

FAMILY COUNCILS OF ONTARIO
Financial Statements
Year Ended March 31, 2024

FAMILY COUNCILS OF ONTARIO
Index to Financial Statements
Year Ended March 31, 2024

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Fund Balances	4
Statement of Revenues and Expenditures	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9
Special Purpose Funds (<i>Schedule 1</i>)	10



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INDEPENDENT AUDITOR'S REPORT

To the Members of Family Councils of Ontario

Qualified Opinion

We have audited the financial statements of Family Councils of Ontario (the organization), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in fund balances, revenues and expenditures 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 organization as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 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 audit 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 ASNPO, 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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Independent Auditor's Report to the Members of Family Councils of Ontario (*continued*)

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.

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 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.

Toronto, Ontario

May 30, 2024

Raskin and Associates

Chartered Professional Accountants
Licensed Public Accountants

FAMILY COUNCILS OF ONTARIO
Statement of Financial Position
March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash and short term deposits	\$ 156,320	\$ 158,521
Harmonized sales tax recoverable	3,097	2,463
Prepaid expenses	7,304	2,216
	<u>\$ 166,721</u>	<u>\$ 163,200</u>
LIABILITIES AND FUND BALANCES		
CURRENT		
Accounts payable and accrued charges	\$ 31,776	\$ 51,158
Payroll source deduction payable	17,825	15,791
	49,601	66,949
FUND BALANCES	<u>117,120</u>	<u>96,251</u>
	<u>\$ 166,721</u>	<u>\$ 163,200</u>

DocuSigned by:
ON BEHALF OF THE BOARD

Linda Strome

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Director

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Director

FAMILY COUNCILS OF ONTARIO
Statement of Changes in Fund Balances
Year Ended March 31, 2024

	2023 Balance	Excess of receipts over operating expenses	2024 Balance
General fund	\$ 58,278	\$ 8,521	\$ 66,799
ARAH Restricted Fund	24,598	(24,598)	-
New Horizons Restricted Fund	13,375	-	13,375
United Way Grant fund	-	29,946	29,946
Caregiver Support Community fund	-	7,000	7,000
	<u>\$ 96,251</u>	<u>\$ 20,869</u>	<u>\$ 117,120</u>

	2022 Balance	Excess of receipts over operating expenses	2023 Balance
General fund	\$ 50,026	\$ 8,252	\$ 58,278
ARAH Restricted Fund	39,708	(15,110)	24,598
New Horizons Restricted Fund	16,109	(2,734)	13,375
	<u>\$ 105,843</u>	<u>\$ (9,592)</u>	<u>\$ 96,251</u>

The accompanying notes form an integral part of these financial statements.

FAMILY COUNCILS OF ONTARIO
Statement of Revenues and Expenditures
Year Ended March 31, 2024

	General fund 2024	Special fund 2024	MOH 2024	Family Councils of Ontario 2024	Family Councils of Ontario 2023
RECEIPTS					
Ontario Ministry of Long-Term Care	\$ -	\$ -	\$ 672,483	\$ 672,483	\$ 672,483
Donations	3,619	-	-	3,619	6,710
Miscellaneous income	7,259	-	-	7,259	2,961
Special project	-	57,000	-	57,000	12,220
	10,878	57,000	672,483	740,361	694,374
OPERATING EXPENSES					
Salaries and wages	2,224	12,975	557,487	572,686	592,777
Program expenses	-	31,677	36,513	68,190	19,697
Professional fees	-	-	31,237	31,237	32,040
Meetings and conventions	-	-	19,618	19,618	20,519
Office and general	-	-	16,109	16,109	18,822
Telephone	-	-	4,305	4,305	4,509
Insurance	-	-	2,727	2,727	2,625
Occupancy Costs	-	-	2,311	2,311	2,205
Bank charges	133	-	1,332	1,465	1,551
Advertising and promotion	-	-	844	844	4,336
E-Learning Development	-	-	-	-	4,885
	2,357	44,652	672,483	719,492	703,966
EXCESS (DEFICIENCY) OF RECEIPTS OVER OPERATING EXPENSES	\$ 8,521	\$ 12,348	\$ -	\$ 20,869	\$ (9,592)

The accompanying notes form an integral part of these financial statements.

FAMILY COUNCILS OF ONTARIO**Statement of Cash Flows****Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of receipts over operating expenses	\$ 20,869	\$ (9,592)
Changes in non-cash working capital:		
Accounts payable and accrued charges	(19,382)	19,577
Government remittances payable (recoverable)	2,034	(1,312)
Prepaid expenses	(5,088)	21,143
Harmonized sales tax payable	(634)	10,867
	<u>(23,070)</u>	<u>50,275</u>
INCREASE (DECREASE) IN CASH FLOW	(2,201)	40,683
Cash - beginning of year	<u>158,521</u>	<u>117,838</u>
CASH - END OF YEAR	\$ 156,320	\$ 158,521
CASH CONSISTS OF:		
Cash and short term deposits	<u>\$ 156,320</u>	<u>\$ 158,521</u>

The accompanying notes form an integral part of these financial statements.

FAMILY COUNCILS OF ONTARIO

Notes to Financial Statements

Year Ended March 31, 2024

1. PURPOSE OF THE ORGANIZATION

Family Councils of Ontario (the "organization") is a not-for-profit organization incorporated federally under the Canada Not-for-profit Corporations Act. Under the provisions of The Income Tax Act (Canada), not-for-profit organizations are exempt from income taxes and, accordingly, the Organization does not reflect any provision for income taxes in the financial statements.

The Organization engages in activities which promotes and facilitates the development and sustainability of Family Councils in Long-Term Care Homes and facilitates opportunities for Family Councils.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Family Councils of Ontario follows 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.

Annual grants from the Ontario Ministry of Health and Long-Term Care are recognized as revenue in the amounts approved to fund the expenditures incurred in the provision of specified services.

Fundraising revenue, interest income and unrestricted donations are recognized when received

(b) Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

(c) Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(d) Financial instruments

The Organization initially measures its financial assets and financial liabilities originated or exchanged in arm's length transactions at fair value.

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FAMILY COUNCILS OF ONTARIO
Notes to Financial Statements
Year Ended March 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the organization is in the capacity of management, are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets subsequently measured at amortized cost include cash, term deposits, accounts receivable and the grant receivable. Financial liabilities measured at amortized cost include the bank loan and accounts payable and accrued liabilities.

(e) Measurement uncertainty

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 amount 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 period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. The Organization is subject to estimates in regards to deferred revenue. Actual results could differ from these estimates.

4. GRANTS

The Organization was funded by grants from the following:

	<u>2024</u>	<u>2023</u>
The Ministry of Long-term care	\$ 672,483	\$ 672,483
United way	50,000	-
The Ministry of the Solicitor General	-	49,400
	<u>\$ 722,483</u>	<u>\$ 721,883</u>

5. ECONOMIC DEPENDENCE

The Organization activities are funded by an annual grant that is provided by the Ministry of Long-Term care. Without this funding, the operations could not be undertaken by the Organization.

6. FINANCIAL INSTRUMENTS

The company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2022.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources accounts payable and accrued liabilities and government remittances payable.

The Organization is not exposed to any significant credit risk, interest rate risk, currency risk and market risk at the statement of financial position date.

FAMILY COUNCILS OF ONTARIO

Notes to Financial Statements

Year Ended March 31, 2024

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

FAMILY COUNCILS OF ONTARIO**Special Purpose Funds****(Schedule 1)****Year Ended March 31, 2024**

	Opening Balance	Revenue	Expenditures	2024
Program Funds				
ARAH Restricted Fund	\$ 24,598	\$ -	\$ (24,598)	\$ -
New Horizons Restricted Fund	13,375	-	-	13,375
United Way Grant fund Caregiver Support Community fund	-	50,000	(20,054)	29,946
	-	7,000	-	7,000
Grand Total	\$ 37,973	\$ 57,000	\$ (44,652)	\$ 50,321

The accompanying notes form an integral part of these financial statements.