

**FAMILY COUNCILS OF ONTARIO**  
**Financial Statements**  
**Year Ended March 31, 2017**

**FAMILY COUNCILS OF ONTARIO**  
**Index to Financial Statements**  
**Year Ended March 31, 2017**

---

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Revenues and Expenditures	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 9



**Raskin &**  
**ASSOCIATES**

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

245 Fairview Mall Drive, Suite 436  
Toronto, Ontario M2J 4T1  
T. (416)847-0094  
F. (416)847-0096  
www.raskinca.com

---

## 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, 2017 and March 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the years ended March 31, 2017 and March 31, 2016, 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 qualified audit opinion.

*(continues)*

Basis for Qualified Opinion

In common with many not-for-profit organizations, Family Councils of Ontario 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 Family Councils of Ontario. 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 years ended March 31, 2017 and March 31, 2016, current assets and net assets as at March 31, 2017 and March 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Family Councils of Ontario as at March 31, 2017 and March 31, 2016 and the results of its operations and its cash flow for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario

June 5, 2017


*Raskin and Associates*

Chartered professional accountants  
Licensed Public Accountants

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Financial Position**  
**March 31, 2017**

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and short term deposits	\$ 19,671	\$ 25,001
Harmonized sales tax recoverable	4,321	-
Prepaid expenses	6,529	3,162
	<b>\$ 30,521</b>	<b>\$ 28,163</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued charges	\$ 10,729	\$ 20,209
Government remittances payable	5,404	5,488
Deferred revenue	7,936	-
	<b>24,069</b>	<b>25,697</b>
 <b>NET ASSETS</b>	 <b>6,452</b>	 <b>2,466</b>
	<b>\$ 30,521</b>	<b>\$ 28,163</b>

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ 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, 2017**

---

	2017	2016
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 2,466</b>	<b>\$ -</b>
Excess of revenue over expenses	<u>3,986</u>	<u>2,466</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 6,452</u></b>	<b><u>\$ 2,466</u></b>

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

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Revenues and Expenditures**  
**For the Year Ended March 31, 2017**

	2017	2016 <i>(4 months)</i>
<b>REVENUE</b>		
Grants	\$ 243,458	\$ 81,150
Special project	8,064	-
Miscellaneous income	2,691	2,911
Donations	1,826	500
	<u>256,039</u>	<u>84,561</u>
<b>EXPENSES</b>		
Salaries and wages	156,890	52,737
Rental	22,688	6,523
Professional fees	17,678	12,771
Program expenses	16,561	3,762
Office	11,492	4,422
Meetings and conventions	10,034	-
Special project	8,064	-
Telephone	6,262	975
Insurance	1,582	527
Bank charges	802	378
	<u>252,053</u>	<u>82,095</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 3,986</u>	<u>\$ 2,466</u>

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

**FAMILY COUNCILS OF ONTARIO**  
**Statement of Cash Flow**  
**Year Ended March 31, 2017**

	2017	2016 <i>(4 months)</i>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 3,986	\$ 2,466
Changes in non-cash working capital:		
Accounts payable and accrued charges	(9,480)	20,209
Government remittance payable	(84)	5,488
Deferred Income/Revenue	7,936	-
Prepaid expenses	(3,367)	(3,162)
Harmonized sales tax payable	(4,321)	-
	<u>(9,316)</u>	<u>22,535</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(5,330)</b>	<b>25,001</b>
Cash - beginning of year	<u>25,001</u>	<u>-</u>
<b>CASH - END OF YEAR</b>	<b>\$ 19,671</b>	<b>\$ 25,001</b>

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



# FAMILY COUNCILS OF ONTARIO

## Notes to Financial Statements

Year Ended March 31, 2017

---

### 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.

*(continues)*

**FAMILY COUNCILS OF ONTARIO**  
**Notes to Financial Statements**  
**Year Ended March 31, 2017**

---

**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 and government remittances payable.

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:

	<u>2017</u>	<u>2016</u>
Ontario Ministry of Health and Long-Term Care, the Performance improvement and Compliance Branch, Health System Accountability and Performance Division.	<u>\$ 243,458</u>	<u>\$ 81,150</u>

**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, 2017**

---

**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, 2017, are as follows:

2018	\$	23,174
2019		25,281
2020		<u>2,107</u>
	<u>\$</u>	<u>50,562</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 and government remittances payable.

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