
**CENTRE FOR ADHD AWARENESS,
CANADA**

FINANCIAL STATEMENTS

DECEMBER 31, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Centre for ADHD Awareness, Canada,

Opinion

We have audited the financial statements of Centre for ADHD Awareness, Canada (the organization), which comprise the statement of financial position as at December 31, 2020, and the statements of operations and changes in net assets 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 Centre for ADHD Awareness, Canada as at December 31, 2020 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.

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 organization 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 your 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.

Other Matter

The financial statements of Centre for ADHD Awareness, Canada as at and for the year ended December 31, 2019 are unaudited.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

April 21, 2021
Toronto, Ontario

CENTRE FOR ADHD AWARENESS, CANADA

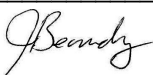
STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

| | 2020 | 2019 Unaudited |
|---|-------------------|-------------------|
| ASSETS | | |
| Cash | \$ 222,036 | \$ 55,105 |
| Guaranteed investment certificates (note 3) | 150,292 | 110,476 |
| Accounts receivable | 2,891 | - |
| Sales tax receivable | 7,656 | 20,532 |
| Prepaid expenses | <u>9,078</u> | <u>3,317</u> |
| | <u>\$ 391,953</u> | <u>\$ 189,430</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable and accrued liabilities | \$ 14,583 | \$ 15,023 |
| Deferred contributions (note 4) | <u>145,600</u> | <u>-</u> |
| | <u>160,183</u> | <u>15,023</u> |
| Net assets | | |
| Unrestricted | 81,770 | 24,407 |
| Internally restricted (note 5) | <u>150,000</u> | <u>150,000</u> |
| | <u>231,770</u> | <u>174,407</u> |
| | <u>\$ 391,953</u> | <u>\$ 189,430</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

FOR THE YEAR ENDED DECEMBER 31, 2020

| | 2020 | 2019 Unaudited |
|---|-------------------|-------------------|
| REVENUE | | |
| Contributions | \$ 265,546 | \$ 160,361 |
| Conference fees, workshop fees and sales | 34,007 | 70,215 |
| Interest | 4,227 | 2,381 |
| Temporary Wage Subsidy | 2,026 | - |
| Membership fees | <u>-</u> | <u>9,965</u> |
| | <u>305,806</u> | <u>242,922</u> |
| EXPENSES | | |
| Personnel | 132,208 | 133,032 |
| Educational materials and events | 29,121 | 60,052 |
| Awareness | 27,084 | 16,806 |
| Office and general | 15,968 | 24,221 |
| Rent | 13,490 | 15,607 |
| Conference | 12,551 | 31,234 |
| Professional fees | 9,133 | 6,657 |
| Advocacy | 8,661 | 2,093 |
| Family Navigator program | 227 | - |
| Membership | <u>-</u> | <u>801</u> |
| | <u>248,443</u> | <u>290,503</u> |
| EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR | 57,363 | (47,581) |
| Net assets, beginning of year | <u>174,407</u> | <u>221,988</u> |
| NET ASSETS, END OF YEAR | <u>\$ 231,770</u> | <u>\$ 174,407</u> |

see accompanying notes

CENTRE FOR ADHD AWARENESS, CANADA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

| | 2020 | 2019 Unaudited |
|---|--------------------------|---------------------------|
| OPERATING ACTIVITIES | | |
| Excess of revenue over expenses for the year | \$ 57,363 | \$ (47,581) |
| Net change in non-cash working capital items (see below) | <u>149,383</u> | <u>(10,405)</u> |
| Net cash generated from (used for) operating activities | 206,746 | (57,986) |
| INVESTING ACTIVITIES | | |
| Redemption (purchase) of guaranteed investment certificates | <u>(39,815)</u> | <u>59,360</u> |
| NET INCREASE IN CASH FOR THE YEAR | 166,931 | 1,374 |
| Cash, beginning of year | <u>55,105</u> | <u>53,731</u> |
| CASH, END OF YEAR | <u><u>\$ 222,036</u></u> | <u><u>\$ 55,105</u></u> |
| Net change in non-cash working capital items: | | |
| Decrease (increase) in current assets- | | |
| Accounts receivable | \$ (2,891) | \$ - |
| Sales tax receivable | 12,876 | 3,004 |
| Prepaid expenses | (5,762) | (1,943) |
| Increase (decrease) in current liabilities- | | |
| Accounts payable and accrued liabilities | (440) | 14,834 |
| Deferred contributions | <u>145,600</u> | <u>(26,300)</u> |
| | <u><u>\$ 149,383</u></u> | <u><u>\$ (10,405)</u></u> |

see accompanying notes

CENTRE FOR ADHD AWARENESS, CANADA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

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 registered charitable organization under Section 149(1)(F) of the Income Tax Act (Canada). The organization's registered charitable status is effective January 13, 2020.

The organization's objective is to improve the lives of individuals with ADHD through awareness, education and advocacy.

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. All other sales revenue is recognized when the goods are provided.
- iii) Membership fees are recognized as revenue in the period received.
- iv) 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 0.70% to 1.55% and mature between May 2021 and December 2021. 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

DECEMBER 31, 2020

4. DEFERRED CONTRIBUTIONS

| | 2020 | 2019 Unaudited |
|--|-------------------|-------------------|
| Continuity of deferred contributions for the year is as follows: | | |
| Deferred contributions, beginning of year | \$ - | \$ 26,300 |
| Add cash received from grants | 236,130 | 133,780 |
| Less grant revenue recognized | <u>(90,530)</u> | <u>(160,080)</u> |
| Deferred contributions, end of year | <u>\$ 145,600</u> | <u>\$ -</u> |

5. INTERNALLY RESTRICTED NET ASSETS

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

6. COMMITMENT

The organization leases office space in Toronto, Ontario. Minimum annual lease payments over the term of the lease, which expires on September 30, 2023, are as follows:

| | |
|------|-----------|
| 2021 | \$ 13,200 |
| 2022 | 13,200 |
| 2023 | 9,900 |

7. COVID-19

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.