

Financial Statements

Canadian Council on Rehabilitation and Work

Toronto, Ontario

March 31, 2015

We take responsibility for (approve) these financial statements.
In addition, we approve your recommended adjusting and reclassification entries.

DIRECTOR *Al Long*

DIRECTOR *Jennifer Dineen*

PLEASE PRINT NAMES ON PAGE 4

THE DATE MANAGEMENT TAKES RESPONSIBILITY FOR (APPROVES)
THESE FINANCIAL STATEMENTS _____

DATE OF A.G.M. SEPTEMBER 18, 2015

DATE REQUIRED ASAP

OF COPIES 10

Contents

Independent Auditors' Report.....	3 - 4
Statement of Financial Position.....	5
Statement of Revenues, Expenses and Accumulated Surplus.....	6
Schedule of Meetings and Operating Expenses.....	7
Statement of Cash Flows.....	8
Notes to Financial Statements.....	9 - 12

Revised Draft - July 22, 2015

Independent Auditors' Report

To the Members of Canadian Council on Rehabilitation and Work:

We have audited the accompanying financial statements of Canadian Council on Rehabilitation and Work, which comprise the statement of financial position as at March 31, 2015 and the statements of revenues, expenses and accumulated surplus and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by the management based on financial reporting requirements of the Canadian accounting standards for not-for-profit organizations.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 not-for-profits 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 not-for-profits 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 is sufficient and appropriate to provide a basis for our audit opinion.

continued...

Independent Auditors' Report - continued

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Council on Rehabilitation and Work as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative Information

The statements of financial position as at March 31, 2014 and statements of revenues, expenses, and accumulated surplus and cash flows for the year then ended are unaudited.

Toronto, Ontario
[date of audit report]

Chartered Professional Accountants, Licensed Public Accountants

Canadian Council on Rehabilitation and Work

March 31, 2015

Statement of Financial Position - Assets	2015	Unaudited 2014
Current Assets		
Cash and temporary investments, Note 3	\$ 1,273,337	\$ 924,112
Accounts receivable	284,765	530,275
Sales tax rebate, net	5,884	8,995
Prepaid expenses	8,196	9,804
	1,572,182	1,473,186
Total Current		
Long-Term Investments , Note 3	285,823	29,056
Capital Assets , Note 4	1,611	4,078
	1,859,616	1,506,320

Statement of Financial Position - Liabilities and Accumulated Surplus

Current Liabilities		
Accounts payable and accrued liabilities	941,474	262,227
Deferred revenue, Note 5	209,275	593,299
	1,150,749	855,526
Total Liabilities		
Accumulated Surplus , per statement	708,867	650,794
	1,859,616	1,506,320

Approved by The Board

JENNIFER JINN

ALLAN TINNEY

The notes on pages 9 through 12 form an integral part of these financial statements.

Canadian Council on Rehabilitation and Work

Year ended March 31, 2015

Statement of Revenues, Expenses and Accumulated Surplus

	2015	Unaudited 2014
Revenues		
Membership dues and newsletter subscriptions	\$ 200	\$ 1,650
Social Development Partnership Program	490,863	359,233
Opportunities Fund	891,193	880,276
Workplace Inclusion Program	351,884	345,529
Service Canada - Youth and WESP	814,028	1,603,378
Other - government	2,115,824	1,222,321
Other non - government	24,687	8,750
Training and Consulting	556,563	557,364
Interest and investment income	6,401	6,471
	5,251,643	4,984,972
Expenses		
Meetings and operating, per schedule	5,193,570	4,978,295
	58,073	6,677
Surplus		
Accumulated surplus, beginning of year	650,794	644,117
Accumulated Surplus, End of Year	708,867	650,794

Canadian Council on Rehabilitation and Work

Year ended March 31, 2015

Schedule of Meetings and Operating Expenses	2015	Unaudited 2014
Meeting		
Executive and meeting expenses	\$ 8,779	\$ 11,846
Operating		
Salaries and employee benefits	2,567,983	2,568,067
Consulting	241,290	272,251
Accounting, legal and professional	73,352	64,576
Training, course fees and supplies	1,024,138	687,767
Travel	51,820	52,693
Advertising and promotion	43,292	45,541
Communication and telephone	10,871	9,851
Translation	3,509	0
Other project costs	309,393	291,164
Mailing and freight	2,656	3,961
Office supplies	12,779	27,975
HST	17,018	33,838
Rent	404,786	378,397
Amortization	2,468	4,100
Bank charges	306	2,404
Equipment maintenance and software	21,554	23,685
Disability accommodation	179,343	222,641
Insurance	8,392	12,929
Administration and support	209,841	246,386
Scholarships	0	18,223
	5,193,570	4,978,295

Canadian Council on Rehabilitation and Work

Year ended March 31, 2015

Statement of Cash Flows	2015	Unaudited 2014
Operating Activities		
Surplus	\$ 58,073	\$ 6,677
Items not affecting cash		
Amortization	2,468	4,100
	60,541	10,777
Changes in Non-Cash Working Capital		
Accounts receivable	245,510	(339,015)
Prepaid expenses	1,608	3,886
Sales tax rebate, net	3,111	(2,355)
Accounts payable and accrued liabilities	679,246	56,551
Deferred revenue	(384,024)	452,629
	605,992	182,473
Cash Flows From Operating Activities		
	605,992	182,473
Investing Activities		
Purchase of capital assets	0	(377)
Decrease (increase) in long-term investments	(256,767)	245,125
	(256,767)	244,748
Cash Flows Provided by (Used In) Investing Activities		
	(256,767)	244,748
Net increase in cash and temporary investments during the year	349,225	427,221
Cash and temporary investments at beginning of year	924,112	496,891
Cash And Temporary Investments at End Of Year	1,273,337	924,112

Canadian Council on Rehabilitation and Work

March 31, 2015

Notes to Financial Statements

Nature of Activities

The Canadian Council on Rehabilitation and Work (CCRW) was incorporated by Letters Patent of Canada on January 26, 1976 under the Canada Corporations Act. CCRW is a network of organizations and individuals across Canada. The mission of CCRW is to promote and support meaningful and equitable employment of people with disabilities. The users of the services of CCRW are employers, job seekers, educators, governments, labour and community service providers. CCRW receives funding from various programs administered by the federal and provincial governments and fee-for-service contracts from private and public sectors. The Council is mainly dependent on this funding for its continued operations.

The Council is a charity registered under the Income Tax Act and exempt from income taxes under the Income Tax Act.

Note 1

Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Capital Assets

Equipment is capitalized and amortized on a straight-line basis over its estimated useful life, as follows:

Computer equipment - 3 years

Revenue Recognition

Revenue, other than donations that are recorded when received, is recognized on an accrual basis. Training event fees and grants received are recorded as deferred revenue and recognized in operations as the related expenditures are incurred (Note 5).

Investment income includes interest from cash and fixed income investments, reinvested distributions from mutual funds and realized (and unrealized) gains and losses on investments. Revenue related to investments is recognized on an accrual basis.

Note 1 Significant Accounting Policies - continued

Financial Instruments

Measurement of Financial Instruments

The Council initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Council subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Use of Estimates

The preparation of financial statements requires the management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates.

Note 2 Financial Instruments

Risk Management Policy

The Council is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2015.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Council is subject to concentrations of credit risk through cash and its accounts receivable. The Council maintains substantially all of its cash at a single major Canadian financial institution. The majority of the Council's account receivables relate to funds receivable from government organizations. The maximum credit risk is equivalent to the carrying value. It is the opinion of management that the Council is not exposed to significant credit risks.

Note 2 Financial Instruments - continued

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. These fluctuations may be significant. The methods and assumptions management uses when accessing market risks have not changed substantially, with the exception of adding equity mutual funds to its investment portfolio, from the prior period and are summarized below:

(i) Interest Rate Risk

The Council manages its investments based on its cash flow needs and with a view to optimizing its investment income. The Council has invested its excess cash in low risk interest bearing vehicles such as guaranteed investment certificates as the means for managing its interest rate risk.

(ii) Foreign Currency Risk

The Council's functional currency is the Canadian Dollar. The Council does not engage in any activities in foreign currency and as a result it is the opinion of management that the Council is not exposed to significant foreign currency risk.

(iii) Commodity Price Risk

The Council is subject to normal price risk associated with consumer products.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time.

The Council manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its needs. The Council ensures that it has enough resources for the upcoming programme expenses by securing grants from a variety of organizations.

It is the opinion of management that the Council is not exposed to significant liquidity risks.

Canadian Council on Rehabilitation and Work

March 31, 2015

Note 3 Cash and Investments

	2015	Unaudited 2014
Cash		
Operating bank accounts	\$ 1,243,637	\$ 644,045
Temporary Investments		
Guaranteed investment certificates	29,700	280,067
	1,273,337	924,112
Long-Term Investments		
Guaranteed investment certificates	285,823	29,056
	1,559,160	953,168

Note 4 Capital Assets

		Accumulated		Net	Unaudited Net
	Cost	Amortization	2015	2014	2014
Computer equipment	\$ 13,365	\$ 11,754	\$ 1,611	\$ 4,078	\$ 4,078

Note 5 Deferred Revenue

	2015	Unaudited 2014
Youth the Future and Other Projects	\$ 160,371	\$ 0
Workplace Inclusion Program	18,477	0
Ontario Workplace Inclusion Program	16,457	7,705
McMaster University	7,970	0
Social Development Partnership Program	6,000	70,177
Opportunity Fund	0	515,417
	209,275	593,299

Note 6 Contractual Obligations

The Council has entered into an agreement for the lease of head office premises located at 1 Yonge Street, Toronto, Ontario. The terms of the lease are as follows:

Term - 7 years, from February 1, 2009 ending January 31, 2016

Rent - Annual minimum rent in Years 1 through 5 of \$45,390 and \$48,060 in Years 6 and 7 payable monthly, plus;

- Additional rent for the tenant's proportional share of allocable operating expenses plus taxes, utilities and any additional costs or services.