Association for the Rehabilitation of the Brain Injured
Financial Statements
For the year ended March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
Association for the Rehabilitation of the Brain Injured

Opinion
We have audited the financial statements of Association for the Rehabilitation of the Brain Injured (the "Association"), which comprise the statement of financial position as at March 31, 2020, and the statements of changes in net assets, operations 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 Association as at March 31, 2020, 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 Association 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 the 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 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

Calgary, Alberta
June 15, 2020

Association for the Rehabilitation of the Brain Injured
Statement of Financial Position

March 31		2020		2019
Assets				
Current				
Cash and cash equivalents (Note 2)	$	**165,725**	$	192,932
Short term investments (Note 3)		**72,787**		446,474
Accounts receivable		**33,764**		97,290
Goods and services tax recoverable		**2,123**		2,452
Prepaid expenses and deposits		**398**		398
		274,797		739,546
Property and equipment (Note 4)		**18,622**		30,830
	$	**293,419**	$	770,376
Liabilities and Net Assets				
Current				
Accounts payable and accrued liabilities	$	**26,263**	$	45,505
Unearned revenue		**-**		82,980
Deferred contributions (Note 5)		**33,546**		251,229
		59,809		379,714
Deferred contributions related to property and equipment (Note 6)		**17,885**		30,094
		77,694		409,808
Net assets				
Invested in property and equipment		**738**		738
Internally restricted		**-**		150,000
Unrestricted		**214,987**		209,830
		215,725		360,568
	$	**293,419**	$	770,376

Approved on behalf of the board:

______________________, Director ______________________, Director

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

Association for the Rehabilitation of the Brain Injured
Statement of Changes in Net Assets

For the year ended March 31

	Invested in property and equipment	Internally restricted	Unrestricted	Total 2020	Total 2019
Balance, beginning of year	$ 738	$ 150,000	$ 209,830	**$ 360,568**	$ 290,220
Excess (deficiency) of revenue over expenditures for the year	-	-	(144,843)	**(144,843)**	70,348
Interfund transfer	-	(150,000)	150,000	**-**	-
Balance, end of year	**$ 738**	**$ -**	**$ 214,987**	**$ 215,725**	$ 360,568

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

Association for the Rehabilitation of the Brain Injured
Statement of Operations

For the year ended March 31		**2020**		2019
Revenue				
General donations and grants (Note 9)	**$**	**1,206,709**	$	1,313,026
Alberta Health Services		**400,000**		400,000
Alberta Community and Social Services - CIP		**313,220**		316,020
Alberta Community and Social Services - CAPCC program		**184,659**		184,659
Alberta Community and Social Services - sustainability grant		**193,208**		206,793
Fee for service		**50,420**		33,702
Recognition of deferred contributions related to equipment		**12,207**		27,249
Interest income		**5,800**		10,026
Other revenue		**1,252**		327
		2,367,475		2,491,802
Expenditures				
Salaries and employee benefits				
Program		**1,705,932**		1,649,962
Administrative		**102,182**		102,234
		1,808,114		1,752,196
Program expenditures				
Program support		**40,227**		48,584
Consultants		**88,570**		85,488
		128,797		134,072
Facilities				
Rent and facility maintenance		**400,000**		400,000
Amortization of property and equipment		**12,207**		28,024
		412,207		428,024
Administration				
Operational/office		**71,258**		57,653
Professional fees and memberships		**18,986**		21,720
Insurance		**13,078**		11,513
Fundraising		**59,878**		16,276
		163,200		107,162
		2,512,318		2,421,454
Excess (deficiency) of revenue over expenditures for the year	**$**	**(144,843)**	$	70,348

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

Association for the Rehabilitation of the Brain Injured
Statement of Cash Flows

For the year ended March 31		2020		2019
Cash flows from operating activities				
Excess (deficiency) of revenue over expenditures for the year	$	**(144,843)**	$	70,348
Adjustment for non-cash item				
Amortization		**12,207**		28,024
		(132,636)		98,372
Change in non-cash working capital items				
Accounts receivable		**63,526**		342,306
Goods and services tax recoverable		**329**		(359)
Prepaid expenses and deposits		**-**		1,112
Accounts payable and accrued liabilities		**(19,241)**		16,137
Unearned revenue		**(82,980)**		82,980
Deferred contributions		**(217,683)**		(208,346)
		(388,685)		332,202
Cash flows from investing activities				
Short term investments		**373,687**		(295,942)
Purchase of property and equipment		**-**		(31,359)
		373,687		(327,301)
Cash flows from financing activity				
Deferred contributions related to property and equipment		**(12,209)**		3,973
Increase (decrease) in cash and cash equivalents during the year		**(27,207)**		8,874
Cash, beginning of year		**192,932**		184,058
Cash, end of year	**$**	**165,725**	$	192,932

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

Nature of operations

The Association for the Rehabilitation of the Brain Injured was incorporated under the Societies Act of Alberta on September 11, 1978 as a non-profit organization. It was formed for the purpose of providing long-term rehabilitation and hope for people who have suffered the most severe brain injuries and strokes. The Association operates out of facilities provided by the Province of Alberta. The Association is a registered charity under Section 149(1) of the Income Tax Act of Canada and accordingly is exempt from the payment of income taxes.

1. Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and term deposits with maturities of less than three months from the date of acquisition.

Property and equipment

Property and equipment are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the property and equipment over their estimated useful lives. The annual amortization rates are as follows:

Asset	Rate
Furniture and equipment	5 years
Computer equipment	3.33 years

Full amortization is recorded in the year of acquisition. Property and equipment purchases with a cost below $2,000 are expensed in the year acquired.

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 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.

Externally restricted contributions for the purchase of property and equipment that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired property and equipment. Externally restricted contributions for the purchase of property and equipment that will not be amortized are recognized as direct increases in net assets to the Invested in Property and Equipment balance.

Revenue from services is recognized when the services are rendered and reasonable assurance exists regarding the consideration to be received and ultimate collection.

1. Summary of significant accounting policies (continued)

Contributed materials and services

Contributions of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

Financial instruments

The Association initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. The Association subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

2. Cash and cash equivalents

	2020	2019
Restricted	$ 130,255	$ 147,044
Unrestricted	35,470	45,888
	$ 165,725	$ 192,932

Cash and cash equivalents that are restricted as to the withdrawal or use under the terms of certain contractual agreements or Management's discretion are recorded in restricted cash. Restricted cash balances include a holding bank account, internally restricted cash, and funds that have been collected through casion and therefore externally restricted for specific use. The Association maintains separate bank accounts for restricted cash.

3. Short term investments

Short term investments consist of cashable guaranteed investment certificates maturing between April 2019 and November 2020, with interest rates from 1.34% to 1.58% (2019 - 1.4% to 1.8%) per annum. $72,787 (2019 - $150,417) of these investments are internally restricted (Note 8).

4. Property and equipment

	2020 Cost	2020 Accumulated Amortization	2019 Cost	2019 Accumulated Amortization
Office equipment	**$ 452,758**	**$ 439,273**	$ 452,758	$ 430,928
Computer equipment	**229,320**	**224,183**	229,320	220,320
	682,078	**663,456**	682,078	651,248
Net book value		**$ 18,622**		$ 30,830

5. Deferred contributions

	2020	2019
Opening balance	**$ 251,229**	$ 459,576
Contributions received during the year	**88,263**	231,114
Recognized as revenue during the year	**(305,946)**	(439,461)
	$ 33,546	$ 251,229

6. Deferred contributions related to property and equipment

	2020	2019
Opening balance	$ 30,092	$ 26,123
Contributions received during the year	-	31,220
Recognized as revenue during the year	(12,207)	(27,249)
	$ 17,885	$ 30,094

7. Endowment fund

The Association is the beneficiary of an endowment fund held by The Calgary Foundation (the "Foundation"). The Foundation distributes an annual grant to the Association out of the income on the endowment. Distribution for the current year is $1,850 (2019 - $1,850).

8. Internally restricted net assets

The Association's Board of Directors has internally restricted $nil (2019 - $150,000) to be used for emergency purposes. Approval of the Board of Directors was obtained for these internally restricted amounts to be made available for use.

9. General donations and grants

Included in general donations and grants are gifts in kind of $401,882 (2019 - $400,514) for rent and facility maintenance. The rent and facility maintenance are reported at fair market value.

In accordance with Section 7(2)(e) of the Charitable Fundraising Act of Alberta and Regulations, included in general donations and grants are gross fundraising contributions of $156,513 (2019 - $145,141). Expenses incurred in the year for the purposes of soliciting contributions were $68,098 (2019 - 18,916). Remuneration of $124,550 (2019 - $124,550) was paid to employees for fundraising activities.

10. Financial instruments

The Association is exposed to the following risks in respect of its financial instruments.

(a) Credit risk
Credit risk is the risk that counterparty to a financial instrument will cause a financial loss for the the Association by failing to discharge it obligations. The Association is exposed to credit risk mainly in respect of its cash held with financial institutions, accounts receivable and investments. The Association is exposed to concentration of credit risk, as all bank accounts are held at one financial institution. For accounts receivable, the Association manages risk through proactive collection policies. For investments, the Association invests only in conservative products through reputable financial institutions.

(b) Liquidity risk
Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they come due. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to settle financial assets at a value which is less than what they are worth; or may be unable to settle or recover a financial asset at all. The Association is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources and accounts payable and accrued liabilities. The Association mitigates this risk through preparation of annual budgets, monthly forecasting and monitoring of cash flows.

(c) Interest rate risk
The Association is exposed to interest rate risk through the changes in the fair value of its investments. Management reviews these investments closely and ensures that funds are invested in low risk instruments and accounts.

11. Subsequent events

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in worldwide emergency measures to combat the spread of the virus. These measures, which include self-quarantine periods, have caused disruption to businesses globally, which are resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, including measures implemented by provincial and federal governments. The Association has experienced losses in sources of funding and is working to reduce expenditures accordingly. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of the business disruption and its related financial impact cannot be reasonably estimated at this time.

12. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year revenue over expenditures.