

**Mind Forward Brain Injury
Services Ontario (formerly Peel
Halton Dufferin Acquired Brain
Injury Services)
Financial Statements
For the year ended March 31, 2021**

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Independent Auditor's Report

To the Directors of
Mind Forward Brain Injury Services Ontario

Opinion

We have audited the financial statements of Mind Forward Brain Injury Services Ontario (the "Organization"), which comprise the statement of financial position as at March 31, 2021 and the statements of operations and 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, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 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.

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 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.

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.



Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

BDO CANADA LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
June 23, 2021

Mind Forward Brain Injury Services Ontario
Statement of Financial Position

March 31	2021	2020
Assets		
Current		
Cash (Note 2)	\$ 1,267,345	\$ 624,679
Accounts receivable	109,854	93,169
Prepaid expenses	18,023	18,286
	1,395,222	736,134
Capital assets (Note 3)	-	-
	\$ 1,395,222	\$ 736,134

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 877,815	\$ 566,863
Due to Local Health Integrated Network	315,356	-
Due to Ministry of Health and Long-term Care	23,410	-
Deferred revenue	16,598	14,655
	1,233,179	581,518
Net Assets		
Unrestricted net assets	162,043	154,616
	\$ 1,395,222	\$ 736,134

On behalf of the Board:

Brad Grogan Director

Lauren Sasaki Director

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

Mind Forward Brain Injury Services Ontario Statement of Operations

For the year ended March 31	2021	2020
Revenue		
Government grants		
Ministry of Health and Long Term Care - base	\$ 3,783,034	\$ 3,783,034
Ministry of Health and Long Term Care - one-time funding	302,720	45,625
LHIN - operating	6,004,127	6,318,003
LHIN - one-time funding	127,098	84,960
Fee for service	239,004	240,173
Other grant revenue	15,115	11,100
Amortization of deferred capital contributions	-	25,561
Other	250,867	272,307
	<u>10,721,965</u>	<u>10,780,763</u>
Expenses		
Accreditation	7,280	6,899
Amortization	-	25,561
Board of directors	-	769
Education	121,250	29,524
Operating	684,145	461,811
Professional fees	137,937	155,440
Psychological and psychiatric consultation	172,203	369,744
Purchased recreation	98,500	108,711
Rent	668,500	694,113
Repairs and maintenance	676,452	273,099
Salaries and benefits	8,093,803	8,522,983
Travel	16,281	54,373
Utilities	38,187	41,792
	<u>10,714,538</u>	<u>10,744,819</u>
Excess of revenue over expenses for the year	\$ 7,427	\$ 35,944

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

Mind Forward Brain Injury Services Ontario
Statement of Changes in Net Assets

For the year ended March 31	2021		2020
	Unrestricted	Total	Total
Net assets , beginning of year	\$ 154,616	\$ 154,616	\$ 118,672
Excess of revenue over expenses for the year	7,427	7,427	35,944
Net assets , end of year	\$ 162,043	\$ 162,043	\$ 154,616

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

Mind Forward Brain Injury Services Ontario Statement of Cash Flows

For the year ended March 31	2021	2020
Cash was provided by (used in)		
Operating activities		
Excess of revenue over expenses	\$ 7,427	\$ 35,944
Adjustments required to reconcile excess of revenue over expenses to net cash provided by operating activities		
Amortization of capital assets	-	25,561
Amortization of deferred capital contribution	-	(25,561)
Changes in non-cash working capital balances		
Accounts receivable	(16,685)	161,695
Prepaid expenses	263	(686)
Accounts payable and accrued liabilities	310,952	(360,104)
Due to Local Health Integrated Network	315,356	-
Due to Ministry of Health and Long-term Care	23,410	-
Deferred revenue	1,943	1,654
Increase (decrease) in cash during the year	642,666	(161,497)
Cash, beginning of year	624,679	786,176
Cash, end of year	\$ 1,267,345	\$ 624,679

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

Mind Forward Brain Injury Services Ontario

Notes to Financial Statements

March 31, 2021

1. Significant Accounting Policies

Nature and Purpose of Organization

Mind Forward Brain Injury Services Ontario (the "Organization") is a registered charity whose goal is the facilitation of independent living skills for adults with the effects of acquired brain injury living in Peel, Halton, and Dufferin.

The Organization was incorporated without share capital on March 19, 1992 under the laws of Ontario and is not subject to income taxes.

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Organization follows the deferral method of accounting for revenue, whereby restricted sources of revenue are recognized as revenue in the year in which the related expenses are incurred. Unrestricted sources of revenue are recognized as revenue when received or receivable.

Government grants and subsidies are recognized as revenue in the period in which the related expenses are incurred.

All other revenue is generally recognized in the accounts on the accrual basis as the service is provided.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization, based on the estimated useful life of the assets, is calculated as follows:

Computer equipment	- straight line over 5 years
Furniture and fixtures	- straight line over 5 years
Equipment	- straight line over 5 years
Office equipment	- straight line over 5 years
Leasehold improvements	- straight line over the average term of the lease

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at amortized cost less impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value and charged to the financial instrument for those measured at amortized cost.

Mind Forward Brain Injury Services Ontario

Notes to Financial Statements

March 31, 2021

1. 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Deferred Capital Contributions

Deferred capital contributions represent funds to be used to cover costs incurred on specific capital assets. Deferred capital contributions are amortized concurrently with the amortization of capital assets acquired.

2. Credit Facility

The Organization has an unutilized credit facility available to a maximum of \$200,000 (2020 - \$200,000). The credit facility bears interest at the Canadian bank's prime rate plus 1.5% per annum (2020 - prime plus 1.5%). As at March 31, 2021, the bank's prime rate was 2.45% (2020 - 2.45%). There were no borrowings under the credit facility as at March 31, 2021. The credit facility is collateralized by a general security agreement covering all the assets of the Organization.

3. Capital Assets

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 188,921	\$ 188,921	\$ 188,921	\$ 188,921
Furniture and fixtures	133,375	133,375	133,375	133,375
Equipment	11,005	11,005	11,005	11,005
Office equipment	81,701	81,701	81,701	81,701
Leasehold improvements	300,378	300,378	300,378	300,378
	715,380	715,380	715,380	715,380
Net book value		\$ -		\$ -

Mind Forward Brain Injury Services Ontario

Notes to Financial Statements

March 31, 2021

4. Commitments

Office premises

The Organization is committed to a 10 year lease for the office premises expiring on March 31, 2029. The minimum annual lease payments throughout the lease term is as follows:

2022	\$	466,148
2023		474,854
2024		474,854
2025		483,561
2026		483,561
Thereafter		<u>1,476,802</u>
	\$	<u>3,859,780</u>

Transitional Residence for Specialized Learning (TRSL)

The Organization is committed to a 5 year lease of the group home which provides housing for persons living with the effects of acquired brain injury. The Organization is required to collect rents from its clients and remit these rents to the lessor, Peel Living. Rent to be collected is geared to the income of the client and is payable on all 6 units regardless of occupancy. Annual rental payments total \$12,840.

PHDABIS West

The Organization was originally committed to a 5 year lease of crown land. The 9 bed facility provides housing for the hardest to service persons living with the effects of acquired brain injury. The lease commenced on September 6, 2002 and expired on September 30, 2007. Annual rental payments total \$21,904.

5. COVID-19 Impact

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a global pandemic resulting in economic uncertainties impacting the Organization's risks. At this time, the full potential impact of COVID-19 pandemic is not known.

During the year, the Organization received \$25,000 (2020 - \$Nil) in Temporary Wage Subsidy. In addition, \$229,809 (2020 - \$Nil) in one-time funding was received for additional payroll costs incurred during the year to implement the COVID-19 Temporary Pandemic Pay support instituted by the Ontario Ministry of Health and Long-Term Care. These funds were fully utilized and are recorded as revenue in the statement of operations.

The full impact of the COVID-19 pandemic continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the impact that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact on the Organization's financial condition, liquidity, operations, sector and workforce. As a result, the full impact of COVID-19 on the Organization is not known.

6. Comparative Figures

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