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**CENTRE FOR ADHD AWARENESS,  
CANADA**

**FINANCIAL STATEMENTS**

**UNAUDITED**

**DECEMBER 31, 2019**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members,  
Centre for ADHD Awareness, Canada

We have reviewed the accompanying financial statements of Centre for ADHD Awareness, Canada (the organization) that comprise the statement of financial position as at December 31, 2019, and the statements of operations and 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.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Centre for ADHD Awareness, Canada as at December 31, 2019, 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.

*Pennylegion Chung LLP*

Chartered Professional Accountants  
Licensed Public Accountants

May 5, 2020  
Toronto, Ontario

# CENTRE FOR ADHD AWARENESS, CANADA

## STATEMENT OF FINANCIAL POSITION

UNAUDITED

AS AT DECEMBER 31, 2019

	2019	2018
<b>ASSETS</b>		
Cash	\$ 55,105	\$ 53,731
Guaranteed investment certificates (note 3)	110,476	169,837
Sales tax receivable	20,532	23,535
Prepaid expenses	<u>3,317</u>	<u>1,374</u>
	<u>\$ 189,430</u>	<u>\$ 248,477</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued liabilities	\$ 15,023	\$ 189
Deferred contributions (note 4)	<u>-</u>	<u>26,300</u>
	<u>15,023</u>	<u>26,489</u>
Net assets		
Unrestricted	24,407	71,988
Internally restricted (note 5)	<u>150,000</u>	<u>150,000</u>
	<u>174,407</u>	<u>221,988</u>
	<u>\$ 189,430</u>	<u>\$ 248,477</u>

Approved on behalf of the Board:

\_\_\_\_\_, Director

\_\_\_\_\_, Director

see accompanying notes

# CENTRE FOR ADHD AWARENESS, CANADA

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

UNAUDITED

FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
<b>REVENUE</b>		
Grants	\$ 160,080	\$ 209,060
Conference fees, workshop fees and sales	70,215	26,938
Membership fees	9,965	9,095
Interest	2,381	296
Donations	<u>281</u>	<u>-</u>
	<u>242,922</u>	<u>245,389</u>
<b>EXPENSES</b>		
Consultants	110,104	109,549
Educational materials	52,767	34,748
Conference	31,234	18,744
Salaries and benefits	22,928	4,636
Office and general	22,438	7,512
Rent	15,607	15,223
Outreach	10,179	12,826
Educational events	7,285	9,200
Professional fees	6,656	4,962
Awareness	6,626	28,214
Advocacy	2,093	7,626
Insurance	1,785	1,553
Membership	801	502
Amortization	<u>-</u>	<u>1,499</u>
	<u>290,503</u>	<u>256,794</u>
<b>EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR</b>	(47,581)	(11,405)
Net assets, beginning of year	<u>221,988</u>	<u>233,393</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 174,407</u>	<u>\$ 221,988</u>

see accompanying notes

# CENTRE FOR ADHD AWARENESS, CANADA

## STATEMENT OF CASH FLOWS

UNAUDITED

FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>2019</b>	<b>2018</b>
<b>OPERATING ACTIVITIES</b>		
Excess of expenses over revenue for the year	\$ (47,581)	\$ (11,405)
Add: items not involving cash		
Amortization	-	1,499
Net change in non-cash working capital items (see below)	<u>(10,406)</u>	<u>17,826</u>
Net cash generated from (used for) operating activities	(57,987)	7,920
<b>INVESTING ACTIVITIES</b>		
Redemption of guaranteed investment certificates	<u>59,361</u>	<u>431</u>
<b>NET INCREASE IN CASH FOR THE YEAR</b>	1,374	8,351
Cash, beginning of year	<u>53,731</u>	<u>45,380</u>
<b>CASH, END OF YEAR</b>	<u>\$ 55,105</u>	<u>\$ 53,731</u>
 Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
Sales tax receivable	\$ 3,003	\$ (8,353)
Prepaid expenses	(1,943)	(77)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	14,834	(44)
Deferred contributions	<u>(26,300)</u>	<u>26,300</u>
	<u>\$ (10,406)</u>	<u>\$ 17,826</u>

see accompanying notes

# CENTRE FOR ADHD AWARENESS, CANADA

## NOTES TO THE FINANCIAL STATEMENTS

### UNAUDITED

DECEMBER 31, 2019

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Centre for ADHD Awareness, Canada (the organization) is incorporated in Canada without share capital under the Canada Not-for-profit Corporations Act. The organization is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

The organization's objective is to provide further understanding, tolerance, and awareness of ADHD as a neurological disorder.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

#### Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The organization follows the deferral method of revenue recognition for contributions, which includes grants and donations. Unrestricted contributions are recognized as revenue when received. Restricted contributions are initially recognized as deferred contributions and subsequently recognized as revenue in the year in which the related expenses are incurred. Contributed materials and services normally purchased by the organization are not recorded in these financial statements.
- ii) Conference and workshop fee revenue is recognized when the event takes place.
- iii) Sales revenue includes revenue from publications. Sales revenue is recognized when the goods are provided.
- iv) Membership fees are recognized as revenue in the period received.
- v) Interest income is recognized as revenue when earned.

#### Capital assets

Capital asset purchases are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer equipment - 3 years straight line basis

### 2. FINANCIAL INSTRUMENTS

The organization records financial instruments, which include cash, guaranteed investment certificates, accounts receivable, accounts payable and accrued liabilities, initially at fair value. Guaranteed investment certificates are subsequently valued at cost plus accrued interest income. All other financial instruments are subsequently recorded net of any provisions for impairment in value.

### 3. GUARANTEED INVESTMENT CERTIFICATES

Guaranteed investment certificates, which are issued by a Canadian chartered bank, bear interest at rates ranging from 1.25% to 1.50% and mature between March 2020 and April 2020. A \$20,000 guaranteed investment certificate is held as security for the organization's credit card.

# CENTRE FOR ADHD AWARENESS, CANADA

## NOTES TO THE FINANCIAL STATEMENTS

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### 4. DEFERRED CONTRIBUTIONS

	2019	2018
Continuity of deferred contributions for the year is as follows:		
Deferred contributions, beginning of year	\$ 26,300	\$ -
Add cash received from grants	133,780	235,360
Less grant revenue recognized	<u>(160,080)</u>	<u>(209,060)</u>
Deferred contributions, end of year	<u>\$ -</u>	<u>\$ 26,300</u>

### 5. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors internally restricted net assets in the amount of \$150,000 for an emergency reserve fund.

### 6. COMMITMENT

The organization leases office space in Markham, Ontario. Minimum annual lease payments over the term of the lease, which expires on March 31, 2020, are \$3,900 in 2020.

### 7. SUBSEQUENT EVENTS

The organization has submitted an application to Canada Revenue Agency (CRA) to become a Canadian registered charitable organization. Approval from CRA is expected to be received in fiscal 2020.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. This presents uncertainty regarding the organization's future cash flows. The impact of social distancing may significantly impact the organization's future operations. An estimate of the financial impact of the pandemic on these financial statements is not practicable and therefore no adjustments related thereto have been made.