

VICTORIA BRAIN INJURY SOCIETY

FINANCIAL STATEMENTS

MARCH 31, 2021

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of
Victoria Brain Injury Society

We have reviewed the accompanying financial statements of Victoria Brain Injury Society that comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Victoria Brain Injury Society 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.

Sidney, BC
August 12, 2021

Hughesman Morris Liversedge

Hughesman Morris Liversedge
Chartered Professional Accountants

VICTORIA BRAIN INJURY SOCIETY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31
(unaudited)

	2021	2020
REVENUES		
Grants and government subsidies (note 3)	\$ 364,584	\$ 162,837
Brain injury program - VIHA	165,519	167,114
Donations	21,843	18,413
Fundraising	4,717	41,708
Advertising, memberships and misc.	1,502	2,279
Contract funding	40	230
	558,205	392,581
EXPENDITURES		
Advertising and promotion	1,526	1,399
Amortization	3,060	605
Contract facilitators	13,510	12,400
Dues, fees and licenses	1,545	4,668
Fundraising	4,224	16,225
Insurance	3,155	3,051
Interest and bank charges	798	2,065
Office	36,573	33,739
Professional development	6,372	5,553
Program support	21,665	3,004
Rent	55,966	56,583
Repairs and maintenance	1,464	2,440
Telephone	5,864	2,119
Wages and benefits	258,570	338,939
	414,292	482,790
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 143,913	\$ (90,209)

VICTORIA BRAIN INJURY SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31
(unaudited)

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 229,250	\$ 51,341
Restricted cash (note 6)	77,781	15,510
Accounts receivable	6,389	-
Prepaid expenses	4,422	4,232
Due from government agencies	2,455	-
	320,297	71,083
Property, plant and equipment (note 4)	10,058	345
Intangible assets (note 5)	10,056	-
	\$ 340,411	\$ 71,428
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 21,495	\$ 14,493
Due to government agencies	-	4,203
Deferred contributions (note 6)	77,781	15,510
	99,276	34,206
CEBA loan (note 7)	60,000	-
	159,276	34,206
NET ASSETS		
General fund	161,021	36,878
Invested in capital	20,114	344
	181,135	37,222
	\$ 340,411	\$ 71,428

Approved on behalf of the Board

Members _____

Members _____

VICTORIA BRAIN INJURY SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31
(unaudited)

	General fund	Invested in capital	Total 2021	Total 2020
BALANCE, BEGINNING OF YEAR	\$ 36,877	\$ 345	37,222	127,431
Excess (deficiency) of revenues over expenditures	146,973	(3,060)	143,913	(90,209)
Transfer to net assets invested in capital	(22,829)	22,829	-	-
BALANCE, END OF YEAR	\$ 161,021	\$ 20,114	181,135	37,222

VICTORIA BRAIN INJURY SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31
(unaudited)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from general contributors	\$ 351,232	\$ 232,223
Cash received from government funding	262,855	167,404
Cash paid to suppliers and employees	<u>(411,078)</u>	<u>(490,165)</u>
	203,009	(90,538)
CASH FLOWS FROM FINANCING ACTIVITY		
Advance of CEBA loan	<u>60,000</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(12,773)	-
Purchase of intangible assets	<u>(10,056)</u>	<u>-</u>
	(22,829)	-
NET INCREASE (DECREASE) IN CASH	240,180	(90,538)
CASH, BEGINNING OF YEAR	<u>66,851</u>	<u>157,389</u>
CASH, END OF YEAR	\$ 307,031	\$ 66,851
CASH CONSISTS OF:		
Cash	\$ 229,250	\$ 51,341
Restricted cash (note 6)	<u>77,781</u>	<u>15,510</u>
	\$ 307,031	\$ 66,851

VICTORIA BRAIN INJURY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2021
(unaudited)

1. **NATURE OF OPERATIONS**

Victoria Brain Injury Society (the "Society") is registered under the British Columbia Societies Act. The Society operates a not-for-profit centre for individuals and their families suffering from brain injuries. The Society is a registered charity under the Income Tax Act and is exempt from tax.

2. **SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) **Revenue recognition**

The 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. 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.

Government assistance received for wages from the Government of Canada and Government of British Columbia are recognized as income in the same period the wages are incurred.

The portion of government assistance related to forgivable loans under the Canada Emergency Business Account will be recognized as revenue when all conditions of the loan forgiveness are met.

The Society records revenue from advertising and memberships as services are performed.

The Society records revenue from fundraising at the time of the event.

(b) **Contributed services**

Volunteers contribute a significant amount of time to assist the Society in carrying out its services. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

VICTORIA BRAIN INJURY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2021
(unaudited)

2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(c) **Financial instruments**

The Society initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The company subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash, restricted cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable, accrued liabilities, and CEBA loan payable.

(d) **Property, plant and equipment**

Property, plant and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line method, commencing in the year of addition up to and excluding the year of disposal, at the following rates:

Computer equipment	3 years
Office equipment	5 years

(e) **Intangible assets**

Intangible assets are recorded at cost. The Society provides for amortization using the straight-line method at rates designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rate is as follows:

Organizational Management System	5 years
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(f) **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 amount of assets and liabilities, revenues and expenses.

The main estimates relate to accounts receivable exposure and the useful life of property, plant and equipment. Actual results could differ from those estimates, although management does not generally believe such differences would materially affect the financial statements in any individual year.

VICTORIA BRAIN INJURY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2021
(unaudited)

3. GRANTS AND GOVERNMENT SUBSIDIES

	2021	2020
BC Covid-19 Temporary Pandemic Pay	\$ 10,720	\$ -
BC Gaming	22,840	-
Brain Injury Alliance	117,500	93,223
Canadian Emergency Wage Subsidy	17,303	-
Capital Region District	1,677	-
City of Victoria	5,700	2,125
Dr. Gur Singh	3,750	(2,465)
Gift Funds Canada	1,570	-
Government of BC	601	-
Government of Canada	4,529	-
ICBC Peer Support Program	18,168	3,968
Legion Foundation	1,000	-
Music Heals Charitable Foundation	4,985	6,791
Quail Rock Foundation	1,548	11,667
Raymond James Canada Foundation	1,500	-
Rotary Club Victoria-Harbourside	3,000	-
Shoppers Drug Mart Life Foundation	-	2,000
Telus Friendly Future Foundation	5,076	-
Temporary Wage Subsidy	5,186	-
The Hamber Foundation	2,000	-
The McClean Foundation	7,500	-
United Way	73,285	45,000
University of Victoria	5,000	-
Victoria Foundation	49,582	-
Victoria Foundation - Endowment Fund	564	528
	\$ 364,584	\$ 162,837

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021	2020
Computer equipment	\$ 31,643	\$ 21,930	\$ 9,713	\$ -
Office equipment	4,120	3,775	345	345
	\$ 35,763	\$ 25,705	\$ 10,058	\$ 345

Amortization for the year amounted to \$1,943 (2020 - \$605).

VICTORIA BRAIN INJURY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
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5. INTANGIBLE ASSETS

	Cost	Accumulated amortization	2021	2020
Organizational Management System	\$ 11,173	\$ 1,117	\$ 10,056	\$ -
	\$ 11,173	\$ 1,117	\$ 10,056	\$ -

Amortization for the year amounted to \$1,117.

6. DEFERRED CONTRIBUTIONS

Cash is externally restricted for the following purposes:

	Opening balance	Contributions	Disbursements	Closing balance
BC Gaming	\$ -	\$ 58,011	\$ (22,840)	\$ 35,171
United Way	-	73,285	(73,285)	-
Vancouver Island Health Authority	13,510	166,503	(165,518)	14,495
Other	2,000	128,101	(101,986)	28,115
	\$ 15,510	\$ 425,900	\$ (363,629)	\$ 77,781

7. CEBA LOAN

The Society received the Government of Canada's Emergency Business Account (CEBA) loan in response to the COVID-19 global pandemic. The loan is held at Vancity. It bears no interest and is due to be paid by December 31, 2025. Should the loan be paid in full by December 31, 2022, 33% (\$20,000) will be forgiven and will be recognized as revenue at that time. Should the loan not be repaid at or before that time, it will be converted to a term loan with an annual interest rate of 5%, payable in monthly instalments of \$1,798.25.

	2021
CEBA loan	\$ 60,000

VICTORIA BRAIN INJURY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
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7. CEBA LOAN, continued

Estimated principal repayments are as follows:

2023	\$	4,664
2024		19,249
2025		20,234
2026		<u>15,853</u>
	\$	<u>60,000</u>

8. FINANCIAL INSTRUMENTS

The Society is exposed to various financial risks through transactions in financial instruments. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant currency, credit, liquidity, interest rate or other price risks.

9. LEASE COMMITMENTS

The Society's total commitments under various operating leases, are as follows:

2022	\$	47,880
2023		49,027
2024		50,204
2025		49,763
2026		<u>4,128</u>
	\$	<u>201,002</u>

10. FUNDS HELD AT THE VICTORIA FOUNDATION

In 2017 the Victoria Brain Injury Society Fund was established. Victoria Foundation matched Victoria Brain Injury Society's gift of \$7,500, for a total of \$15,000. The funds are being held in perpetuity by the Victoria Foundation, and are not included on the Statement of Financial Position.

	<u>2021</u>
Beginning balance, market value	\$ 14,124
Total investment returns	3,273
Administration fees	(79)
Grants paid	<u>(564)</u>
	<u>\$ 16,754</u>

As of March 31, 2021, there were funds of \$611 available to grant.