

**BRAIN INJURY SOCIETY OF TORONTO**

**FINANCIAL STATEMENTS**

**MARCH 31, 2021**

**BRAIN INJURY SOCIETY OF TORONTO**

**FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITORS' REPORT

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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, 2021, 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, 2021, 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, 2021 and March 31, 2020, current assets as at March 31, 2021 and March 31, 2020, and net assets balances as at the beginning and the end of the years ended March 31, 2021 and March 31, 2020. Our audit opinion on the financial statements for the year ended March 31, 2021 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)

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### *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)

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- 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 14, 2021

BRAIN INJURY SOCIETY OF TORONTO  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2021

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	2021	2020
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	81,964	222,161
HST receivable	22,845	11,024
Accounts receivable	80,121	34,363
Prepaid expenses	2,185	4,685
Investments (Note 2)	218,361	62,781
	405,476	335,014
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	38,865	32,626
Deferred revenue (Note 3)	105,215	161,554
	144,080	194,180
<b>NET ASSETS</b>		
Unrestricted net assets	261,396	140,834
	405,476	335,014

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, 2021

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	2021	2020
	\$	\$
<b>REVENUES</b>		
Grants (Note 5)	189,572	41,791
Trillium grant (Note 4)	130,980	159,217
Fundraising/events	121,196	207,834
Government Assistance (Note 6)	75,054	4,154
Corporate Sponsorship	58,225	29,745
Donations and membership	17,274	15,018
OBIA	5,541	16,788
Miscellaneous and interest	6,251	11,956
<b>TOTAL REVENUES</b>	<b>604,093</b>	<b>486,503</b>
<b>EXPENSES</b>		
Grant expenses (Note 5)	188,777	42,541
Trillium grant (Note 4)	130,975	159,250
Contractors fees / wages	99,372	121,825
Fundraising / events	40,298	74,702
Rent	10,578	19,129
Professional fees	6,029	5,181
Insurance	3,763	3,625
Bank fees	1,605	796
Administration	1,101	1,683
Communications	1,033	1,876
<b>TOTAL EXPENSES</b>	<b>483,531</b>	<b>430,608</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>120,562</b>	<b>55,895</b>
Net assets, beginning of year	140,834	84,939
Net assets, end of year	261,396	140,834

See accompanying notes to the financial statements

BRAIN INJURY SOCIETY OF TORONTO  
**STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED MARCH 31, 2021

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	2021	2020
	\$	\$
<b>CASH WAS PROVIDED BY (USED IN):</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from fundraising/events	96,681	164,292
Other cash receipts	405,315	326,154
Cash (paid to) suppliers	(486,613)	(439,866)
	15,383	50,580
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Purchase) redemption of investments	(155,580)	(836)
Change in cash	(140,197)	49,744
Cash, beginning of year	222,161	172,417
Cash, end of year	81,964	222,161

See accompanying notes to the financial statements



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## PURPOSE OF THE ORGANIZATION

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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

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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.

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

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**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.

**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.

**Government Assistance**

Government assistance is a restricted contribution and is accounted for using the deferral method based on the assistance provided:

**Wage Subsidies**

Wage subsidies are recognized as revenue in the year the related wages 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.

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

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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 .

**2. INVESTMENTS**

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The investments are three guaranteed investment certificates, which bear interest rate from 0.25% per annum, and mature on November 2, 2021 and February 9, 2022.

**3. DEFERRED REVENUE**

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

	2021	2020
	\$	\$
Sponsorship and fees	70,725	49,482
Trillium grant	20,990	63,070
Bedolfe Foundation grant	13,500	16,800
Law Foundation grants	-	32,202
Total	105,215	161,554

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**4. TRILLIUM GRANT**

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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. This program has been completed in 2021 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. This program has been completed in 2021 fiscal year.

During the 2021 fiscal year, The Trillium Foundation approved another \$240,200 to be paid to the Society over 36 months to to continue expanding the Homelessness Prevention Project, helping homeless and unsafely-housed brain-injured people to find and maintain stable housing.

The funds have been accounted for as follows:

	2021	2020
	\$	\$
Revenue	130,980	159,217
Deferred revenue	20,990	63,070
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Total	151,970	222,287
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Pursuant to the policy described in Note 1, the Society's Contractors fees / wages allocated to Trillium grant expense is \$106,300 (2020: \$128,388) and administration expense allocated to grant expense is \$10,403 (2020: \$17,300)

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**5. OTHER GRANTS**

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During the 2021 fiscal year, The Society received grants as described below:

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). This program has been completed in 2021 fiscal year.

Ontario Neurotrauma Foundation approved a funding of \$19,125 to be paid to the society over 9 months to implement a project "Brain Injury and the Law - A Functional Support Initiative".

United Way approved a funding of \$18,304 to continue to provide case management services, accessibility supports, referrals and education to brain injury community connection for victims of violence. In addition, United Way also approved another \$50,000 to provide seven months of case management services and accessible technology devices, supports and education to increase functionality, health and community access for 30 adults living in Toronto with low income, who are struggling with the challenges caused by Brain Injury.

The funds have been accounted for as follows:

	2021	2020
	\$	\$
Revenue	189,572	41,791
Deferred revenue	13,500	49,002
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Total	203,072	90,793
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Pursuant to the policy described in Note 1, the Society's Contractors fees / wages allocated to grant expenses is \$123,391 (2020: \$19,891) and administration expense allocated to grant expense is \$7,464 (2020: \$-)

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**6. GOVERNMENT ASSISTANCE**

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During the fiscal year, the Institute received government assistance as follows:

	\$
Canada Emergency Wage Subsidy (CEWS)	69,598
Temporary Wage Subsidy for Employers (TWS)	5,456
<b>Total Government assistance</b>	<b>75,054</b>

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The CEWS serves as financial relief for a portion of employee wages. The assistance received is not repayable albeit is subject to audit by the Canada Revenue Agency (CRA). The CEWS is temporary and is available from March 15, 2020. As of March 31, 2021. The year-end accounts receivable includes CEWS of \$12,659.

The TWS serves as reduction in the amount of payroll deductions required to be remitted to the Canada Revenue Agency (CRA). The assistance received is not repayable albeit is subject to audit by the Canada Revenue Agency (CRA). The TWS was temporary and was available from March 18, 2020 to June 19, 2020.

**7. COMMITMENT**

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The Society has a sublease agreement for their office premises starting from August 1, 2021 and run on a month to month basis. The monthly sublease rent is estimated as being \$1,183 inclusive of tax.

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## 8. FINANCIAL INSTRUMENTS

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The Society is exposed to various risks through its financial instruments. The following presents the Society's risk exposures and concentrations at March 31, 2021.

### **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 yards. The allowance for doubtful accounts is \$nil (2020: \$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.

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**9. IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)**

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In March 2020, the World Health Organization declared a global pandemic due to the novel Coronavirus (COVID-19). The situation is constantly evolving and the economic impact has been substantial.

As at September 14, 2021, the Society is aware of changes in its operations as a result of the COVID-19 crisis, including staff primarily working from home, transition of in person members support to virtual, and the cancellation/postponement of the some fundraising events

Assets and liabilities have been recorded using the best information available at the time of financial statement preparation. The uncertainty due to the pandemic may cause recorded amounts to be different than those realized. Management is closely monitoring the situation and as at September 14, 2021, 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. The financial impact will be accounted for when it is known and able to be assessed.