

# **Canadian Council on Rehabilitation and Work**

**Non-consolidated Financial Statements**

**For the Year Ended March 31, 2025**

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of Canadian Council on Rehabilitation and Work

#### *Opinion*

We have audited the non-consolidated financial statements of Canadian Council on Rehabilitation and Work (the "Organization"), which comprise the non-consolidated statement of financial position as at March 31, 2025, and the non-consolidated statements of revenues, expenses and accumulated surplus and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Organization as at March 31, 2025, and its results of non-consolidated operations and its non-consolidated 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 *Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 Non-consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.



### *Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 non-consolidated 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 non-consolidated 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 the Organization'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 the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated 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 auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the non-consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*RSM Canada LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
September 22, 2025  
Toronto, Ontario

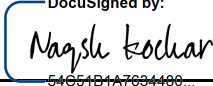
**Canadian Council on Rehabilitation and Work**  
**Non-consolidated Statement of Financial Position**  
**As at March 31, 2025**

	2025	2024
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 2,167,067	\$ 6,735,135
Investments (Note 5)	3,083,151	2,778,963
Accounts receivable (Note 8)	356,138	561,716
HST receivable	54,414	86,962
Prepaid expenses	336,867	124,742
	5,997,637	10,287,518
<b>Investment in Innova Corp. (Note 8)</b>	<b>68,357</b>	<b>387,556</b>
	<b>\$ 6,065,994</b>	<b>\$ 10,675,074</b>

**Liabilities and Accumulated Surplus**

<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 1,096,327	\$ 419,986
Deferred contributions (Note 6)	1,750,482	7,202,009
	2,846,809	7,621,995
<b>Accumulated surplus</b>	<b>3,219,185</b>	<b>3,053,079</b>
	<b>\$ 6,065,994</b>	<b>\$ 10,675,074</b>

**Commitments and guarantee** (Note 7)

Approved by the Board	DocuSigned by:	Signed by:
		
	Chair	Treasurer

**Canadian Council on Rehabilitation and Work**  
**Non-consolidated Statement of Revenues, Expenses and Accumulated surplus**  
**Year Ended March 31, 2025**

	2025	2024
<b>Revenue</b>		
Government disability employment programs (Schedule 1)	\$ 9,456,283	\$ 11,607,693
Miscellaneous	432,250	391,338
Interest and investment income	301,528	282,264
Training and consulting	46,331	102,466
Conference revenue	-	138,903
	<b>10,236,392</b>	<b>12,522,664</b>
<b>Expenses</b>		
Meetings and operating (Schedule 2)	<b>9,751,087</b>	<b>12,129,124</b>
<b>Excess of revenue over expenses before the undernoted</b>	<b>485,305</b>	<b>393,540</b>
<b>Loss from Innova Corp. (Note 8)</b>	<b>(319,199)</b>	<b>(691,292)</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>166,106</b>	<b>(297,752)</b>
<b>Accumulated surplus, beginning of year</b>	<b>3,053,079</b>	<b>3,350,831</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 3,219,185</b>	<b>\$ 3,053,079</b>

**Canadian Council on Rehabilitation and Work**  
**Non-consolidated Statement of Cash Flows**  
**Year Ended March 31, 2025**

	2025	2024
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess (deficiency) of revenue over expenses	\$ 166,106	\$ (297,752)
Items not affecting cash		
Amortization of capital assets	-	12
Loss from Innova Corp.	319,199	691,292
Realized and unrealized losses (gains) on investments	(302,187)	(278,764)
	183,118	114,788
Net changes in non-cash operating assets and liabilities		
Accounts receivable	205,578	1,223,136
HST receivable	32,548	110,341
Prepaid expenses	(212,125)	(693)
Accounts payable and accrued liabilities	676,341	(1,267,296)
Deferred contributions	(5,451,527)	427,484
	(4,566,067)	607,760
<b>Investing</b>		
Purchase of investments	(129,227)	(357,450)
Proceeds on sale of investments	127,226	354,316
	(2,001)	(3,134)
<b>Net change in cash</b>	<b>(4,568,068)</b>	<b>604,626</b>
<b>Cash, beginning of year</b>	<b>6,735,135</b>	<b>6,130,509</b>
<b>Cash, end of year</b>	<b>\$ 2,167,067</b>	<b>\$ 6,735,135</b>

**1. NATURE OF ACTIVITIES**

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.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

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

**Investment in Innova Corp.**

CCRW owns 100% of the issued common and preferred shares of Innova Corp. The investment is accounted for using the equity method.

**Revenue Recognition**

CCRW follows the deferral method of accounting for contributions, which include government and other funding. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Training and consulting, conference registration, conference sponsorship, and website advertising are recorded as deferred revenue and recognized in operations as the related services are provided. Miscellaneous revenue is recognized as earned.

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 as earned.

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Financial Instruments**

CCRW initially measures its financial assets and liabilities at fair value, except for non-arm's length transactions, which are measured at the exchange amount. CCRW subsequently measures its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the excess (deficiency) of revenue over expenses.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and due to Innova Corp.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of a writedown, if any, is recognized in the excess of revenue over expenses. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the excess of revenue over expenses.

**Use of Estimates**

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the reporting date and the revenue and expenses reported for the year then ended. Actual results could differ from those estimates. Significant estimates include the allocation of expenses. Such estimates are reviewed periodically and any adjustments are reported in the year in which they become known.

**Software Services**

During the year, the Organization adopted Accounting Guidelines AcG-20, "Customer's Accounting for Cloud Computing Arrangements" which is effective for fiscal years beginning on or after January 1, 2024. The guideline was adopted retrospectively. There was no impact on the adoption of this guideline as there were no changes in the recording of software service fees and other expenses related to cloud computing arrangements on adoption. The Organization applied the simplification method and software service fees and other expenses related to cloud computing arrangements are expensed as incurred and are included in office expenses in the statement of operations.



**3. ECONOMIC DEPENDENCE**

The Organization relies on funding from the federal government.

The Organization is contingently liable for all or a portion of grants received should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such repayments are not currently anticipated or determinable. In the event of repayment of a grant, the repayment will be recorded in the statement of revenue, expenses and changes in net assets.

During the year ended March 31, 2025, the Organization received majority of its revenue, 77% (2024 - 84%), from Employment and Social Development Canada ("ESDC"). The amount of revenue from this source is significant enough that the ongoing viability of the Organization is economically dependent on the continued funding from ESDC.

**4. FINANCIAL RISK MANAGEMENT**

**Risk Management Policy**

CCRW is exposed to various financial risks through its financial instruments. There were no changes in the risks from the previous year end.

**Credit Risk**

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Organization is subject to credit risk related to its cash and accounts receivable. Credit risk with respect to cash is limited as cash is held at a high credit quality financial institution in Canada. The Organization manages risk related to accounts receivable through proactive collection policies.

**Market Risk**

Market risk is the risk that the fair value of investments will fluctuate due to changes in market prices. Market risk is managed by having a diversified portfolio of mutual funds that meet certain quality requirements as per CCRW's investment policy.

**Liquidity Risk**

In managing capital, CCRW focuses on liquid resources available for operations. CCRW's objective is to have sufficient liquid resources to continue operating and to provide it with the flexibility to take advantage of opportunities that will advance its purpose. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to budget.

**5. INVESTMENTS**

Investments are comprised of equity and bond mutual funds.

**6. DEFERRED CONTRIBUTIONS**

Deferred contributions consist of funding received in the current fiscal year for which the related expenditures have not been made. It is anticipated that these funds will be utilized in the subsequent period.

	<b>2025</b>	<b>2024</b>
Balance, beginning of year	<b>\$ 7,202,009</b>	\$ 6,774,525
Contributions received	<b>7,220,246</b>	12,035,175
Contributions returned	<b>(3,215,490)</b>	-
Contributions recognized in revenue	<b>(9,456,283)</b>	(11,607,691)
<b>Balance, end of year</b>	<b>\$ 1,750,482</b>	<b>\$ 7,202,009</b>

At year end deferred contributions consist of the following:

	<b>2025</b>	<b>2024</b>
Social Development Partnership Program	<b>\$ 795,879</b>	\$ 1,251,267
Accessibility First West Coast	-	3,030,684
Youth the Future	<b>355,892</b>	99,476
Other	<b>194,254</b>	84,005
Slaight Family Foundation Program	<b>189,185</b>	-
Sector Labour Market Partnerships Program	<b>87,532</b>	-
Tourism HR Canada	<b>73,091</b>	-
Society for Canadian Women in Science and Technology Program	<b>20,000</b>	-
Ontario Ministry of Labour, Immigration, Training and Skills Development	<b>17,743</b>	159,619
Workplace Including Program	<b>16,906</b>	29,970
Training, Recruitment, Accessibility, Needs Assessment & Skills Formation	-	1,501,601
Skilled Talent Elevation Program	-	570,681
Skilled Talent Employment Advantage Method	-	180,890
Employment Services for Women	-	171,829
Autisms Angels	-	9,955
Sourcing Understanding Through Research for Future Talent	-	112,032
<b></b>	<b>\$ 1,750,482</b>	<b>\$ 7,202,009</b>

**7. COMMITMENTS AND GUARANTEE**

CCRW provided an unlimited guarantee for a credit facility agreement held by Innova Corp. consisting of a line of credit of \$50,000 and a credit card with a maximum amount of \$50,000. At March 31, 2025, the balance owing on the line and the credit card was \$Nil.

**7. COMMITMENTS AND GUARANTEE (Cont'd)**

CCRW leases premises under non-cancelable operating lease agreements. Future minimum annual payment requirements are as follows:

2026	\$	440,214
2027		275,973
2028		122,490
2029		72,053
Thereafter		72,053
		<hr/>
		<b>\$ 982,783</b>

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**8. INNOVA CORP.**

CCRW is the sole shareholder of Innova Corp. CCRW holds 100 common shares and 619,900 Class B shares of Innova Corp. Innova Corp is authorized to issue unlimited Class B to F shares. Innova Corp. uses Canadian accounting standards for private enterprises as its basis of accounting. CCRW's investment in Innova Corp. consists of:

	2025	2024
Common shares	\$ 100	\$ 100
Class B preferred shares	619,900	619,900
Equity method income (loss) - cumulative	(551,643)	(232,444)
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		<b>\$ 68,357</b>
		<b>\$ 387,556</b>

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Innova Corp.'s audited financial statements are summarized below:

	2025	2024
<b>Financial position</b>		
<b>Assets</b>		
	\$ 400,126	\$ 531,433
<b>Liabilities</b>	\$ 331,769	\$ 143,877
<b>Net assets</b>	68,357	387,556
		<hr/>
		<b>\$ 400,126</b>
		<b>\$ 531,433</b>
<b>Results of operations</b>		
Revenues	\$ 1,330,258	\$ 1,159,532
Expenses	(1,649,457)	(1,850,824)
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (319,199)</b>	<b>\$ (691,292)</b>
		<hr/>
		<b>2025</b>
		<b>2024</b>
<b>Cash flows</b>		
Cash provided by (used in) operating activities	\$ (24,426)	\$ (494,501)
Cash provided by (used in) investing activities	(75,473)	(2,312)
<b>Increase (decrease) in cash</b>	<b>\$ (99,899)</b>	<b>\$ (496,813)</b>

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**8. INNOVA CORP. (Cont'd)**

Innova Corp. provides disability accommodation services to CCRW. CCRW provides Innova Corp. with assistance for finance, human resources, office space and other administrative functions, currently estimated to be \$68,000 plus HST per year.

At year end, included in accounts payable and accrued liabilities \$22,298 (2024 - \$89,748) due to Innova Corp., and included in accounts receivable is \$7,714 (2024 - \$2,109) due from Innova Corp.. Amounts are recorded at exchange value and are due on demand.

Included in miscellaneous revenue is \$81,924 (2024 - \$138,162) received from Innova Corp. Disability accommodation expense includes \$1,037,031 (2024 - \$828,923) and training and professional development expense includes \$12,500 (2024 - \$26,392) paid to Innova Corp.

**9. COMPARATIVE BALANCES**

The prior year Schedule 1 groupings have been revised, grouping similar items together, to conform to the current year's presentation.

**Canadian Council on Rehabilitation and Work**  
**Schedule 1 - Government Disability Employment Programs**  
**Year Ended March 31, 2025**

	<b>2025</b>	<b>2024</b>
Opportunities Fund National	<b>\$ 4,763,411</b>	<b>\$ 1,943,497</b>
Canada Employment Insurance Commission - Labour Market Partnerships Support Measure	<b>818,350</b>	<b>524,515</b>
Opportunities Fund Regional	<b>798,503</b>	<b>295,911</b>
Social Development Partnership Program	<b>680,425</b>	<b>409,364</b>
Canada Employment Insurance Commission - National Essential Skills Initiative, Skills for Success	<b>624,544</b>	<b>2,274,471</b>
Ontario Ministry of Labour, Immigration, Training and Skills Development	<b>420,996</b>	<b>413,524</b>
Avenue NB	<b>406,576</b>	<b>359,549</b>
Canadian Accessibility Standards Development Organization	<b>273,004</b>	<b>137,758</b>
BC Ministry of Post-Secondary Education and Future Skills	<b>207,401</b>	<b>-</b>
Manitoba Ministry of Immigration and Career Training	<b>185,531</b>	<b>162,849</b>
Youth Employment Skills Strategy Regional	<b>164,478</b>	<b>1,455,376</b>
Tourism HR Canada	<b>96,409</b>	<b>-</b>
Youth Employment Skills Strategy National	<b>16,655</b>	<b>2,486,389</b>
Adult Learning, Literacy and Essential Skills Program, Women Employment Readiness Pilot Program	<b>-</b>	<b>1,144,490</b>
	<b>\$ 9,456,283</b>	<b>\$ 11,607,693</b>

**Canadian Council on Rehabilitation and Work**  
**Schedule 2 - General and Administrative Expenses**  
**Year Ended March 31, 2025**

	2025	2024
<b>Meeting</b>		
Travel and meeting	\$ 258,537	\$ 254,479
<b>Operating</b>		
Salaries and employee benefits	5,001,722	6,113,122
Disability accommodation (Note 8)	1,974,502	3,153,894
Other project costs	999,354	442,568
Occupancy costs	491,403	898,315
Office expense	381,854	422,603
Professional and consulting fees	273,907	290,048
Advertising and promotion	136,912	75,294
HST and GST non-recoverable portion	129,300	146,506
Training and professional development (Note 8)	53,661	40,289
Conference	18,830	200,270
Bad debt	17,426	80,000
Interest and bank charges	13,679	11,419
Licenses, memberships, dues	-	305
Amortization	-	12
	<b>\$ 9,751,087</b>	<b>\$ 12,129,124</b>