

Alzheimer Society of Thunder Bay
Financial Statements
March 31, 2021

Management's Responsibility

To the Directors of Alzheimer Society of Thunder Bay:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Charity. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management, and external auditors. The Board is also responsible for recommending the appointment of the Charity's external auditors.

MNP LLP is appointed by the directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

June 1, 2021

 E-SIGNED by Tracy Koskamp-Bergeron

Executive Director

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 Charity'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 Charity'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 Charity 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.

Timmins, Ontario

June 1, 2021

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

MNP

Alzheimer Society of Thunder Bay
Statement of Operations
For the year ended March 31, 2021

	2021	2020
Revenue		
Northwest LHIN	487,526	337,526
Grant revenue	81,359	69,259
Donations	88,689	100,408
Fundraising	102,808	182,023
Memberships	-	200
Other income	70,051	32,689
Government assistance	14,187	1,989
	844,620	724,094
Expenses		
Advertising and promotion	75	9,577
Bank charges and interest	4,403	6,559
Contracted services (Note 7)	20,417	-
Fundraising	20,831	51,471
Harmonized sales tax	6,986	6,840
Insurance	2,371	2,897
Licences and fees	860	503
Materials	99,403	-
Office	22,554	26,859
Office equipment lease	6,028	8,263
Professional development	2,187	5,162
Professional fees	18,778	21,400
Rent	41,495	41,495
Research	4,455	2,650
Salaries and benefits	513,457	520,748
Service delivery	26,549	35,458
Special projects	1,571	-
Telecommunications	6,899	4,796
Travel	7,536	13,935
	806,855	758,613
Excess (deficiency) of revenue over expenses before other expense	37,765	(34,519)
Other expense		
Loss on disposal of marketable securities	-	(2,960)
Excess (deficiency) of revenue over expenses	37,765	(37,479)

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Thunder Bay
Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	37,765	(37,479)
Changes in working capital accounts		
Accounts receivable	7,349	(11,368)
Prepaid expenses	10,374	(5,854)
Accounts payable and accruals	(51,447)	23,315
Alzheimer Society of Ontario - Research	4,455	2,649
Deferred revenue	(61,885)	55,335
Increase (decrease) in cash resources	(53,389)	26,598
Cash resources, beginning of year	227,601	201,003
Cash resources, end of year	174,212	227,601

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Thunder Bay
Notes to the Financial Statements
For the year ended March 31, 2021

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Charity recognizes its financial instruments when the Charity becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 4460 *Related Party Transactions*.

At initial recognition, the Charity may irrevocably elect to subsequently measure any financial instrument at fair value. The Charity has not made such an election during the year.

The Charity subsequently measures its financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Accounts payable and accrued liabilities are estimated based on historical costs for goods and services.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Government assistance

Government assistance related to the Canada Emergency Rent Subsidy (CERS) and Temporary Wage Subsidy (TWS) are recognized as income in the period in which eligible expenditures are incurred.

Government grants are recorded when there is a reasonable assurance that the Organization had complied with and will continue to comply with, all necessary conditions to obtain the grants.

3. Accounts receivable

	2021	2020
Accounts receivable	15,571	23,222
HST recoverable	16,031	15,729
	31,602	38,951

4. Accounts payable and accruals

	2021	2020
Accounts payable and accruals	24,235	41,809
Wage and employee benefits payable	354	24,642
Government remittances payable	-	9,586
	24,589	76,037

Alzheimer Society of Thunder Bay

Notes to the Financial Statements

For the year ended March 31, 2021

10. Government assistance

Temporary Wage Subsidy (TWS)

During the year, the Charity recognized \$11,600 in TWS as government assistance in other income. TWS, introduced in response to the COVID-19 pandemic, provide eligible employers with a subsidy to cover a portion of wage costs paid to eligible employees during prescribed claim periods. There are no unfulfilled conditions related to amounts recognized. However, amounts claimed under these programs are subject to validation and detailed verification by the Federal Government.

Canada Emergency Rent Subsidy (CERS)

In response to the negative economic impact of COVID-19, the Government of Canada announced the CERS program in October 2020. CERS provides a rent and mortgage subsidy of up to 65% of eligible expenses, to eligible employers based on certain criteria, including demonstration of revenue declines as a result of COVID-19. Qualifying organizations that have been significantly restricted by a mandatory public health order issued by a qualifying public health authority can receive an additional lockdown support of 25%. This subsidy is retroactive to September 27, 2020. The qualification and application the CERS is being assessed over multiple four-week application period segments.

The Charity has determined that it qualifies for this subsidy and has applied for \$2,587 in assistance related to the September to December 2020 periods. This grant has been recorded as government assistance in revenue. The Charity intends to apply for the CERS in the subsequent application periods subject to continuing to meet the applicable qualification criteria.

11. Economic dependence

The Charity's primary source of revenue is from Northwest LHIN. The grant funding can be cancelled if the Charity does not observe certain established guidelines. The Charity's ability to continue viable operations is dependent upon maintaining its right to follow the criteria within the provincial government guidelines. As at the date of these financial statements the Charity believes that it is in compliance with the guidelines.

12. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.