

POWELL RIVER BRAIN INJURY SOCIETY

Financial Statements

Year Ended March 31, 2021

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POWELL RIVER BRAIN INJURY SOCIETY

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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Powell River Brain Injury Society

Report on the Financial Statements

Opinion

We have audited the financial statements of Powell River Brain Injury Society (the Society), which comprise the statement of financial position as at March 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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 the Society in accordance with 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.

Emphasis of Matter

We draw attention to Note 9 to the financial statements, which describes event that gave rise to the amendment of the comparative financial information of the year ended March 31, 2020.

Other Matter

The financial statements for the year ended March 31, 2020 are unaudited.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

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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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.

Powell River, British Columbia
August 9, 2021

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CHARTERED PROFESSIONAL ACCOUNTANTS

POWELL RIVER BRAIN INJURY SOCIETY

Statement of Financial Position

March 31, 2021

	2021	2020 <i>(restated)</i>
ASSETS		
CURRENT		
Cash	\$ 95,609	\$ 46,788
Restricted cash	33,622	34,903
Goods and services tax recoverable	562	1,216
Prepaid expenses	2,234	2,255
	132,027	85,162
TANGIBLE CAPITAL ASSETS <i>(Note 3)</i>	13,283	16,107
	\$ 145,310	\$ 101,269
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 10,590	\$ 11,162
Wages payable	6,315	1,823
Government remittances payable	4,327	3,488
Deferred income <i>(Note 4)</i>	60,061	48,268
	81,293	64,741
NET ASSETS		
Unrestricted fund	50,734	20,421
Capital asset fund	13,283	16,107
	64,017	36,528
	\$ 145,310	\$ 101,269

LEASE COMMITMENTS *(Note 5)*

ON BEHALF OF THE BOARD

DRAFT *Director*
Director

The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY**Statement of Revenues and Expenditures****Year Ended March 31, 2021**

	2021	2020 (restated)
REVENUES		
Vancouver Coastal Health grant	\$ 166,425	\$ 160,777
Province of BC Community Gaming grant	44,781	44,597
Brain Injury Alliance grant	32,211	35,174
Other grants	27,966	11,450
Donations	8,578	5,473
Fundraising	-	303
	<u>279,961</u>	<u>257,774</u>
EXPENSES		
Advertising and promotion	2,943	3,054
Amortization	5,381	5,876
Client support	2,555	-
Insurance	1,923	48
Interest and bank charges	260	307
Meals - client support	569	963
Memberships and dues	576	1,010
Office	2,774	4,089
Peer support	5,300	8,000
Professional fees	11,897	17,474
Rental	19,458	19,457
Repairs and maintenance	875	2,175
Salaries and wages	187,058	185,544
Supplies	5,734	7,293
Telephone	3,156	4,726
Training	500	1,950
Travel	689	1,951
Utilities	3,236	3,138
	<u>254,884</u>	<u>267,055</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>25,077</u>	<u>(9,281)</u>
OTHER INCOME		
Loss on disposal of tangible capital assets	-	(1,095)
Government subsidies	2,412	-
	<u>2,412</u>	<u>(1,095)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 27,489</u>	<u>\$ (10,376)</u>

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The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY

Statement of Changes in Net Assets

Year Ended March 31, 2021

	Unrestricted Fund	Restricted Fund	Capital Asset Fund	2021	2020 <i>(restated)</i>
NET ASSETS -					
BEGINNING OF					
YEAR					
As previously reported	\$ (17,599)	\$ 34,903	\$ 16,107	\$ 33,411	\$ 46,904
Prior period adjustment	38,020	(34,903)	-	3,117	-
As restated	20,421	-	16,107	36,528	46,904
EXCESS OF REVENUES OVER EXPENSES (restated)	32,871	-	(5,382)	27,489	(10,376)
Transfer to capital asset fund	(2,558)	-	2,558	-	-
	-	-	-	-	-
NET ASSETS - END OF					
YEAR	\$ 50,734	\$ -	\$ 13,283	\$ 64,017	\$ 36,528

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The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY**Statement of Cash Flows**
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 27,489	\$ (10,376)
Items not affecting cash:		
Amortization of tangible capital assets	5,381	5,876
Loss on disposal of tangible capital assets	-	1,095
	<u>32,870</u>	<u>(3,405)</u>
Changes in non-cash working capital:		
Accounts receivable	-	300
Accounts payable and accrued liabilities	(571)	8,584
Deferred income	11,793	(8,905)
Prepaid expenses	21	(1,789)
Goods and services tax recoverable	654	(690)
Wages payable	4,492	277
Government remittances payable	839	1,481
	<u>17,228</u>	<u>(742)</u>
Cash flow from (used by) operating activities	<u>50,098</u>	<u>(4,147)</u>
INVESTING ACTIVITY		
Purchase of tangible capital assets	<u>(2,558)</u>	<u>(2,497)</u>
INCREASE (DECREASE) IN CASH FLOW	<u>47,540</u>	<u>(6,644)</u>
Cash - beginning of year	<u>81,691</u>	<u>88,335</u>
CASH - END OF YEAR	<u>\$ 129,231</u>	<u>\$ 81,691</u>
CASH CONSISTS OF:		
Cash	\$ 95,609	\$ 46,788
Restricted cash	<u>33,622</u>	<u>34,903</u>
	<u>\$ 129,231</u>	<u>\$ 81,691</u>

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The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

1. PURPOSE OF THE SOCIETY

Powell River Brain Injury Society (the "Society") is a not-for-profit organization incorporated provincially under the Society Act of British Columbia. As a registered charity the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The purpose of the Society is to promote prevention, recovery, education, community awareness, and life beyond acquired brain injury. The Society will support the rights and interests of people with brain injuries, their families, and their caregivers by providing a drop in centre with programming for social, education and employment training, helping members connect with services offered in and external to the community, continuing to advocate for increased services locally, providing increased awareness in the community, and support events in the community during Brain Injury Awareness Month, being June each year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount 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 period. Such estimates, which include the actual useful life of tangible capital assets, are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Tangible Capital Assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Computer equipment	3 years
Furniture and fixtures	5 years
Leasehold improvements	Lease term plus one renewal

The Society regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Powell River Brain Injury Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or are otherwise recorded in deferred income. 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.

Fund accounting

Revenues and expenses related to program delivery and administrative activities are reported in the Unrestricted Fund.

The Capital Asset Fund reports the assets, liabilities, revenues, and expenses related to Powell River Brain Injury Society's tangible capital assets.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year \$1,000 in goods were donated (2020 - \$0).

3. TANGIBLE CAPITAL ASSETS

	2021		2020	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 15,560	\$ 15,437	\$ 16,960	\$ 16,350
Furniture and fixtures	27,270	18,618	25,423	13,723
Leasehold improvements	38,375	33,867	37,664	33,867
	\$ 81,205	\$ 67,922	\$ 80,047	\$ 63,940
Net book value	\$ 13,283		\$ 16,107	

Included in furniture and fixtures in 2021 is a donated hand crafted board room table with a value of \$1,000.

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POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

4. DEFERRED INCOME

	Opening Balance (restated)	Revenue recognized in current year	Amounts received for subsequent year	2021
Gaming	\$ 34,903	\$ (34,903)	\$ 33,622	\$ 33,622
Vancouver Coastal Health	13,365	(13,365)	13,865	13,865
Brain Injury Alliance	-	-	7,750	7,750
Other grants	-	-	4,824	4,824
	<u>\$ 48,268</u>	<u>\$ (48,268)</u>	<u>\$ 60,061</u>	<u>\$ 60,061</u>

5. LEASE COMMITMENT

The Society has entered into a premises lease with a term from July 1, 2018 to June 30, 2023. The lease has an option to renew for a further five years with terms to be negotiated at the time of signing. Utilities are the responsibility of the lessee.

Lease commitment schedule:

2022	\$ 19,560
2023	19,560
2024	4,890
	<u>\$ 44,010</u>

6. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2021.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk in respect of the timing of receipt of funds from its grant funders to offset obligations of liabilities and commitments.

7. REMUNERATION

As required by the Societies Act of British Columbia, employees with remuneration in excess of \$75,000 are to be disclosed. The Executive Director of the Society was paid a total sum of \$86,900.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2021

9. PRIOR PERIOD ADJUSTMENT

The Province of BC Community Gaming grant revenue has been restated to agree to the restrictions on the expenditure of the related restricted cash. Additionally, as the deferred revenues agree to the restricted cash, the restricted net assets related to the Gaming program have been restated to reflect the balance of restricted cash less the related liabilities. The restatements in the comparative information are as follows:

	2020 <i>as originally stated</i>	2020 <i>restated</i>
<u>Statement of Financial Position</u>		
Deferred income	\$ 51,384	\$ 48,268
Total liabilities	67,858	64,741
Unrestricted net assets	(17,599)	20,421
Restricted net assets	34,903	-
Total net assets	33,411	36,528
<u>Statement of Revenues and Expenditures</u>		
Province of BC Community Gaming grant	41,480	44,597
Total revenue	254,657	257,774
Deficiency of Revenues over Expenses from Operations	(12,398)	(9,281)
Deficiency of Revenues over Expenses	(13,493)	(10,376)

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POWELL RIVER BRAIN INJURY SOCIETY**Brain Injury Alliance****(Schedule 1)****Year Ended March 31, 2021**

	2021	2020
INCOME		
Brain Injury Alliance grant	\$ 32,211	\$ 35,174
EXPENSES		
Advertising and promotions	-	268
Client support	180	-
Insurance	-	94
Interest and bank charges	-	74
Meals - client support and travel	247	228
Memberships and dues (recovery)	(109)	215
Office	8	92
Peer support	5,300	7,200
Professional fees	798	31
Repairs and maintenance	187	136
Salaries and wages	24,926	24,055
Supplies	428	1,667
Training - clients	-	230
Travel	196	453
Utilities	50	34
	32,211	34,777
EXCESS OF INCOME OVER EXPENSES	\$ -	\$ 397

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The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY**Province of BC Community Gaming****(Schedule 2)****Year Ended March 31, 2021**

	2021	2020
INCOME		
Province of BC Community Gaming grant	\$ 44,781	\$ 44,597
EXPENSES		
Advertising and promotions	2,576	1,629
Client support	226	-
Insurance	962	-
Interest & bank charges	108	101
Meals - client support	36	-
Memberships and dues	-	65
Office	605	850
Professional fees	3,270	1,295
Rental	8,107	11,350
Repairs & maintenance	253	280
Salaries and wages	19,156	19,299
Supplies	2,018	1,742
Telephone	2,240	1,676
Training - clients	-	900
Travel	121	-
Utilities	2,201	254
	41,879	39,441
EXCESS OF INCOME OVER EXPENSES	\$ 2,902	\$ 5,156

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The accompanying notes form an integral part of these financial statements

POWELL RIVER BRAIN INJURY SOCIETY**Vancouver Coastal Health****(Schedule 3)****Year Ended March 31, 2021**

	2021	2020
INCOME		
Vancouver Coastal Health grant	\$ 166,425	\$ 160,777
Donations	-	6
	166,425	160,783
EXPENSES		
Advertising & promotions	317	1,157
Client support	890	-
Insurance	962	6
Interest & bank charges	152	240
Meals - client support and travel	253	412
Memberships and dues	686	710
Office	2,131	2,459
Professional fees	7,179	8,687
Rental	8,108	8,107
Repairs & maintenance	215	1,759
Salaries and wages	126,721	134,318
Supplies	972	1,803
Telephone	578	3,050
Training - clients	-	141
Travel	372	1,273
Utilities	922	2,849
	150,458	166,971
EXCESS (DEFICIENCY) OF INCOME OVER EXPENSES	\$ 15,967	\$ (6,188)

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The accompanying notes form an integral part of these financial statements