

FAMILY COUNCILS OF ONTARIO
Financial Statements
Year Ended March 31, 2026

FAMILY COUNCILS OF ONTARIO
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Year Ended March 31, 2026

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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, 2026, and the statements of changes in fund balances, receipts and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

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, 2026, 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 charitable organizations, the organization derives revenue from (specify type of contributions affected) the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets. Our audit opinion on the financial statements for the year ended March 31, 2025 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.

(continues)

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 25, 2026

Raskin and Associates

Chartered Professional Accountants
Licensed Public Accountants

FAMILY COUNCILS OF ONTARIO
Statement of Financial Position
March 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash and short term deposits	\$ 230,505	\$ 135,761
Harmonized sales tax recoverable	14,352	11,302
Prepaid expenses	36,259	13,196
	<u>\$ 281,116</u>	<u>\$ 160,259</u>
LIABILITIES AND FUND BALANCES		
CURRENT		
Accounts payable and accrued charges (Note 6)	\$ 156,663	\$ 12,311
Payroll source deduction payable	-	19,750
Deferred Income/Revenue	-	160
	<u>156,663</u>	<u>32,221</u>
FUND BALANCES	<u>124,453</u>	<u>128,038</u>
	<u>\$ 281,116</u>	<u>\$ 160,259</u>

Signed by:
ON BEHALF OF THE BOARD
Alison Wesley-James
A6C5D7538BB5406...

Director

Signed by:
Danette Romard
C95746C8758F475...

Director

FAMILY COUNCILS OF ONTARIO
Statement of Changes in Fund Balances
Year Ended March 31, 2026

	2025 Balance	Excess of receipts over operating expenses	Repayment	2026 Balance
General fund	\$ 84,722	\$ 14,967	\$ -	\$ 99,689
Ministry of Long-term care	-	1,501	(1,501)	-
New Horizons Restricted Fund	13,375	-	(13,375)	-
Pilot Funding	-	70,155	(70,155)	-
Caregiver Support Community fund	20,763	-	-	20,763
Navigation Guide Grant	9,178	(5,177)	-	4,001
	<u>\$ 128,038</u>	<u>\$ 81,446</u>	<u>\$ (85,031)</u>	<u>\$ 124,453</u>

	2024 Balance	Excess of receipts over operating expenses	2025 Balance
General Fund	\$ 66,799	\$ 17,923	\$ 84,722
New Horizons Restricted Fund	13,375	-	13,375
United Way Grant Fund	29,946	(29,946)	-
Caregiver Support Community Fund	7,000	13,763	20,763
Navigation Guide Grant	-	9,178	9,178
	<u>\$ 117,120</u>	<u>\$ 10,918</u>	<u>\$ 128,038</u>

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

FAMILY COUNCILS OF ONTARIO
Statement of Receipts and Expenditures
Year Ended March 31, 2026

	General fund 2026	Special fund 2026	MLTC 2026	Pilot Funding 2026	New Horizons 2026	Family Councils of Ontario 2026	Family Councils of Ontario 2025
RECEIPTS							
Ontario Ministry of Long-Term Care	\$ -	\$ -	\$ 672,500	\$ -	\$ -	\$ 672,500	\$ 672,483
Special project	-	-	-	500,000	-	500,000	30,000
Miscellaneous income	12,527	-	-	-	-	12,527	18,366
Donations	2,526	-	-	-	-	2,526	2,627
	15,053	-	672,500	500,000	-	1,187,553	723,476
OPERATING EXPENSES							
Salaries and wages	-	-	514,897	254,635	-	769,532	539,957
Program expenses	-	5,177	60,931	73,485	-	139,593	100,168
Professional fees	-	-	39,838	36,113	-	75,951	31,448
E-Learning Development	-	-	-	45,734	-	45,734	-
Meetings and conventions	-	-	27,358	4,957	-	32,314	7,184
Office and general	76	-	16,622	14,467	-	31,166	20,957
Telephone	-	-	2,943	454	-	3,397	3,388
Insurance	-	-	3,259	-	-	3,259	2,944
Occupancy Costs	-	-	2,069	-	-	2,069	2,581
Bank charges	10	-	1,742	-	-	1,752	2,242
Advertising and promotion	-	-	943	-	-	943	943
Special project expenses	-	-	397	-	-	397	-
	86	5,177	670,999	429,845	-	1,106,107	711,812
EXCESS (DEFICIENCY) OF RECEIPTS OVER OPERATING EXPENSES FROM OPERATIONS	14,967	(5,177)	1,501	70,155	-	81,446	11,664
OTHER INCOME							
Repayment of underspent funds	-	-	(1,501)	(70,155)	(13,375)	(85,031)	(746)
EXCESS (DEFICIENCY) OF RECEIPTS OVER OPERATING EXPENSES	\$ 14,967	\$ (5,177)	\$ -	\$ -	\$ (13,375)	\$ (3,585)	\$ 10,918

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

FAMILY COUNCILS OF ONTARIO**Statement of Cash Flows****Year Ended March 31, 2026**

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of receipts over operating expenses	\$ (3,585)	\$ 10,918
Changes in non-cash working capital:		
Accounts payable and accrued charges	144,352	(19,465)
Government remittances payable (recoverable)	(19,750)	1,925
Deferred Income/Revenue	(160)	160
Prepaid expenses	(23,063)	(5,892)
Harmonized sales tax payable	(3,050)	(8,205)
	98,329	(31,477)
INCREASE (DECREASE) IN CASH FLOW	94,744	(20,559)
Cash - beginning of year	135,761	156,320
CASH - END OF YEAR	\$ 230,505	\$ 135,761
CASH CONSISTS OF:		
Cash and short term deposits	\$ 230,505	\$ 135,761

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

FAMILY COUNCILS OF ONTARIO**Notes to Financial Statements****Year Ended March 31, 2026**

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 promote and facilitate 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 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, 2026****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:

	2026	2025
The Ministry of Long-term care	\$ 672,500	\$ 672,483
Pilot Funding	500,000	-
	\$ 1,172,500	\$ 672,483

5. SPECIAL PROJECTS

The organization engaged in the following special projects:

	2026	2025
Revenue		
Pilot Funding	\$ 500,000	\$ -
Expenses		
Pilot Funding	429,845	-
Excess of Revenue over Expenses	\$ 70,155	\$ -

The organization received additional funding from the Ministry of Long-Term Care as a Three-Year Pilot to support FCO's adoption of a regional service model. Any excess of revenue over expenses is recorded as a payable as the amounts are to be repaid to the Ministry of Long-Term Care.

6. ACCOUNTS PAYABLE AND ACCRUED CHARGES

Accounts payable and accrued charges include amounts payable to Ministry of Long term-care in the amount of \$1,501 from the ongion funding pool and \$70,155 from the new Pilot program fund.

FAMILY COUNCILS OF ONTARIO

Notes to Financial Statements

Year Ended March 31, 2026

7. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of March 31, 2026.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from its significant funders. In order to reduce its credit risk, the organization reviews the agreement on an annual basis and communicates with its significant funders.

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 customers and other related sources, and accounts payable and accrued liabilities

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

8. 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.

9. COMPARATIVE FIGURES

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