Financial Statements

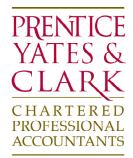
Canadian Council on Rehabilitation and Work

Toronto, Ontario

March 31, 2022

Contents

Independent Auditors' Report	3 - 5
Statement of Financial Position	6
Statement of Revenues, Expenses and Accumulated Surplus	7
Schedule of Meetings and Operating Expenses	8
Statement of Cash Flows	9
Notes to Financial Statements.	10 - 14



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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, 2022 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, 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.

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 CCRW 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 CCRW 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 June 28, 2022

Rustice Yaths of Clark
Chartered Professional Accountants, Licensed Public Accountants

March 31, 2022

Statement of Financial Position - Assets	2022	2021
Current Assets		
Cash, Note 3	\$ 7,335,537 \$	5,906,257
Temporary investments, Note 3	2,655,139	0
Accounts receivable	210,227	148,073
Sales tax rebate, net	98,916	42,071
Inventory	0	10,416
Prepaid expenses	 72,004	74,661
Total Current	10,371,823	6,181,478
Capital Assets, Note 4	5,037	15,488
	10,376,860	6,196,966

Statement of Financial Position - Liabilities and Accumulated Surplus

Current Liabilities Accounts payable and accrued liabilities Deferred revenue, Note 5	1,399,895 5,716,587	659,451 2,819,938
Total Liabilities	7,116,482	3,479,389
Long Term Deferred Lease Inducement	10,418	10,790
Accumulated Surplus, per statement	3,249,960	2,706,787
	10,376,860	6,196,966

Approved by The Board

Chair:	Kathy Malley
Treasurer:	Wendy Braithwaite

The notes on pages 10 through 14 form an integral part of these financial statements.

Year ended March 31, 2022

Statement of Revenues, Expenses

and Accumulated Surplus	2022	2021
Revenues		
Social Development Partnership Program	\$ 525,905	\$ 306,154
Workplace Inclusion Programs	5,207,358	2,930,056
Service Canada - Youth and WESP	5,427,276	3,410,422
Training and consulting	1,507,120	1,812,953
Conference registration	42,228	28,500
Website advertising	99,480	109,324
Interest and investment income	(78,361)	5,630
Canada Emergency Wage Subsidy (CEWS)	0	295,844
Other - government	178,036	208,733
Other - non-government	10,071	15,718
	12,919,113	9,123,334
Expenses		
Meetings and operating, per schedule	12,375,940	8,179,659
Surplus	543,173	943,675
Accumulated surplus, beginning of year	2,706,787	1,763,112
Accumulated Surplus, End of Year	3,249,960	2,706,787

Year ended March 31, 2022

Schedule of Meetings and Operating Expenses	2022	2021
Meeting		
Executive and meetings	\$ 1,239	\$ 54,986
Operating		
Salaries and employee benefits	5,220,617	4,798,568
Consulting	365,243	171,222
Accounting, legal and professional	22,189	28,177
Training, course fees and supplies	1,203,726	716,466
Travel	53,993	16,571
Advertising and promotion	27,423	35,825
Communication and telephone	4,466	26,960
Translation	8,298	2,330
Other project costs	1,084,146	583,461
Mailing and freight	905	2,120
Office supplies	4,377	13,112
HST	16,993	25,576
Rent	549,419	503,344
Amortization	10,450	42,204
Bank charges	8,626	13,702
Equipment maintenance and software	68,022	124,435
Disability accommodation	3,041,038	868,727
Insurance	7,072	2,104
Administration and support	617,561	105,725
Conference	55,101	35,380
Bad debt	0	5,493
Professional development	 5,036	3,171
	12,375,940	8,179,659

Year ended March 31, 2022

Statement of Cash Flows		2022	2021
Operating Activities			_
Surplus	\$	543,173 \$	943,675
Items not affecting cash			
Amortization		10,450	42,204
		553,623	985,879
Changes in Non-Cash Working Capital			
Accounts receivable		(62,154)	166,138
Inventory		10,416	(10,416)
Prepaid expenses		2,657	(43,932)
Sales tax rebate, net		(56,845)	(26,050)
Accounts payable and accrued liabilities		740,445	477,297
Deferred revenue		2,896,649	1,434,308
Deferred lease inducement		(372)	10,790
Cash Flows From Operating Activities		4,084,419	2,994,014
Investing Activities			
Purchase of capital assets		0	(425)
Increase in temporary investments		(2,655,139)	0
Cash Flows Used In Investing Activities	<u></u>	(2,655,139)	(425)
Net increase in cash during the year		1,429,280	2,993,589
Cash at beginning of year		5,906,257	2,912,668
Cash at End of Year		7,335,537	5,906,257

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. CCRW is mainly dependent on this funding for its continued operations.

CCRW 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

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

CCRW subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash 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

CCRW is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2022:

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.

CCRW is subject to concentrations of credit risk through cash and its accounts receivable. CCRW maintains substantially all of its cash at a single major Canadian financial institution. The majority of CCRW'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 CCRW 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

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

CCRW has invested its excess cash in low risk interest bearing vehicles such as mutual funds as the means for managing its interest rate risk.

Liquidity Risk

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

CCRW manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its needs. CCRW 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 CCRW is not exposed to significant liquidity risk.

Note 3 Cash and Investments

	 2022	2021
Cash		_
Operating bank accounts	\$ 7,330,199 \$	5,906,257
Broker's cash account	 5,338	0
	7,335,537	5,906,257
Temporary Investments		
Mutual funds	 2,655,139	0
	9,990,676	5,906,257

The rate of return during the year was (3.0)%.

March 31, 2022

Note 4	Capital Assets						
				Acc	umulated	Net	Net
	_		Cost	Amo	ortization	2022	2021
	Computer equipment	\$	18,175	\$	13,908	\$ 4,267	\$ 12,385
	Furniture and fixtures		5,634		4,864	770	3,103
	<u> </u>		23,809		18,772	5,037	15,488
Note 5	Deferred Revenue						
						2022	2021
	Partners					\$ 3,342,230	\$ 900,276
	Accommodation & Inclusive Manage	ment				1,998,895	835,233
	Workplace Inclusion Program					114,268	17,205
	Disability Confidence					107,302	207,050
	Social Development Partnership Prog	gram				76,095	296,000
	Accessibility First West Coast					67,525	0
	Autisms Angels					9,955	9,955
	Canada Summer Jobs					317	4,207
	Youth the Future					0	261,401
	Ontario Workplace Inclusion Prograr	n				0	245,623
	Sodexo					0	31,579
	Job accommodation service – Bell Ca	anada				0	11,409
						 5,716,587	2,819,938

Note 6 Commitments

During the year, CCRW agreed to provide funding to the following employers to help promote accessibility in the workplace under the Advancing Inclusive Employment Incubator Fund project.

		Remaining	
Employer	Total Contract	Amount	
Fable Tech Labs Inc.	\$ 150,000 \$	20,000	
Spero Careers Canada	130,000	16,000	
Redwood Employment Inc.	130,000	16,000	
Accessibrand	130,000	16,000	
Pollinate Networks Inc.	130,000	16,000	
Layla Care Inc.	125,000	15,000	
Riddl Tech Inc.	110,000	12,000	
Distinctability	110,000	12,000	

March 31, 2022

Note 6 Commitments - continued

During the year, CCRW entered into a contract with Cloudstack Services for \$440,820 plus HST for services and development of applications related to CCRW's employer enhancing technology projects. As of year-end, \$352,626 plus HST has been incurred and recognized in these financial statements.

CCRW leases premises under non-cancelable operating lease agreements.

Future minimum annual payment requirements are as follows:

2023	\$ 543,827
2024	267,269
2025	97,116
2026	97,116
2027	82,382

Note 7 Future Uncertainty Resulting from the Pandemic

There is significant uncertainty around the long-term economic and business consequences of COVID-19. The market value of CCRW's investments may be affected. It is not possible to estimate the actual financial effects at this time. In the previous year, CCRW applied for and received the Canada Emergency Wage Subsidy to assist with the effects of COVID-19.