

**Bulimia Anorexia Nervosa
Association - Can-Am**

Financial Statements

March 31, 2021

Gordon B. Lee & Company CPAs



**GORDON B. LEE
& COMPANY CPAs**

Independent Auditor's Report

To: Board of Directors of
Bulimia Anorexia Nervosa Association - Can-Am

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Bulimia Anorexia Nervosa Association - Can-Am (the Association) as at March 31, 2021, and the results of its operations and cash flows for the year then ended, in accordance with basis of accounting described in Note 2.

Basis for Qualified Opinion

In common with many charitable organizations, the Association derives revenues from donations and other fund raising activities, the completeness of which is not susceptible to conclusive audit verification. These revenues could only be verified from the time they were deposited and entered into the Association's records. Accordingly, we were unable to determine whether any adjustments for unrecorded revenues might be necessary to donation revenue, fundraising revenue, excess of revenue over expenses and fund balances.

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.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements of Bulimia Anorexia Nervosa Association - Can-Am are prepared for the purpose of providing information to the Erie St. Clair Local Health Integration Network (LHIN) and Ministry of Health & Long Term Care (MOH). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association and the LHIN and MOH and should not be distributed to or used by parties other than the LHIN and MOH.

Report on the Financial Statements

We have audited the accompanying financial statements of the Association, which comprise the statement of financial position as at March 31, 2021, the statements of general fund operations and fund balance, capital reserve fund operations and fund balance 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 of these financial statements in accordance with the basis of accounting described in Note 2, for determining that the described framework is acceptable in the circumstances, 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.
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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 Responsibility

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.

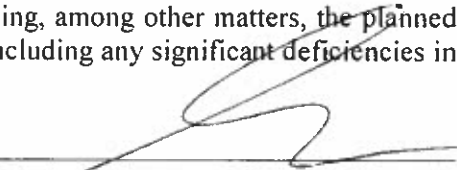
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 Association'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 events or conditions that may cast significant doubt on the Association'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 are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Association 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 that we identify during our audit.

WINDSOR, ONTARIO
June 7, 2021


GORDON B. LEE
& COMPANY CPAs


Gordon B. Lee & Company CPAs
Licensed Public Accountants
Chartered Professional Accountants

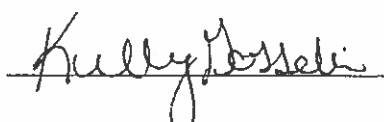
Bulimia Anorexia Nervosa Association - Can-Am

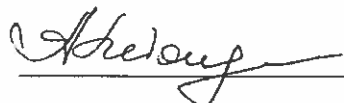
Statement of Financial Position

March 31, 2021

	2021	2020
Assets		
Current		
Cash and term deposits	\$ 219,809	\$ 207,962
Accounts receivable	4,189	4,292
HST receivable	9,218	6,621
Prepaid	<u>4,621</u>	<u>2,914</u>
	<u>237,837</u>	<u>221,789</u>
Capital (Note 2)		
Furniture and equipment	88,930	88,930
Computer equipment	35,224	35,224
Leasehold improvement	<u>20,985</u>	<u>20,985</u>
	<u>145,139</u>	<u>145,139</u>
	<u>\$ 382,976</u>	<u>\$ 366,928</u>
Liabilities and fund balances		
Current		
Accounts payable and accrued liabilities	\$ 33,966	\$ 78,974
Deferred revenue (Note 4)	<u>69,538</u>	<u>38,822</u>
	103,504	117,796
Long-term		
Canada Emergency Business Loan (CEBA)	<u>30,000</u>	<u>-</u>
	<u>133,504</u>	<u>117,796</u>
Fund balances		
General fund	32,444	32,104
Capital reserve fund (Note 2)	71,889	71,889
Equity in capital assets (Note 2)	<u>145,139</u>	<u>145,139</u>
	<u>249,472</u>	<u>249,132</u>
	<u>\$ 382,976</u>	<u>\$ 366,928</u>

Approved on behalf of the Board of Directors:
Bulimia Anorexia Nervosa Association - Can-Am

 Director

 Director

See accompanying Notes to the Financial Statements

Gordon B. Lee & Company CPAs

Bulimia Anorexia Nervosa Association - Can-Am
Statement of General Fund Operations and Fund Balance

Year ended March 31, 2021

		Community Mental Health 2021	Institutional Health 2021	Other Revenue 2021	OCOPE Grant 2021	Total 2021	Total 2020
Revenue							
Program funding (Note 8)		\$ 516,386	\$ 280,992	\$ -	\$ -	\$ 797,378	\$ 684,521
Donations and memberships		-	-	2,708	-	2,708	2,127
Other income		-	-	21,983	-	21,983	6,088
Fundraising revenue		-	-	4,079	-	4,079	69,062
Grant revenue (Note 5)		-	-	-	125,981	125,981	115,421
		<u>516,386</u>	<u>280,992</u>	<u>28,770</u>	<u>125,981</u>	<u>952,129</u>	<u>877,219</u>
Expenses							
Insurance		-	2,714	-	-	2,714	2,169
Advertising and promotion		4,621	339	7,243	-	12,203	1,823
Professional fees		15,825	3,638	-	-	19,463	3,742
Wages and benefits		400,000	267,565	-	102,152	769,717	689,123
Office equipment/supplies		3,945	841	16,334	-	21,120	30,112
Computer maintenance		42,160	-	-	-	42,160	14,307
Telephone		-	4,293	-	-	4,293	4,550
Rent		49,234	-	-	-	49,234	49,234
Staff education		601	1,532	844	23,829	26,806	9,715
Travel		-	70	5	-	75	4,437
Fundraising expenses		-	-	4,004	-	4,004	53,150
Grant expenses		-	-	-	-	-	14,594
		<u>516,386</u>	<u>280,992</u>	<u>28,430</u>	<u>125,981</u>	<u>951,789</u>	<u>876,956</u>
Excess of revenue over expenses for the year		-	-	340	-	340	263
Fund balance beginning of year		-	-	32,104	-	32,104	31,841
Fund balance, end of year		<u>-</u>	<u>-</u>	<u>32,444</u>	<u>-</u>	<u>32,444</u>	<u>32,104</u>

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Bulimia Anorexia Nervosa Association - Can-Am

Statement of Cash Flows

Year ended March 31, 2021

	2021	2020
Cash flows provided by (used for):		
Operating activities		
Excess of revenues over expenses	\$ 340	\$ 263
Change in non-cash components of working capital		
Accounts receivable	103	14,703
HST recoverable	(2,597)	(2,944)
Prepaid expense	(1,707)	184
Accounts payable and accrued liabilities	(45,008)	62,776
Deferred contributions	<u>30,716</u>	<u>23,806</u>
	<u>(18,153)</u>	<u>98,788</u>
Financing activities		
Increase in long-term loans	<u>30,000</u>	<u>-</u>
Increase in cash during the year	11,847	98,788
Cash and cash equivalents, beginning of year	<u>207,962</u>	<u>109,174</u>
Cash and cash equivalents, end of year	<u>\$ 219,809</u>	<u>\$ 207,962</u>
Cash and cash equivalents consists of:		
Cash	\$ 142,274	\$ 132,091
Investments	<u>77,535</u>	<u>75,871</u>
	<u>\$ 219,809</u>	<u>\$ 207,962</u>

See accompanying Notes to the Financial Statements

Gordon B. Lee & Company CPAs

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2021

1. Purpose of Association

The Association was incorporated without share capital under the Corporations Act by Letters Patent dated October 22, 1985.

The purpose of the Association is to provide specialized treatment, education and support services for individuals affected directly or indirectly by eating disorders.

The Association is a not for profit entity which qualifies as a charitable organization and as such is not subject to income taxes under Section 149(1)(d) of the Income Tax Act.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with the reporting requirements of the Association's principal funders unless otherwise stated these reporting requirements are consistent with the requirements of Canadian Accounting Standards for Not-for-Profit Organizations.

The financial statements are prepared on the going concern basis which contemplates the realization of assets and the settlement of liabilities in the normal course of operation.

Fund Accounting Method

The Association maintains separate funds to allow it to monitor and report separately different aspects of its operations, or to segregate certain categories of net assets which must be separately maintained as required by the Centre's funders. The funds maintained by the Centre and their purposes, are as follows:

The general fund reflects the day-to-day revenues and expenditures of the Association and is comprised of various programs provided by grant revenue as well as revenue received from donations and fundraising and expenses related to the operations and administration of the program.

The capital reserve fund has been allocated for community outreach and improving front line services. There has been no activity in this fund for the years 2019 or 2020. The balance remains at \$71,889.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2021

2. Summary of significant accounting policies (continued)

Capital assets

Furniture and equipment, computer equipment and leasehold improvements are stated at cost on the capital fund and are recorded as expenses of the operating fund in the year acquired. Amortization is not recognized in the financial statements. Amortization has not been reported in the statement of General Fund Operations and Fund Balance because it is not funded by the Erie St. Clair Local Health Integration Network and Ministry of Health & Long Term Care.

Had amortization been taken on the capital assets the book value of the capital assets as at March 31, 2021 as shown on the statement of financial position would have been decreased by \$144,790 (2020 - \$144,702) and the equity in capital assets would have decreased by \$144,790 (2020 - \$144,702).

Revenue Recognition

The Association follows the deferral method of accounting for contributions of grants and donations. Grants received or receivable in excess of costs incurred are reported as deferred revenue. Grants approved but not received at the end of an accounting year are accrued. Where a portion of the grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue in the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized on the same basis as the related capital assets are amortized.

Donations and revenue from fund raising are recognized as received and are presented at the gross amount with the associated costs shown separately.

Contributed Services

A number of volunteers contribute their time and other resources each year. There is significant measurement uncertainty associated with determining the fair value of the time and other resources, therefore contributed services/resources are not recognized in these financial statements. There was no remuneration paid to Directors or Officers during the year.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2021

2. Summary of significant accounting policies (continued)

Measurement uncertainty

The preparation of financial statements requires the Association's management to make estimates and assumptions that affect the reported value of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual amounts could differ from those estimates.

Financial instruments classification

The Association recognizes all financial instruments at fair value when they are acquired or become an obligation of the Centre. Subsequent to that date, they are measured at amortized cost.

3. COVID-19 Economic Response Plan

The Organization is eligible for subsidies through the COVID-10 Economic Response Plan provided by the Government of Canada in response to businesses facing hardship as a result of the COVID-19 outbreak. The Association had claimed Canada Emergency Wage Subsidy (CEWS) to March 31, 2021 of \$15,125.

As well, the Organization received a Canada Emergency Business Account (CEBA) interest - free loan in the amount of \$60,000 which is held at the Motor City Community Credit Union. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of \$20,000. As at March 31, 2021 \$10,000 of the loan has been repaid leaving a balance of \$30,000 to be repaid by December 31, 2022.

4. Deferred revenue

Deferred revenue consists of:

	2021	2020
Legal, advocacy and Computer Committee	\$ 3,468	\$ 3,468
Medical consulting fees/services	4,250	4,250
COVID-19 supplies	20,000	-
Lottery funds	21,620	19,904
Staff resources	9,000	-
Staff development	10,200	10,200
University of Windsor Student Alliance	1,000	1,000
	<u>\$ 69,538</u>	<u>\$ 38,822</u>

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2021

4. Deferred revenue (continued)

Legal, Advocacy and Computers Committee

Funds allocated by the Board of Directors in prior years for specific programming. There were no funds expended from the Advocacy Committee.

Medical consulting fees/services

In the prior year the Board of Directors allocated \$5,000 from the Capital Reserve Fund to be used for additional consulting fees/services. The balance of \$4,250 was included within deferred revenues and no funds were used during the current year.

COVID-19 supplies

The Board of Directors made a motion to allocate the forgivable portion of the Canada Emergency Business Account (CEBA) loan of \$20,000 to be deferred for COVID-19 supplies.

Lottery funds

The Association began conducting bingo lottery sessions in October 2018 with the proceeds to be used towards in-school and community health education workshops that offer educational information and resources on topics of body image, self-esteem, body based harassment and media awareness for youth from junior kindergarten to post secondary levels and maintain the web resource Positiveinfluencer.ca. During the year ended March 31, 2021 proceeds of \$5,690 (2020 - \$23,431) were received and expenses of \$3,974 (2020 - \$7,130) were incurred leaving deferred revenues of \$21,620 (2020 - \$19,904) to be used in future years.

Staff resources

The Board of Directors have allocated \$9,000 of donations and other revenue received during the year ended March 31, 2021 to be used for staff resources in the next year.

Staff development

Funds in the amount of \$10,200 advanced in prior years to be used for staff development in the next year.

University of Windsor - Dr. R. Moriarty

Funds in the amount of \$2,733 advanced in prior years to assist with research to be determined by the Board of Directors were used to provide yoga classes to clients.

5. Ontario Community Outreach Program for Eating Disorders (OCOPEd)

Funding in the amount of \$125,981 (2020 - \$106,946) was provided through OCOPEd as part of the Eating Disorder-Promotion Prevention. Early Intervention strategic planning model led by Dr. Gail McVey at the Ontario Community Outreach Program for Eating Disorders, University of Health Network.

Bulimia Anorexia Nervosa Association - Can-Am

Notes to the Financial Statements

March 31, 2021

6. Commitment

The Association extended the lease agreement for office and treatment space effective March 3, 2018 for a further five year term. Rent during the first year shall be at the monthly rate of \$4,460 including HST. Rental rates for each of the subsequent years will be agreed upon by the landlord and the tenant acting reasonably and having reference to increase in property taxes, utility costs, building insurance costs and repairs and maintenance expense affecting the premises. This lease can be terminated in the event the funding received from the government ceases.

7. Financial instruments

The Association's financial instruments consist of cash, term deposits and accounts receivable and payable. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Consistent with earlier years, management does not believe that the Association has any material exposure to credit risk, or to changes in market prices, interest rates or exchange rates

8. Economic dependence

A significant portion of revenue is granted from the Erie St. Clair Local Health Integration Network which provides funding for the Community Health Program in the amount of \$516,386 (2020 - \$403,529) annually for salaries and other operating costs and the Ministry of Health & Long Term Care provides funding for the Institutional Health Program in the amount of \$15,125 (2020 - \$280,992) annually for salaries and operating costs. The ability of the programs to operate as a going concern is dependent on this continued support in the form of ongoing funding.

9. COVID-19

In March 2020, the World Health Organization ("WHO") declared a global pandemic due to the COVID-19 outbreak. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Association as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

