

FAMILY COUNCILS OF ONTARIO
Financial Statements
Year Ended March 31, 2016

FAMILY COUNCILS OF ONTARIO
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Year Ended March 31, 2016

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Raskin &
ASSOCIATES

CHARTERED
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ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Family Councils of Ontario

We have audited the accompanying financial statements of Family Councils of Ontario, which comprise the statements of financial position as at March 31, 2016 and March 31, 2015 and the statements of operations, changes in net assets and cash flow for the years ended March 31, 2016 and March 31, 2015, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.


We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

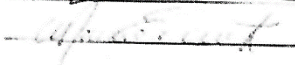
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FAMILY COUNCILS OF ONTARIO
Statement of Financial Position
March 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 25,001	\$ -
Prepaid expenses	3,162	-
	<u>\$ 28,163</u>	<u>\$ -</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued charges	\$ 20,209	\$ -
Government remittance payable	5,488	-
	<u>25,697</u>	<u>-</u>
NET ASSETS	<u>2,466</u>	<u>-</u>
	<u>\$ 28,163</u>	<u>\$ -</u>

ON BEHALF OF THE BOARD


 _____ Chair


 _____ Director

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

FAMILY COUNCILS OF ONTARIO
Statement of Changes in Net Assets
Year Ended March 31, 2016

	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ -
Excess of revenue over expenses	2,466	-
NET ASSETS - END OF YEAR	\$ 2,466	\$ -

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

FAMILY COUNCILS OF ONTARIO
Statement of Operations
For the Year Ended March 31, 2016

	2016	2015 <i>(5 months)</i>
REVENUE		
Grants	\$ 81,150	\$ -
Miscellaneous income	2,911	-
Donations	500	-
	<u>84,561</u>	<u>-</u>
EXPENSES		
Salaries and benefits	52,737	-
Professional fees	12,771	-
Occupancy cost	6,523	-
Office and general	5,944	-
Program expenses	3,593	-
Insurance	527	-
	<u>82,095</u>	<u>-</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 2,466</u>	<u>\$ -</u>

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

FAMILY COUNCILS OF ONTARIO
Statement of Cash Flow
Year Ended March 31, 2016

	2016	2015 <i>(5 months)</i>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 2,466	\$ -
Changes in non-cash working capital:		
Accounts payable and accrued charges	20,209	-
Government remittance payable	5,488	-
Prepaid expenses	(3,162)	-
	<u>22,535</u>	-
INCREASE IN CASH FLOW	25,001	-
Cash - beginning of year	-	-
CASH - END OF YEAR	<u>\$ 25,001</u>	<u>\$ -</u>

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

FAMILY COUNCILS OF ONTARIO
Notes to Financial Statements
Year Ended March 31, 2016

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 (ASNFPO).

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.

Fees for services are recognized as revenue when the services are rendered.

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.

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FAMILY COUNCILS OF ONTARIO
Notes to Financial Statements
Year Ended March 31, 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Leases

Leases are classified as either capital or operating leases. At the time the organization enters into a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

(e) Financial instruments policy

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost using the straight line method.

Financial assets measured at amortized cost include cash and cash equivalents

Financial liabilities measured at amortized cost include accounts payable and accrued charges.

There are no financial assets measured at fair value.

Transaction costs are recognized in the statement of operations in the period incurred. However, financing and transaction costs associated with debt are netted against the carrying value of the related debt and amortized over the term of the debt.

(f) 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. Actual results could differ from these estimates.

4. GRANTS

The Organization was funded by grants from the following:

	2016	2015
Ontario Ministry of Health and Long-Term Care, the Performance improvement and Compliance Branch, Health System Accountability and Performance Division.	\$ 81,150	\$ -

5. ECONOMIC DEPENDENCE

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

FAMILY COUNCILS OF ONTARIO
Notes to Financial Statements
Year Ended March 31, 2016

6. LEASE COMMITMENTS

The organization has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at March 31, 2016, are as follows:

2017	\$ 23,174
2018	25,281
2019	25,281
2020	<u>2,107</u>
	<u>\$ 75,843</u>

7. 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, 2016.

(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 customers and other related sources accounts payable and accrued liabilities .

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

FAMILY COUNCILS OF ONTARIO

306-40 St. Clair Ave East
Toronto, ON
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Toronto, Ontario

Dear Sirs:

This representation letter is provided in connection with your audit of the financial statements of Family Councils of Ontario for the year ended March 31, 2016 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated December 14, 2014, for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations; in particular, the financial statements are fairly presented in accordance therewith.
 2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
 3. All events subsequent to the date of the financial statements and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed.
 4. We believe there are no uncorrected financial statement misstatements which were noted during your audit.
 5. We acknowledge that any journal entries which you have proposed have been discussed and approved by management. We take responsibility for recording such journal entries in the accounting records underlying the financial statements.
 6. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
 7. The Organization has satisfactory title to all assets, and there are no liens or encumbrances on the Organization's assets.
 8. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
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Information Provided

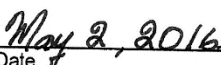
9. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
10. All transactions have been recorded in the accounting records and are reflected in the financial statements.
11. We have disclosed to you all deficiencies in internal control of which management is aware.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud that we are aware of and that affects the entity's financial statements and involves or are communicated by management, employees, former employees, analysts, regulators or others.
14. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
15. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. These relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.
16. We have not retained any legal counsel during the year, however, we are not aware of any outstanding and possible claims.
17. We have disclosed to you, and the Organization has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
18. There are no contingencies or commitments related to environmental matters that require recognition, measurement or disclosure in the financial statements.
19. All restricted funds and related assets of the organization have been appropriately classified and disclosed in the financial statements.
20. All endowments and restricted funds are properly disclosed and all restrictions have been complied with.
21. The Organization is not liable for income taxes under the Income Tax Act.

Yours very truly,

FAMILY COUNCILS OF ONTARIO



Mrs. Lorraine Purdon, Executive Director



Date