

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Financial Statements

Year Ended March 31, 2014

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

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INDEPENDENT AUDITOR'S REPORT

To the Members of Brain Injury Association of London and Region

We have audited the accompanying financial statements of Brain Injury Association of London and Region, which comprise the statement of financial position as at March 31, 2014 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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Basis for Qualified Opinion

In common with many charitable organizations, the Association derives revenue from donations and other fundraising events, the completeness of which is not susceptible to satisfactory audit verifications. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess (deficiency) of revenue over expenditures, net assets and cash flows. This issue also resulted in a qualified opinion of the financial statements for the year ended March 31, 2013.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Brain Injury Association of London and Region as at March 31, 2014 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.

London, Canada
July 2, 2014


NPT LLP
Chartered Accountants
Licensed Public Accountants

BRAIN INJURY ASSOCIATION OF LONDON AND REGION**Statement of Financial Position****March 31, 2014**

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 80,412	\$ 65,380
Guaranteed investment certificates	20,874	20,874
Amounts receivable	26,326	25,971
Inventory	812	993
HST rebate recoverable	7,272	7,250
Prepaid expenses	2,551	2,478
Fundraising deposit	5,709	5,709
	\$ 143,956	\$ 128,655
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 11,334	\$ 4,502
Deferred revenue (<i>Note 4</i>)	86,707	81,114
	98,041	85,616
NET ASSETS	45,915	43,039
	\$ 143,956	\$ 128,655

ON BEHALF OF THE BOARD_____
*Director*_____
Director

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Statement of Changes in Net Assets

Year Ended March 31, 2014

	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 43,039	\$ 54,758
Excess (deficiency) of revenue over expenditures	2,876	(11,719)
NET ASSETS - END OF YEAR	\$ 45,915	\$ 43,039

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION**Statement of Operations****Year Ended March 31, 2014**

	2014	2013
REVENUE		
Fundraising dinner <i>(Note 5)</i>	\$ 85,660	\$ 67,867
Conferences	40,345	34,285
Golf tournament <i>(Note 5)</i>	28,379	26,561
Helmets on Kids	22,197	14,614
Donations	18,210	30,735
Nevada and raffle tickets <i>(Note 5)</i>	16,177	8,729
Advertising	15,703	21,536
Support group sponsorship	10,375	2,250
Peer mentor program	10,115	9,164
Services directory sponsorships	9,395	150
Affiliate revenue	8,020	10,391
Interest and other income	1,297	780
Membership fees	-	20
	265,873	227,082
EXPENDITURES		
Salaries and benefits	93,296	84,856
Fundraising dinner <i>(Note 5)</i>	49,157	36,322
Helmets on Kids	22,197	14,614
Rent	19,597	18,002
Newsletter production	14,910	18,430
Conferences	11,680	14,603
Support groups	10,337	9,766
Golf tournament <i>(Note 5)</i>	10,142	9,315
Nevada and raffle licenses <i>(Note 5)</i>	5,272	3,120
Office supplies	5,006	6,173
Professional fees	4,391	5,095
Services directory	4,230	-
Insurance	3,075	3,049
Advertising and promotion	2,794	5,477
Peer mentor program	2,388	3,712
General	1,883	735
Telephone	1,252	1,254
Utilities	1,194	1,159
Memberships and subscriptions	160	185
Repairs and maintenance	23	421
Postage and courier	13	26
Grant search	-	1,050
Respite care program	-	583
Equipment purchases	-	854
	262,997	238,801
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FOR THE YEAR	\$ 2,876	\$ (11,719)

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION**Statement of Cash Flows****Year Ended March 31, 2014**

	2014	2013
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures for the year	\$ 2,876	\$ (11,719)
Changes in non-cash working capital:		
Amounts receivable	(355)	(25,515)
Inventory	181	(531)
HST rebate recoverable	(22)	(999)
Prepaid expenses	(73)	1,132
Accounts payable and accrued liabilities	6,832	(5,920)
Deferred revenue	5,593	42,663
	12,156	10,830
INCREASE (DECREASE) IN CASH	15,032	(889)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	86,254	87,143
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 101,286	\$ 86,254
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Cash	\$ 80,412	\$ 65,380
Guaranteed investment certificates	20,874	20,874
	\$ 101,286	\$ 86,254

See accompanying notes to the financial statements.

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2014

1. DESCRIPTION OF ASSOCIATION

The Brain Injury Association of London and Region (the "Association") is incorporated without share capital under the Ontario Corporations Act and is a registered charity under the Income Tax Act. The Association promotes measures to enhance quality care, education and the prevention of head injury.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). ASNPO are part of Canadian generally accepted accounting principles (GAAP).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Association 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 they can be reasonably estimated and collection is reasonably assured.

Revenue from fundraising and other events is recognized at the time the event is held and when collection of funds is reasonably assured. Other revenue is recognized when earned.

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and on deposit, less cheques issued and outstanding at the reporting date plus cashable guaranteed investment certificates.

Inventory

Inventory is valued at the lower of cost using the first-in, first-out method and net realizable value determined to be replacement cost.

Capital assets

Capital asset purchases are expensed through the statement of operations in the year of acquisition. If the policy was to capitalize and amortize capital assets, the major categories of capital assets would consist of office furniture and computer equipment.

Volunteer contributions

Volunteers contribute many hours per year to assist the Association in carrying out its fundraising activities. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

Contributed materials

The Association on occasion receives donations of materials and supplies. No revenue or expense is recorded in relation to such donations.

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BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2014

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

Financial instruments policy

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.

Income taxes

According to the provisions of the Income Tax Act (Canada), the Association is exempt from taxes on income. During the year, the Association expended sufficient amounts on charitable activities to meet the disbursement quota requirements as defined in paragraph 149.1(1)(e) of the Income Tax Act (Canada).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian ASNPO 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 revenue and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in operations in the period in which they become known. Actual results could differ from these estimates.

4. DEFERRED REVENUE

Deferred revenue represents contributions received for specific purposes which will be recognized as revenue in a future year when the Association has provided the corresponding service.

The deferred revenue from the Helmets on Kids program and the respite care funds are restricted for use only for those respective programs and will be recognized in revenue when the corresponding expenditures have been incurred.

	2014	2013
Helmets on Kids donations	\$ 22,650	\$ 17,830
Respite care donations	11,104	11,104
Advertising	8,078	9,805
Conference	18,000	17,250
Fundraising event sponsorships	16,000	18,375
Support group sponsorships	10,875	6,750
	\$ 86,707	\$ 81,114

BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2014

5. FUNDRAISING

	Revenue	Expenditure	2014 Net Fundraising	2013 Net Fundraising
Fundraising dinner	\$ 85,660	\$ 49,157	\$ 36,503	\$ 31,544
Golf tournament	28,379	10,142	18,237	17,247
Nevada and raffle tickets	16,177	5,272	10,905	5,609
	\$ 130,216	\$ 64,571	\$ 65,645	\$ 54,400

6. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis provides information about the Association's risk exposure and concentration. There have been no significant changes in the nature or concentration of these risk exposures from the prior year, unless otherwise noted.

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. In management's opinion, the Association is not exposed to significant credit risk since receivables are only set up if collection is reasonably assured.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional information based on those forecasts. The Association retains sufficient funds in cash to protect against unforeseen obligations.

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 risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Association's operations that arise from fluctuations of foreign exchange rates. The Association is not exposed to significant currency risk as it does not hold financial instruments denominated in a foreign currency.

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 Association is exposed to interest rate risk primarily through its holding of guaranteed investment certificates.

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BRAIN INJURY ASSOCIATION OF LONDON AND REGION

Notes to Financial Statements

Year Ended March 31, 2014

6. FINANCIAL INSTRUMENTS *(continued)*

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. In management's opinion, the Association is not exposed to significant other price risk.

7. COMPARATIVE FIGURES

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