

**FAMILY COUNCILS OF ONTARIO**  
**Financial Statements**  
**Year Ended March 31, 2022**

**FAMILY COUNCILS OF ONTARIO**  
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**Year Ended March 31, 2022**

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**ASSOCIATES**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Family Councils of Ontario

### *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, 2022, and the statements of changes in net assets, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2022, 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 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 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 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.

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.

(continues)

Independent Auditor's Report to the To the Members of Family Councils of Ontario (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 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  
June 27, 2022

*Raskin and Associates*

Chartered Professional Accountants  
Licensed Public Accountants

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Financial Position**  
**March 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 117,837	\$ 80,110
Harmonized sales tax recoverable	13,330	8,450
Prepaid expenses	23,359	4,043
	<b>\$ 154,526</b>	<b>\$ 92,603</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued charges	\$ 30,737	\$ 20,898
Payroll source deduction payable	17,946	7,217
	<b>48,683</b>	<b>28,115</b>
<b>NET ASSETS</b>		
General fund	50,026	39,488
ARAH - restricted fund	39,708	-
New Horizons - restricted fund	16,109	25,000
	<b>105,843</b>	<b>64,488</b>
	<b>\$ 154,526</b>	<b>\$ 92,603</b>

DocuSigned by:  
**ON BEHALF OF THE BOARD**  
*Anda Ström*  
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Director

DocuSigned by:  
*Kathryn Pilkington*  
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Director

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2022**

	General Fund	ARAH - Restricted Fund	New Horizons - Restricted Fund	<b>2022</b>	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 39,488	\$ -	\$ 25,000	<b>\$ 64,488</b>	\$ 36,920
<b>EXCESS OF REVENUES OVER EXPENSES</b>	10,538	39,708	(8,891)	<b>41,355</b>	27,568
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 50,026</b>	<b>\$ 39,708</b>	<b>\$ 16,109</b>	<b>\$ 105,843</b>	<b>\$ 64,488</b>

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

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2022**

	2022	2021
<b>REVENUES</b>		
Ontario Ministry of Long-Term Care	\$ 647,521	\$ 411,383
Miscellaneous income	10,681	1,596
Canada Summer Jobs Wage Subsidy	8,913	4,347
Donations	2,490	1,493
	<u>669,605</u>	<u>418,819</u>
<b>EXPENSES</b>		
Salaries and wages	455,468	294,291
E-Learning development	58,245	-
Professional fees	33,542	23,622
Office and general	28,579	16,426
Program expenses	28,261	20,703
Occupancy Costs	25,342	27,040
Software and licensing	11,945	9,012
Meetings and conventions	8,123	13,991
Telephone	5,107	6,773
Insurance	2,489	2,310
Bank charges	1,966	1,519
Advertising and promotion	-	564
	<u>659,067</u>	<u>416,251</u>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>10,538</u>	<u>2,568</u>
Net revenues and over expenses for ARAH grant	39,708	-
Net revenues and over expenses for New Horizons grant	<u>(8,891)</u>	<u>25,000</u>
	<u>30,817</u>	<u>25,000</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 41,355</u>	<u>\$ 27,568</u>

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

**FAMILY COUNCILS OF ONTARIO**  
**ARAH Grant Restricted Statement of Revenues and Expenditures**  
**Year Ended March 31, 2022**

	2022	2021
<b>GRANT RECEIPTS</b>	<b>\$ 50,600</b>	<b>\$ -</b>
<b>EXPENSES</b>		
Training and delivery	7,276	-
Salaries and wages	2,328	-
Video storytelling equipment	1,288	-
	<b>10,892</b>	<b>-</b>
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>\$ 39,708</b>	<b>\$ -</b>

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



**FAMILY COUNCILS OF ONTARIO**  
**New Horizons Restricted Statement of Revenues and Expenditures**  
**Year Ended March 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>GRANT RECEIPTS</b>	<u>\$ -</u>	<u>\$ 25,000</u>
<b>EXPENSES</b>		
Salaries and wages	6,891	-
Training and workshop	<u>2,000</u>	<u>-</u>
	<u>8,891</u>	<u>-</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<u>\$ (8,891)</u>	<u>\$ 25,000</u>

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

**FAMILY COUNCILS OF ONTARIO****Statement of Cash Flows****Year Ended March 31, 2022**

	<b>2022</b>	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	<b>\$ 41,355</b>	\$ 27,568
Changes in non-cash working capital:		
Accounts payable and accrued charges	<b>9,839</b>	(5,847)
Payroll source deductoin payable	<b>10,729</b>	(944)
Prepaid expenses	<b>(19,316)</b>	4,935
Harmonized sales tax recoverable	<b>(4,880)</b>	(3,045)
	<b>(3,628)</b>	(4,901)
<b>INCREASE IN CASH FLOW</b>	<b>37,727</b>	22,667
Cash - beginning of year	<b>80,110</b>	57,443
<b>CASH - END OF YEAR</b>	<b>\$ 117,837</b>	\$ 80,110

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

**FAMILY COUNCILS OF ONTARIO**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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**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.

Rental income from is recognised a straight-line basis over the term of the lease

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.

*(continues)*

**FAMILY COUNCILS OF ONTARIO**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

**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:

	2022	2021
The Ministry of Long-term care	\$ 647,521	\$ 411,383
The Ministry of Employment and Social Development	-	25,000
The Ministry of the Solicitor General	50,600	-
	\$ 698,121	\$ 436,383

**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, 2022**

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**7. PRIOR PERIOD ADJUSTMENT**

The organization learned that some grants were accounted for as deferred contributions in the previous year when they should have been recognized as revenue. As a result, the net assets balance as at January 1, 2021 was increased by \$25,000 and the 2020 financial statements were restated. The line item "New Horizons" and the excess of revenues over expenses in the 2020 statement of operations were increased by \$25,000.

**8. COMPARATIVE FIGURES**

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