

Financial Statements

Canadian Council on Rehabilitation and Work

Toronto, Ontario

March 31, 2020

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Independent Auditors' Report

To the Members of Canadian Council on Rehabilitation and Work:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Canadian Council on Rehabilitation and Work, which comprise the statement of financial position as at March 31, 2020 and the statements of revenues, expenses and accumulated surplus 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 financial statements present fairly, in all material respects, the financial position of Canadian Council on Rehabilitation and Work as at March 31, 2020, 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.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Canadian Council on Rehabilitation and Work in accordance with the 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 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.

In preparing the financial statements, management is responsible for assessing Canadian Council on Rehabilitation and Work'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 Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Canadian Council on Rehabilitation and Work's financial reporting process.

Independent Auditors' Report - continued

Auditors' 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 auditors' 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 Canadian Council on Rehabilitation and Work'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 Canadian Council on Rehabilitation and Work's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Council 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.

Independent Auditors' Report - continued

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
August 6, 2020

A handwritten signature in cursive script that reads "PricewaterhouseCoopers". The signature is written in black ink and is positioned to the right of the date.

Chartered Professional Accountants, Licensed Public Accountants

Canadian Council on Rehabilitation and Work

March 31, 2020

Statement of Financial Position - Assets	2020	2019
Current Assets		
Cash	\$ 2,912,668	\$ 3,082,262
Accounts receivable	314,212	167,846
Sales tax rebate, net	16,021	14,577
Prepaid expenses	30,729	12,758
Total Current	3,273,630	3,277,443
Capital Assets , Note 3	57,266	71,558
	3,330,896	3,349,001

Statement of Financial Position - Liabilities and Accumulated Surplus		
Current Liabilities		
Accounts payable and accrued liabilities	182,154	196,611
Deferred revenue, Note 4	1,385,630	1,401,208
Total Liabilities	1,567,784	1,597,819
Accumulated Surplus , per statement	1,763,112	1,751,182
	3,330,896	3,349,001

Approved by The Board

Chair: Kathy Malley

Treasurer: Jon Wollaston

The notes on pages 10 through 13 form an integral part of these financial statements.

Canadian Council on Rehabilitation and Work

Year ended March 31, 2020

Statement of Revenues, Expenses and Accumulated Surplus

	2020	2019
		Note 6
Revenues		
Social Development Partnership Program	\$ 345,969	\$ 573,512
Office for Disability Issues Projects	23,979	80,244
Workplace Inclusion Programs	2,214,720	2,872,445
Service Canada - Youth and WESP	2,783,842	2,273,945
Training and consulting	694,459	759,417
Conference registration	45,593	39,740
Conference grants	(2,028)	2,028
Conference sponsorship	5,000	7,500
Website advertising	121,398	135,044
Interest and investment income	28,086	4,664
Other	0	64,061
Other - government	633,043	531,186
Other - non-government	142,430	5,317
	7,036,491	7,349,103
Expenses		
Meetings and operating, per schedule	7,024,561	7,067,241
Surplus		
	11,930	281,862
Accumulated surplus, beginning of year	1,751,182	1,469,320
Accumulated Surplus, End of Year	1,763,112	1,751,182

Canadian Council on Rehabilitation and Work

Year ended March 31, 2020

Schedule of Meetings and Operating Expenses	2020	2019
Meeting		
Executive and meetings	\$ 29,369	\$ 14,468
Operating		
Salaries and employee benefits	3,104,904	3,079,648
Consulting	372,706	341,963
Accounting, legal and professional	49,105	143,752
Training, course fees and supplies	1,193,868	1,265,302
Travel	174,366	183,731
Advertising and promotion	72,190	110,391
Communication and telephone	18,337	13,016
Other project costs	412,515	305,835
Mailing and freight	2,265	63,985
Office supplies	19,941	24,596
HST	40,155	42,221
Rent	455,550	454,916
Amortization	37,675	34,289
Bank charges	6,565	8,774
Equipment maintenance and software	48,117	43,720
Disability accommodation	482,436	437,268
Insurance	9,495	5,390
Administration and support	420,021	418,474
Conference	74,981	75,502
	7,024,561	7,067,241

Canadian Council on Rehabilitation and Work

Year ended March 31, 2020

Statement of Cash Flows	2020	2019
Operating Activities		
Surplus	\$ 11,930	\$ 281,862
Items not affecting cash		
Amortization	37,675	34,289
	49,605	316,151
Changes in Non-Cash Working Capital		
Accounts receivable	(146,366)	96,491
Prepaid expenses	(17,971)	(5,263)
Sales tax rebate, net	(1,444)	9,682
Accounts payable and accrued liabilities	(14,456)	(39,466)
Deferred revenue	(15,578)	257,886
	(146,210)	635,481
Cash Flows Provided by (Used In) Operating Activities		
	(146,210)	635,481
Investing Activities		
Purchase of capital assets	(23,384)	(18,097)
Decrease (increase) in temporary investments	0	329,348
	(23,384)	311,251
Cash Flows From (Used In) Investing Activities		
	(23,384)	311,251
Increase (decrease) in cash during the year	(169,594)	946,732
Cash at beginning of year	3,082,262	2,135,530
	2,912,668	3,082,262
Cash at End of Year		

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 and continued under the Canada Not-for-profit Corporations Act on June 3, 2014. 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

Computer equipment and furniture and fixtures are capitalized and amortized on a straight-line basis over their estimated useful lives of 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.

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 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, 2020:

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:

Interest Rate Risk

The Council manages its investments based on its cash flow needs and with a view to optimizing its investment income.

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 risk.

Note 3 Capital Assets

	Cost	Accumulated Amortization	Net 2020	Net 2019
Computer equipment	\$ 34,160	\$ 12,183	\$ 21,977	\$ 7,943
Furniture and fixtures	99,968	64,679	35,289	63,615
	134,128	76,862	57,266	71,558

Canadian Council on Rehabilitation and Work

March 31, 2020

Note 4 Deferred Revenue

	2020		2019
Partners	\$ 610,820	\$	415,534
Youth the Future	523,466		761,330
Ontario Workplace Inclusion Program	228,783		0
Job accommodation service – Bell Canada	11,409		11,409
Workplace Inclusion Program	5,790		28,270
Autisms Angels	5,362		0
Social Development Partnership Program	0		89,969
Enabling Change accessibility upgrades	0		32,128
Wendy Blair Project	0		30,472
SOAR	0		23,000
Building Employment Partnership Program	0		9,096
	1,385,630		1,401,208

Note 5 Commitment

The Council leases premises under non-cancelable operating lease agreements.

Future minimum annual payment requirements are as follows:

2021	\$	364,329
2022		261,831
2023		250,002
2024		224,895
2025		71,648
Thereafter		214,944

Note 6 Classification

The prior year figures have been reclassified, where necessary, to conform to the current year's presentation. Surplus for the previous year is not affected by the reclassification.