The financial impacts will be accounted for when they are known and may be assessed.

2. 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.

Continued...

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Prepaid Expenses

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

Equipment

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit and charitable organizations. As an organization with less than \$500,000 of annual revenue the Society has adopted the policy of expensing equipment in the year of acquisition.

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 or receivable

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

Donations, membership, interest, and miscellaneous 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.

Continued...

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Salaries are allocated on the basis of staff time spent on the project or agreed upon budget .

3. INVESTMENTS

The investments are three guaranteed investment certificates, which bear interest rate from 1.35% to 1.45% per annum, and mature on September 10, 2020 and November 2, 2020.

4. DEFERRED REVENUE

Deferred revenue represents the following funds for services to be provided in the next fiscal year.

	2020	2019
	\$	\$
Trillium grant	63,070	64,587
Sponsorship and fees	49,482	63,177
Law Foundation grants	32,202	-
Bedolfe Foundation grant	16,800	-
Total	161,554	127,764

Continued...

5. TRILLIUM GRANT

During the 2018 fiscal year, The Trillium Foundation approved a \$249,000 grant to be paid to the Society over 36 months to help people with cognitive impairments access an appropriate income through the Transitional Support Initiative.

During the 2019 fiscal year, The Trillium Foundation approved an additional \$75,000 to be paid to the Society over 12 months to hire a coordinator to deliver a homeless prevention program for people with brain injury. This particular program has been completed in 2020 fiscal year.

During the 2020 fiscal year, The Trillium Foundation approved another additional \$74,200 to be paid to the Society over 12 months to address poverty issues and provide one-on-one support to victims of violence living with traumatic brain injuries.

The funds have been accounted for as follows:

	2020	2019
	\$	\$
Revenue	159,217	111,801
Deferred revenue	63,070	64,587
<hr/>		
Total	222,287	176,388
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Pursuant to the policy described in Note 2, the Society's Contractors fees / wages allocated to Trillium grant expense is \$128,388.31 (2019: \$86,371.08)

Continued...

6. OTHER GRANTS

During the 2020 fiscal year, The Society received grants as described below:

The Ministry for Seniors and Accessibility approved a funding of \$22,450 to be paid to the Society to run a project that aims to reduce the individual and societal impact of brain injury and dementia lower the risk of financial manipulation and improve financial security. It will do this by providing educational sessions, volunteer training and peer support to individuals experiencing significant cognitive challenges.

The Bedolfe Foundation approved a funding of \$20,000 to be paid to the Society for the L.I.F.E (Learning Incredible Skills for Everything) program for youth with Brain injuries

The Law Foundation of Ontario approved a funding of \$96,685 to be paid to the Society over 12 months to run a LEAP (Legal Education Awareness Project).

The funds have been accounted for as follows:

	2020	2019
	\$	\$
Revenue	41,791	-
Deferred revenue	49,002	-
<hr/>		
Total	90,793	-

Pursuant to the policy described in Note 2, the Society's Contractors fees / wages allocated to grant expenses is \$19,891.20 (2019: \$nil)

7. COMMITMENT

The Society has a lease for their office premises for the period August 1, 2017 to July 31, 2020. The annual base rental commitment is approximately \$10,000. The Society is also committed to common area costs on an annual basis.

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8. 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, 2020.

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 \$nil (2019: \$nil).

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 internally unrestricted reserve 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.