

BALANCE FOR BLIND ADULTS
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

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Independent Auditor's Report

To the Members of BALANCE For Blind Adults

Qualified Opinion

We have audited the financial statements of BALANCE For Blind Adults (the "BALANCE"), which comprise the balance sheet as at March 31, 2022, and the statements of revenues and expenses, 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the BALANCE as at March 31, 2022, 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 Qualified Opinion

In common with many similar organizations, the Organization derives revenues from fund-raising events and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether, as at and for the years ended March 31, 2022 and March 31, 2021, any adjustments might be necessary to revenues and excess of revenues over expenses reported in the statements of revenues and expenses, and assets and net assets reported in the balance sheet. This same matter caused us to qualify our audit opinion on the financial statements for the year ended March 31, 2021.

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 BALANCE 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 qualified 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 ability of the BALANCE 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 BALANCE or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the BALANCE.



Independent Auditor's Report (continued)

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 the 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 internal control of the BALANCE.
- 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 ability of the BALANCE 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 BALANCE 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink that reads "Hilborn LLP".

Toronto, Ontario
June 21, 2022

Chartered Professional Accountants
Licensed Public Accountants

BALANCE FOR BLIND ADULTS**BALANCE SHEET****AS AT MARCH 31, 2022**

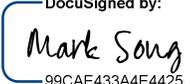
	2022	2021
ASSETS		
Current assets		
Cash	\$ 29,478	\$ 104,040
Investments (note 3)	409,827	368,265
HST receivable	6,027	6,827
Accounts receivable	2,706	2,825
Prepaid expenses and deposits	3,388	14,746
	451,426	496,703
Long term assets		
Capital assets (note 4)	10,629	15,944
	462,055	512,647
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	32,270	55,854
Due to Ontario Health (note 5)	61,120	62,959
Deferred revenue (note 6)	17,275	24,132
	110,665	142,945
Long term liabilities		
Deferred capital contributions (note 7)	10,629	15,944
	121,294	158,889
NET ASSETS		
General Fund	326,079	339,090
Colin Haines Fund	14,682	14,668
	340,761	353,758
	\$ 462,055	\$ 512,647

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:

DocuSigned by:

 Keith Gordon, Director
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DocuSigned by:

 Mark Song, Director
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8/11/2022

Date

BALANCE FOR BLIND ADULTS
STATEMENT OF REVENUES AND EXPENSES
YEAR ENDED MARCH 31, 2022

	2022	2021
Revenues		
Ontario Health - Service	\$ 536,743	\$ 479,909
Ontario Health - One-time funding (note 7)	7,514	13,741
Donations - unrestricted	35,895	21,274
Donation - training centre upgrades and other (note 6)	10,000	8,731
Summer student and other grants (note 6)	60,088	20,806
Investment income (note 3)	1,629	697
Amortization of deferred capital contribution (note 7)	5,315	5,315
	657,184	550,473
Expenses		
Salaries	402,229	351,037
Employee benefits	64,349	57,522
Staff travel	2,075	2,610
Staff training and fees	4,542	8,932
Memberships and accreditation	2,146	2,565
Supplies	2,240	3,036
Internet and website	17,832	13,842
Rent	37,018	33,489
Maintenance - premises	4,144	8,188
Insurance	3,388	3,146
Telephone	8,598	7,824
Marketing and communications	1,214	170
Office expenses	2,429	1,012
Audit, accounting and professional fees	17,860	15,087
Bank charges	821	738
Fundraising	5,695	153
Amortization	5,315	5,315
Training centre and other funded expenses	3,509	6,857
Grant expenses	60,088	20,806
Consulting fees	11,786	17,084
Other expenses	12,903	-
Disbursements from Colin Haines Fund	-	745
	670,181	560,158
Deficiency of revenues over expenses for the year	\$ (12,997)	\$ (9,685)

The accompanying notes are an integral part of these financial statements

BALANCE FOR BLIND ADULTS
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2022

2022	General Fund	Colin Haines Fund	Total
Balance at beginning of year	\$ 339,090	\$ 14,668	\$ 353,758
Deficiency of revenues over expenses	(12,997)	-	(12,997)
Allocation of investment income			
Income distribution	(14)	14	-
	326,079	14,682	340,761

2021	General Fund	Colin Haines Fund	Total
Balance at beginning of year	348,086	15,357	363,443
Deficiency of revenues over expenses	(9,685)	-	(9,685)
Allocation of investment income			
Income distribution	(56)	56	-
Fund disbursements	745	(745)	-
	\$ 339,090	\$ 14,668	\$ 353,758

The accompanying notes are an integral part of these financial statements

BALANCE FOR BLIND ADULTS**STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2022**

	2022	2021
Cash flows from operating activities		
Deficiency of revenues over expenses	\$ (12,997)	\$ (9,685)
Changes in non-cash working capital balances from operations:		
Decrease in accounts receivable	119	2,249
Decrease (increase) in HST receivable	800	(3,781)
Decrease (increase) in prepaid expenses and deposits	11,358	(11,818)
Increase (decrease) in accounts payable and due to Ontario Health	(25,423)	84,861
Increase (decrease) in deferred revenue	(6,857)	15,401
	(33,000)	77,227
Cash flows from investing activities		
Proceeds on disposal of mutual funds and redemption of GIC	130,635	82,522
Cost of purchases and reinvestments in mutual funds and GIC	(172,197)	(131,202)
Purchase of capital assets	-	(21,259)
Capital grants received	-	21,259
	(41,562)	(48,680)
Change in cash during the year	(74,562)	28,547
Cash - at beginning of year	104,040	75,493
Cash - at end of year	\$ 29,478	\$ 104,040

The accompanying notes are an integral part of these financial statements

BALANCE FOR BLIND ADULTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2022

NATURE OF OPERATIONS

BALANCE For Blind Adults (the "Organization" or "BALANCE") is a non-profit organization incorporated under the Registered Charities Act of Ontario and is generally exempt from corporate income taxes. BALANCE offers learning opportunities for independent living, community access and employment opportunities for individuals with visual impairment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles. These financial statements have been prepared within the framework of the significant accounting policies summarized below:

Ontario Health - Financial Support

Ontario Health provides financial support to the Organization under the terms and conditions of the Multi-Sector Service Accountability Agreement ("MSAA") previously agreed between the Organization and the Toronto Central LHIN for the period from April 1, 2021 to March 31, 2022. These financial statements reflect approved funding arrangements under the MSAA, together with estimated adjustments, if any, on year end settlement.

General Fund

The general fund is an unrestricted fund and reflects the day to day operations of the Organization.

Colin Haines Fund

Colin Haines Fund is an internally restricted fund and established to enable the Organization to provide its client with a small amount of financial assistance to support them in participating in community activities or purchasing items they otherwise could not afford. This fund is administered and overseen by the Executive Director of BALANCE. The monies restricted for the Colin Haines Fund are invested in mutual funds in a segregated investment account.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions which include government grants, donations and other contributions.

Operating grants and other grants are recorded in the year to which they relate. Grants subject to externally imposed restrictions are initially recorded as deferred revenue and are subsequently recognized as revenue in the period in which the related expenses are incurred or other grant requirements are satisfied. Grants approved but not received at the end of an accounting period are accrued.

Unrestricted grants and donations are recognized in revenue when received. Restricted grants and donations are recognized in revenue as the related expenses incurred. Amounts unspent at the end of the reporting period are deferred to the following period.

Revenues from general fundraising events are recognized in the period in which the event takes place. Funds received from the fundraising events for specific purposes are recognized as revenue when the funds are used for the purposes specified during the fundraising event.

BALANCE FOR BLIND ADULTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Investment income includes distributions from mutual funds, interest and realized and unrealized gains and losses from investments. Mutual fund distributions are recognized when declared. Interest is recognized as earned. Realized gains and losses on disposals of investments are recognized when the transactions occur. Unrealized gains and losses which reflect the changes in fair value during the period are recognized at each reporting date and are included in the statement of revenues and expenses in the current year.

Investments

Investments comprise of guaranteed investment certificates ("GIC"), which are measured at amortized cost, and mutual funds, which are measured at fair value.

Capital Assets

Capital assets are recorded at cost and depreciated over their estimated useful lives on the straight line basis at the following annual rates:

Computer equipment	- 25%
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The above rates are reviewed annually to assess ongoing appropriateness. Any changes are adjusted on a prospective basis. If there is an indication that the assets may be impaired, an impairment test is performed that compares carrying amount to net recoverable amount. There were no impairment indicators in 2022.

Deferred Capital Contributions

Externally restricted contributions for the acquisition of capital assets that will be depreciated or amortized are deferred and amortized over the life of the related capital assets. Externally restricted contributions that have not been expended are recorded as part of deferred capital contributions on the balance sheet.

Financial Assets and Liabilities

The Organization initially measures financial assets and liabilities at fair value. The Organization subsequently measures all financial assets and financial liabilities at amortized cost except for investments in mutual funds, which are measured at fair value.

Financial assets and liabilities measured at amortized cost include cash, investments in GIC, accounts receivable, accounts payable and accrued liabilities and due to Ontario Health.

Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

At the end of each year, the Organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Organization, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; and bankruptcy or other financial reorganization proceedings.

BALANCE FOR BLIND ADULTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Assets and Liabilities (continued)

When there is an indication of impairment, the Organization determines whether a significant adverse change has occurred during the year in the expected timing or amount of future cash flows from the financial asset.

When the Organization identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the financial asset to the greater of the following:

- the present value of the cash flows expected to be generated by holding the financial asset discounted using a current market rate of interest appropriate to the financial asset, and
- the amount that could be realized by selling the financial asset at the statement of financial position date.

Any impairment of the financial asset is recognized in income in the year in which the impairment occurs.

When the extent of impairment of a previously written-down financial asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the year the reversal occurs.

Contributed Goods and Services

Donated goods and services are not recorded in the accounts of the Organization, except when fair value of such goods and services can reasonably be estimated and when the goods and services would otherwise have been purchased by the Organization.

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from these and other estimates, the impact of which could be recorded in future affected periods.

2. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure at the balance sheet date.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments subject to credit risk include cash, accounts receivable and investments in GIC. Credit risk with respect to cash and investments in GIC is minimized by maintaining its cash accounts and investments in GIC with a Canadian chartered bank. Accounts receivable are comprised of property tax rebate. The Organization is not exposed to significant credit risk on its accounts receivable.

BALANCE FOR BLIND ADULTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

2. *FINANCIAL INSTRUMENTS AND RISK EXPOSURE (continued)*

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, due to Ontario Health and lease commitments. The Organization expects to meet these obligations as they come due using the operating grants it receives from Ontario Health and other funders and from cash flows from operations.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is not exposed to currency risk. The Organization is exposed to interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk with respect to its interest bearing financial instruments being cash held in the bank and investments in interest bearing financial instruments. The Organization holds investments in GIC. Details of the investments are disclosed in note 3.

Other price risk

Other price risk is the risk that changes in market prices of equity securities will cause fluctuations to the fair values and cash flows of the Organization's financial instrument holdings. The Organization invests in mutual funds. Details of the investments are disclosed in note 3.

Changes in Risk

There have been no significant changes in the risk profile of the financial instruments of the Organization from that of the prior year.

3. *INVESTMENTS AND INVESTMENT INCOME*

Details of investments held at year end are as follows:

	<i>2022</i>	<i>2021</i>
Cash at broker	\$ 1,142	\$ 1,142
Bank GIC at amortized cost, 0.55% per annum, due November 28, 2022 (0.10% to 0.75% per annum, due June 28, 2021, November 8, 2021, December 8, 2021 and December 15, 2021 - 2021)	171,684	130,635
Mutual funds at fair value	237,001	236,488
	\$ 409,827	\$ 368,265

Details of investment income are as follows:

	<i>2022</i>	<i>2021</i>
Distributions from mutual fund and interest income	\$ 1,629	\$ 697

BALANCE FOR BLIND ADULTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

4. PROPERTY AND EQUIPMENT

2022	Cost	Accumulated Depreciation	Net Book Value
Computer equipment	\$ 21,259	\$ 10,630	\$ 10,629

2021	Cost	Accumulated Depreciation	Net Book Value
Computer equipment	\$ 21,259	\$ 5,315	\$ 15,944

Total depreciation of \$5,315 (\$5,315 - 2021) has been included in the Statement of Operations.

5. DUE TO ONTARIO HEALTH

Details of due to Ontario Health are as follows:

	2022	2021
Surplus from 2019 fiscal year	\$ -	\$ 1,839
Surplus from 2020 fiscal year	4,285	4,285
Surplus from 2021 fiscal year	56,835	56,835
	\$ 61,120	\$ 62,959

6. DEFERRED REVENUE

Deferred revenue represents funds received for specified expenditures which will be expended in subsequent periods. Revenue is recognized in the period in which the related expenses are incurred. Details of deferred revenue are as follows:

2022	Opening balance \$	Received During Year \$	Recognized as Revenue \$	Closing Balance \$
Grants and projects	19,132	58,231	60,088	17,275
Training centre upgrades and other	5,000	5,000	10,000	-
	24,132	63,231	70,088	17,275

2021	Opening balance \$	Received During Year \$	Recognized as Revenue \$	Closing Balance \$
Grants and projects		39,938	20,806	19,132
Training centre upgrades and other	8,731	5,000	8,731	5,000
	8,731	44,938	29,537	24,132

BALANCE FOR BLIND ADULTS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2022

7. DEFERRED CAPITAL CONTRIBUTION

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The changes in deferred capital contributions are as follows:

	<i>2022</i>	<i>2021</i>
Balance - beginning of year	15,944	-
Grant received and spent during the year	-	21,259
Amortization of deferred capital contribution during the year	(5,315)	(5,315)
Balance - end of year	\$ 10,629	\$ 15,944

8. LEASE COMMITMENTS

The organization has signed a premise lease agreement which expires November 30, 2023. The annual lease payments, which include basic rent and operating costs, over the remaining lease term are as follows:

Fiscal year		
	2023	39,418
	2024	26,579

9. IMPACT OF GLOBAL PANDEMIC

The global pandemic of the virus known as COVID-19 led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. As a result, certain events and projects have been delayed or postponed. Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the financial effect on the Organization.

HILBORN

LISTENERS. THINKERS. DOERS.