

POWELL RIVER BRAIN INJURY SOCIETY

Financial Statements

Year Ended March 31, 2023

POWELL RIVER BRAIN INJURY SOCIETY

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Year Ended March 31, 2023

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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 Organization), which comprise the statement of financial position as at March 31, 2023, 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 Organization as at March 31, 2023, 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 Organization 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.

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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

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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 Organization'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 Organization'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 Organization 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
September 22, 2023



CHARTERED PROFESSIONAL ACCOUNTANTS

POWELL RIVER BRAIN INJURY SOCIETY

Statement of Financial Position

March 31, 2023

| | 2023 | 2022 |
|--|--------------------------|--------------------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 66,390 | \$ 77,418 |
| Restricted cash (Note 4) | 53,400 | 45,195 |
| Accounts receivable | 2 | 268 |
| Donation receivable | - | 5,000 |
| Grant receivable | - | 1,200 |
| Goods and services tax recoverable | 584 | - |
| Prepaid expenses | 1,114 | 2,513 |
| Restricted prepaid expenses (Note 4) | 1,024 | - |
| | <u>122,514</u> | 131,594 |
| TANGIBLE CAPITAL ASSETS (Note 3) | <u>62,912</u> | 77,100 |
| | <u>\$ 185,426</u> | <u>\$ 208,694</u> |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 12,286 | \$ 11,098 |
| Wages payable | - | 413 |
| Government remittances payable | 4,117 | 5,708 |
| Deferred income (Note 4) | 128,124 | 138,558 |
| | <u>144,527</u> | 155,777 |
| NET ASSETS | | |
| Unrestricted fund | 35,529 | 43,405 |
| Capital asset fund | 5,370 | 9,512 |
| | <u>40,899</u> | 52,917 |
| | <u>\$ 185,426</u> | <u>\$ 208,694</u> |

LEASE COMMITMENTS (Note 5)

ON BEHALF OF THE BOARD

San Syble Director

Q R Z 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, 2023**

| | 2023 | 2022 |
|---|--------------------|--------------------|
| REVENUES | | |
| Vancouver Coastal Health grant | \$ 172,331 | \$ 172,331 |
| Province of BC Community Gaming grant | 46,272 | 31,926 |
| Brain Injury Alliance grant | 35,125 | 34,375 |
| Other grants | 25,947 | 17,442 |
| Donations | 5,227 | 6,606 |
| Services | - | 4,983 |
| | <u>284,902</u> | <u>267,663</u> |
| EXPENSES | | |
| Advertising and promotion | 3,547 | 3,436 |
| Amortization | 14,324 | 6,336 |
| Client support | 10 | 200 |
| Delivery, freight and express | 133 | - |
| Insurance | 2,043 | 1,986 |
| Interest and bank charges | 618 | 269 |
| Meals and entertainment | 731 | 1,980 |
| Meetings and conventions | 101 | - |
| Memberships and dues | 303 | 492 |
| Office | 2,695 | 1,863 |
| Peer support | 15,013 | 5,850 |
| Professional fees | 20,630 | 15,779 |
| Program grant | 2,505 | - |
| Rental | 19,095 | 18,495 |
| Repairs and maintenance | 182 | 100 |
| Salaries and wages | 197,519 | 205,664 |
| Supplies | 9,406 | 9,547 |
| Telephone | 3,248 | 3,775 |
| Training | - | 150 |
| Travel | 387 | 453 |
| Utilities | 3,069 | 2,264 |
| | <u>295,559</u> | <u>278,639</u> |
| DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS | (10,657) | (10,976) |
| OTHER INCOME (EXPENSES) | | |
| Loss on disposal of tangible capital assets | <u>(1,361)</u> | <u>(124)</u> |
| DEFICIENCY OF REVENUES OVER EXPENSES | \$ (12,018) | \$ (11,100) |

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, 2023

| | Unrestricted Fund | Capital Asset Fund | 2023 | 2022 |
|---|----------------------|-----------------------|-----------|-----------|
| NET ASSETS - BEGINNING OF YEAR | \$ 43,405 | \$ 9,512 | \$ 52,917 | \$ 64,017 |
| DEFICIENCY OF REVENUES OVER EXPENSES | (6,379) | (5,639) | (12,018) | (11,100) |
| Transfer to capital asset fund | (1,497) | 1,497 | - | - |
| NET ASSETS - END OF YEAR | \$ 35,529 | \$ 5,370 | \$ 40,899 | \$ 52,917 |

The accompanying notes form an integral part of these financial statements.

POWELL RIVER BRAIN INJURY SOCIETY**Statement of Cash Flows****Year Ended March 31, 2023**

| | 2023 | 2022 |
|---|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Deficiency of revenues over expenses | \$ (12,018) | \$ (11,100) |
| Items not affecting cash: | | |
| Amortization of tangible capital assets | 14,324 | 6,336 |
| Loss on disposal of tangible capital assets | 1,361 | 124 |
| | <u>3,667</u> | <u>(4,640)</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | 266 | (267) |
| Donation receivable | 5,000 | (5,000) |
| Grant receivable | 1,200 | (1,200) |
| Accounts payable and accrued liabilities | 1,191 | 505 |
| Deferred income | (10,434) | 10,910 |
| Prepaid expenses | 1,398 | (279) |
| Goods and services tax payable | (584) | 562 |
| Prepaid expenses - restricted | (1,024) | - |
| Wages payable | (415) | (5,900) |
| Government remittances payable | (1,591) | 1,381 |
| | <u>(4,993)</u> | <u>712</u> |
| Cash flow used by operating activities | <u>(1,326)</u> | <u>(3,928)</u> |
| INVESTING ACTIVITIES | | |
| Purchase of tangible capital assets | (1,497) | (70,277) |
| Proceeds from grant for purchase of tangible capital assets | - | 67,587 |
| Cash flow used by investing activities | <u>(1,497)</u> | <u>(2,690)</u> |
| DECREASE IN CASH FLOW | <u>(2,823)</u> | <u>(6,618)</u> |
| Cash - beginning of year | <u>122,613</u> | <u>129,231</u> |
| CASH - END OF YEAR | <u>\$ 119,790</u> | <u>\$ 122,613</u> |
| CASH CONSISTS OF: | | |
| Cash | \$ 66,390 | \$ 77,418 |
| Restricted cash | 53,400 | 45,195 |
| | <u>\$ 119,790</u> | <u>\$ 122,613</u> |

The accompanying notes form an integral part of these financial statements.

POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2023

1. PURPOSE OF THE ORGANIZATION

Powell River Brain Injury Society (the "Organization") 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, 2023

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

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. No goods were donated in the current year. (2022 - \$1,000).

3. TANGIBLE CAPITAL ASSETS

| | 2023 | | 2022 | |
|------------------------|-------------------|-----------------------------|-------------------|-----------------------------|
| | Cost | Accumulated amortization | Cost | Accumulated amortization |
| Computer equipment | \$ 6,467 | \$ 5,571 | \$ 7,437 | \$ 5,644 |
| Furniture and fixtures | 23,648 | 22,049 | 26,646 | 22,523 |
| Leasehold improvements | 104,866 | 44,449 | 105,962 | 34,778 |
| | \$ 134,981 | \$ 72,069 | \$ 140,045 | \$ 62,945 |
| Net book value | \$ 62,912 | | \$ 77,100 | |

POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2023

4. DEFERRED INCOME

| | Opening Balance | Revenue recognized in current year | Amounts received for subsequent year | 2023 |
|----------------------------|--------------------|--|--|-------------------|
| BC Community Gaming | \$ 45,195 | \$ (46,273) | \$ 55,500 | \$ 54,422 |
| Vancouver Coastal Health | - | - | 14,360 | 14,360 |
| Brain Injury Alliance | 23,975 | (23,975) | - | - |
| Other grants and donations | 69,388 | (10,046) | - | 59,342 |
| | <u>\$ 138,558</u> | <u>\$ (80,294)</u> | <u>\$ 69,860</u> | <u>\$ 128,124</u> |

Included in Other grants and donations, are deferred revenues of \$57,541 (2022 - \$67,587) related to the purchase of a tangible capital asset, the Community Garden, a leasehold improvement.

The BC Community Gaming deferred revenue is considered restricted due to external restrictions, and the related assets have also been restricted. As at March 31, 2023 there is \$53,400 of restricted cash (2022 - \$45,195) and \$1,024 of restricted prepaid expenses (2022 - \$0).

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 been renewed with a term of July 1, 2023 to June 30, 2028. Utilities are the responsibility of the lessee.

Lease commitment schedule:

| | |
|------------|-------------------|
| 2024 | \$ 21,817 |
| 2025 | 22,570 |
| 2026 | 22,570 |
| 2027 | 22,570 |
| 2028 | 22,570 |
| Thereafter | 5,642 |
| | <u>\$ 117,739</u> |

6. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2023.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization 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.

POWELL RIVER BRAIN INJURY SOCIETY

Notes to Financial Statements

Year Ended March 31, 2023

7. SUBSEQUENT EVENTS

Subsequent to the year ended March 31, 2023, VCH notified the Society that they have approved a one-time adjustment payable to the Society, which was calculated based upon a wage increase for the fiscal year then ended, in the sum of \$9,565. Although the funder calculated this based upon wages paid during the year ended March 31, 2023, this amount was expended in wages paid during the fiscal year beginning April 1, 2023. As such, the revenue for this one-time adjustment and offsetting wage expense have not been adjusted in the financial statements for the year ended March 31, 2023.

In addition to this one-time payment, VCH has also increased funding to pay wages for the fiscal year beginning April 1, 2023 by 6.75% for direct wages and 1.50% for additional payroll related premiums and entitlements. These percentages are only applied to the wage portion of grant funds, not the gross grant funds.

8. ECONOMIC DEPENDENCE

The Society derived 71% (2022 - 78%) of its revenues from two (2022 - two) entities, and is economically dependent upon these entities to maintain the current activities.

POWELL RIVER BRAIN INJURY SOCIETY**Brain Injury Alliance****(Schedule 1)****Year Ended March 31, 2023**

| | 2023 | 2022 |
|---------------------------------------|---------------|---------------|
| INCOME | | |
| Brain Injury Alliance grant | \$ 35,125 | \$ 34,375 |
| Donations | <u>1,000</u> | <u>-</u> |
| | 36,125 | 34,375 |
| EXPENSES | | |
| Client support | 530 | 500 |
| Interest and bank charges | - | 22 |
| Meals - client support and travel | 616 | 84 |
| Office | 112 | - |
| Peer support | 5,689 | 4,800 |
| Salaries and wages | 26,673 | 26,116 |
| Supplies | 1,132 | 2,853 |
| Travel | 256 | - |
| Utilities | <u>1,117</u> | <u>-</u> |
| | 36,125 | 34,375 |
| EXCESS OF INCOME OVER EXPENSES | \$ - | \$ - |

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, 2023**

| | 2023 | 2022 |
|---------------------------------------|------------------|------------------|
| INCOME | | |
| Province of BC Community Gaming grant | \$ 46,272 | \$ 31,926 |
| EXPENSES | | |
| Advertising and promotions | 2,833 | 1,474 |
| Client support | - | 330 |
| Insurance | 1,043 | 993 |
| Interest & bank charges | 301 | 103 |
| Meals - client support | 127 | - |
| Memberships and dues | 19 | - |
| Office | 87 | - |
| Professional fees | 1,082 | 956 |
| Rental | 9,547 | 9,729 |
| Salaries and wages | 26,564 | 12,856 |
| Supplies | 2,962 | 2,842 |
| Telephone | 364 | 1,904 |
| Travel | 62 | 98 |
| Utilities | 1,258 | 641 |
| | 46,249 | 31,926 |
| EXCESS OF INCOME OVER EXPENSES | \$ 23 | \$ - |

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, 2023**

| | 2023 | 2022 |
|---|-------------------|--------------------|
| INCOME | | |
| Vancouver Coastal Health grant | \$ 172,331 | \$ 172,331 |
| EXPENSES | | |
| Advertising & promotions | 714 | 1,962 |
| Client support | 10 | 20 |
| Insurance | 1,000 | 993 |
| Interest & bank charges | 310 | 143 |
| Meals - client support and travel | 100 | 1,056 |
| Memberships and dues | 284 | 492 |
| Office | 1,758 | 1,807 |
| Peer support | 400 | 350 |
| Professional fees | 15,248 | 14,823 |
| Rental | 9,547 | 8,766 |
| Repairs & maintenance | 182 | 100 |
| Salaries and wages | 138,777 | 149,772 |
| Supplies | 2,563 | 1,650 |
| Telephone | 2,122 | 1,249 |
| Training - clients | - | 150 |
| Travel | 169 | 355 |
| Utilities | 1,457 | 1,173 |
| | 174,641 | 184,861 |
| DEFICIENCY OF INCOME OVER EXPENSES | \$ (2,310) | \$ (12,530) |

The accompanying notes form an integral part of these financial statements.