

Families for Addiction Recovery

Financial Statements

(unaudited)

For the period from May 4, 2016
(date of incorporation) **to March 31,**
2017

Families for Addiction Recovery

Financial Statements (unaudited)

For the period from May 4, 2016 (date of incorporation) to March 31, 2017

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August 15, 2017

Review Engagement Report

To the directors of
Families for Addiction Recovery

We have reviewed the balance sheet of Families for Addiction Recovery as at March 31, 2017 and the statements of operations and net assets, and cash flows for the period from May 4, 2016 (date of incorporation) to March 31, 2017. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads 'Chaplin & Co.' followed by a horizontal line.

Chartered Accountants
Licensed Public Accountants

Roger Chaplin CPA, CA LPA MA [Oxon] Gail Bergman CPA, CA LPA B Comm

Chaplin & Co Chartered Accountants • 1110 Finch Avenue West Suite 710 Toronto Ontario M3J 2T2
Telephone 416 667 7060 Facsimile 416 663 3746 e ca@chaplinco.com www.chaplinco.com

Families for Addiction Recovery

Balance Sheet
March 31, 2017
(unaudited)

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Assets

Current	
Cash	\$ 52,879
GST/HST recoverable	2,330
Prepaid research expenses	5,500
Prepaid expenses	132
	<hr/>
	60,841
 GIC, 1.4%, due April 19, 2018	 3,000
	<hr/>
	\$ 63,841
	<hr/>

Liabilities

Current	
Accounts payable and accrued liabilities	\$ 1,325

Net assets	<hr/>
	62,516
	<hr/>
	\$ 63,841
	<hr/>

See accompanying notes

**Approved on behalf of the Board of Directors
of Families for Addiction Recovery:**



Peter McCarter, Chairman



Angie Hamilton, Executive Director

Families for Addiction Recovery

Statement of Revenue and Expenses and Net Assets

Period from May 4, 2016 (date of incorporation) to March 31, 2017

(unaudited)

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Donations	
Corporations	\$ 10,750
Foundations	61,000
Individuals	26,645
	<u>98,395</u>
Expenses	
Program	
Public education and awareness	8,596
Parent to Parent peer support program	3,578
Research	103
	<u>12,277</u>
Non-program	
Administration	3,539
Professional development	3,052
Professional fees	1,039
Write-off of incorporation and charitable registration costs	15,972
	<u>23,602</u>
Total expenses	<u>35,879</u>
Excess of revenue over expenses and net assets, end of period	<u>\$ 62,516</u>

See accompanying notes

Families for Addiction Recovery

Statement of Cash Flows

Period from May 4, 2016 (date of incorporation) to March 31, 2017

(unaudited)

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Cash provided by (used in)

Operations

Excess of revenue over expenses for the period	\$ 62,516
Change in non-cash working capital	
GST/HST recoverable	(2,330)
Prepaid expenses	(5,632)
Accounts payable and accrued liabilities	1,325
	<u>55,879</u>

Inventory

Purchase of GIC	<u>(3,000)</u>
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Net change in cash during year period and cash, end period	<u>\$ 52,879</u>
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See accompanying notes

Families for Addiction Recovery

Notes to the Financial Statements

March 31, 2017

(unaudited)

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Families for Addiction Recovery, which was incorporated under Canada Not-for-profit Corporations Act on May 4, 2016, supports families affected by substance use disorder and protects persons, particularly youth, struggling with this disorder.

The Organization is exempt from income taxes as a registered charity under the Income Tax Act.

1. Summary of significant accounting policies

Basis of presentation

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

Financial instruments

The Organization initially measures its financial assets (including cash and accounts receivable) and financial liabilities (including accounts payable and accrued liabilities) at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations and government grants, as follows:

Donations are recorded on a cash collected basis.

Donations in-kind are recorded at estimated fair market value. There were no donations in-kind during the current period.

Corporate and foundation contributions and government grants ("funding") are recognized as receivable when a written confirmation of the funding is received. Unrestricted fundraising is recorded as revenue when received. Funding related to specified projects is recognized as revenue in the year in which the related expenses are incurred. Funding received that relates to future periods is deferred and recognized as revenue in the period that the expense is incurred.

Board committee members and other members of the public donate their labour in support of the organization. Measuring the fair value of these donated services is subject to uncertainty and therefore are not recognized in these financial statements.

Use of estimates

The preparation of the Organization's financial statements in accordance with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the year. Actual results could differ from those estimates, the impact of which would be recorded in future periods.

Families for Addiction Recovery

Notes to the Financial Statements

March 31, 2017

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2. Financial instruments

Credit risk

Credit risk is the risk that the counterpart to a financial instrument will fail to discharge an obligation that is entered into with the organization.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet a demand for cash or fund its obligations as they come due.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value of financial instruments.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes to foreign currencies.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market.

It is management's opinion that the Organization is not exposed to significant risk arising from its financial instruments.