

Tourette Syndrome Foundation of Canada
Financial Statements
For the year ended May 31, 2023

Tourette Syndrome Foundation of Canada Contents

For the year ended May 31, 2023

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To the Members of Tourette Syndrome Foundation of Canada:

We have reviewed the accompanying financial statements of Tourette Syndrome Foundation of Canada (the "Foundation") which comprise the statement of financial position as at May 31, 2023, and the statements of operations, changes in fund balances 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 require 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 Foundation, 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 Tourette Syndrome Foundation of Canada as at May 31, 2023, 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.

Surrey, British Columbia

December 20, 2023



Chartered Professional Accountants

Tourette Syndrome Foundation of Canada

Statement of Financial Position

As at May 31, 2023

	2023	2022
Assets		
Current		
Cash	78,479	172,723
Contributions and accounts receivable	32,619	11,597
Goods and services tax recoverable	2,188	8,026
Term deposit (Note 3)	50,000	50,000
	163,286	242,346
Property and equipment (Note 4)	4,239	4,110
	167,525	246,456
Liabilities		
Current		
Accounts payable and accruals	23,859	20,656
Government remittances payable	13,701	5,637
Current portion of Canada Emergency Business Account Loan (Note 5)	40,000	-
	77,560	26,293
Canada Emergency Business Account Loan (Note 5)	-	40,000
	77,560	66,293
Available credit facility (Note 6)		
Subsequent events (Note 7)		
Fund Balances		
General Fund	89,965	180,163
	167,525	246,456

Approved on behalf of the Board of Directors

e-Signed by Cameron Kroeker

2023-12-20 11:55:04:04 PST

Director

The accompanying notes are an integral part of these financial statements

Tourette Syndrome Foundation of Canada
Statement of Operations
For the year ended May 31, 2023

	2023	2022
Revenue		
Donations	182,292	82,345
Fundraising	4,285	15,411
Investments	2,436	1,133
Memberships	4,080	6,630
Nevada ticket revenue	46,242	56,770
Product sales	1,248	14,232
Sponsorship	5,000	-
	245,583	176,521
Expenses		
Advertising and promotion	32,913	28,389
Amortization	1,861	1,750
Bank charges	2,634	2,775
Contractor fees	-	7,366
Fundraising	40,695	34,954
Insurance	5,439	5,231
Nevada ticket and related expenses	20,248	22,080
Occupancy costs	9,007	7,311
Office	1,136	3,556
Postage	1,615	1,809
Professional fees	13,551	19,069
Salaries and benefits	196,595	165,125
Telephone	9,548	10,632
Travel	539	177
	335,781	310,224
Deficiency of revenue over expenses	(90,198)	(133,703)

The accompanying notes are an integral part of these financial statements

Tourette Syndrome Foundation of Canada
Statement of Changes in Fund Balances

For the year ended May 31, 2023

	2023	2022
Fund balance, beginning of year	180,163	313,866
Deficiency of revenue over expenses	(90,198)	(133,703)
Fund balance, end of year	89,965	180,163

The accompanying notes are an integral part of these financial statements

Tourette Syndrome Foundation of Canada
Statement of Cash Flows
For the year ended May 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Deficiency of revenue over expenses	(90,198)	(133,703)
Amortization	1,861	1,750
	(88,337)	(131,953)
Changes in working capital accounts		
Contributions and accounts receivable	(21,022)	4,710
Goods and services tax recoverable	5,838	(177)
Prepaid expenses and deposits	-	3,175
Accounts payable and accruals	3,203	2,007
Deferred contributions	-	(1,500)
Government remittances payable	8,064	1,339
	(92,254)	(122,399)
Investing		
Purchase of property and equipment	(1,990)	(1,640)
Purchase of term deposit	(50,000)	(50,000)
Redemption of term deposit	50,000	53,097
	(1,990)	1,457
Decrease in cash resources	(94,244)	(120,942)
Cash resources, beginning of year	172,723	293,665
Cash resources, end of year	78,479	172,723

The accompanying notes are an integral part of these financial statements

Tourette Syndrome Foundation of Canada

Notes to the Financial Statements

For the year ended May 31, 2023

1. Incorporation and nature of the organization

Tourette Syndrome Foundation of Canada (the "Foundation") is a not-for-profit organization incorporated federally under the Canada Not-for-profit Corporations Act. The Foundation is registered as a not-for-profit organization and thus is exempt from income taxes under Section 149(1) of the Canadian Income Tax Act ("the Act"). In order to maintain its status as a registered not-for-profit organization under the Act, the Foundation must meet certain requirements in the Act. In the opinion of management, the requirements have been met.

The Foundation operates to provide provide services to improve the quality of life for those with or affected by Tourette Syndrome through education and various awareness programs such as advocacy, self-help and the promotion of research. The Foundation comprises of a national head office and regional affiliates (chapters, resource units and contact representatives) located in various provinces throughout Canada.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Property and equipment

Purchased capital assets are recorded at cost. Amortization is provided using the declining balance at rates intended to amortize the cost of assets over their estimated useful lives. The amortization rates of the Foundation are as below:

	Rate
Computer equipment	55 %
Furniture and fixtures	20 %
Office equipment	20 %

Revenue recognition

The Foundation uses the restricted fund method of accounting for contributions. Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized on the accrual basis.

All other revenue streams are recognized when the goods or services are provided and collection is reasonably assured.

Fund accounting

The General Fund accounts for the Foundation's program delivery and administrative activities. This fund reports unrestricted resources. During the year, there were no other funds in use.

Government assistance

Government grants and assistance are recognized as a reduction of the related expense in the period in which there is reasonable assurance that the grant has become receivable and all conditions, if any, have been satisfied.

Contributed materials

Contributions of materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Foundation's operations and would otherwise have been purchased.

Financial instruments

The Foundation recognizes financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument.

Tourette Syndrome Foundation of Canada

Notes to the Financial Statements

For the year ended May 31, 2023

2. Significant accounting policies (Continued from previous page)

Financial instruments (Continued from previous page)

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value. At initial recognition, the Foundation may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Foundation has not made such an election during the year. The Foundation subsequently measures investments financial assets and liabilities at amortized cost, with transaction costs and financing fees added to the carrying amount of the Foundation's financial instruments.

Transaction costs and financing fees are added to the carrying amount of the Foundation's financial instruments.

Financial asset impairment

The Foundation assesses impairment of all its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

If so, the Foundation reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment is included in current year excess (deficiency) of revenues over expenses.

The Foundation reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the year the reversal occurs.

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.

Contributions and accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment.

Management has recorded government assistance based upon their assessment of having met the qualifying criteria.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Tourette Syndrome Foundation of Canada

Notes to the Financial Statements

For the year ended May 31, 2023

3. Term deposit

The Foundation's term deposit bears interest at 4.35% and matures in May 2024. The term deposit is held as security for the Foundation's available credit facility as disclosed in Note 7 to the financial statements

4. Property and equipment

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	121,746	119,671	2,075	1,404
Furniture and fixtures	37,852	37,852	-	-
Office equipment	10,985	8,821	2,164	2,706
	170,583	166,344	4,239	4,110

5. Canada Emergency Business Account

In prior years, the Foundation received a \$60,000 loan under the Canada Emergency Business Account ("CEBA") program funded by the Government of Canada. The CEBA loan is non-interest bearing, can be repaid at any time without penalty, with \$20,000 of the loan forgiven if repaid by December 31, 2023. The Foundation anticipates they will meet the loan forgiveness requirements, and as such, the loan has been classified as current. The forgivable portion has been reflected as other income in the statement of operations for fiscal year ending 2021.

6. Available credit facility

The Foundation has available a demand operating facility to a maximum of \$50,000. The facility bears interest at the financial institution's prime lending rate plus 1%, is secured by a general security agreement and an assignment of term deposits and other credit balances registered in the name of the Foundation in the amount of \$50,000. As at May 31, 2023, this facility was not drawn upon (2022 - \$Nil).

7. Subsequent event

In September 2023, the Foundation vacated their leased premise and disposed off all the property and equipment.

8. Vancouver Foundation Endowment Fund

The Vancouver Foundation has an endowment fund which was established through funds received from the Foundation in 2009. The capital amount of the endowment fund at May 31, 2023 was \$33,413 (2022 - \$23,830). Any income earned on the endowment fund by the Vancouver Foundation can be distributed to the Foundation and is recorded to investment income. The endowment fund is a legal asset of the Vancouver Foundation.

9. Financial instruments

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Foundation is exposed to interest rate risk primarily through its available credit facility and term deposits.

Tourette Syndrome Foundation of Canada

Notes to the Financial Statements

For the year ended May 31, 2023

9. Financial instruments *(Continued from previous page)*

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation enters into transactions to purchase goods and services on credit, and borrow funds from financial institutions or other creditors, for which repayment is required at various maturity dates.

During the year there has been no change to the foundation's exposure to liquidity risk.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The foundation is subject to credit risk on its contributions and accounts receivable.

The carrying amount of the Foundation's financial instruments best represents the maximum exposure to credit risk.

10. Comparative figures

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