

**Families for Addiction Recovery**

**Financial Statements**  
(unaudited)

**March 31, 2019**

# Families for Addiction Recovery

## Financial Statements

(unaudited)

March 31, 2019

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August 31, 2019

## **Independent Practitioner's Review Engagement Report**

To the members of Families for Addiction Recovery:

We have reviewed the accompanying financial statements of Families for Addiction Recovery that comprise the balance sheet as at March 31, 2019, and the statements of revenue and expenses and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **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.

### **Practitioner's responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Families for Addiction Recovery as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations.

A handwritten signature in black ink that reads 'Chaplin &amp; Co.' with a stylized flourish underneath.

Chartered Accountants  
Licensed Public Accountants

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

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# Families for Addiction Recovery

## Balance Sheet

(unaudited)

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	March 31	
	2019	2018
<b>Assets</b>		
Current		
Cash	\$ 90,519	\$ 84,177
GIC, 2%, due April 19, 2019 (2018 - 1.4%, due April 19, 2018)	3,057	3,061
Accounts receivable	-	200
GST/HST recoverable	676	4,680
Prepaid research expenses	5,500	5,500
Prepaid expenses	223	1,908
	<u>\$ 99,975</u>	<u>\$ 99,526</u>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 4,499	\$ 3,786
<b>Net assets</b>	<u>95,476</u>	<u>95,740</u>
	<u>\$ 99,975</u>	<u>\$ 99,526</u>

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 (unaudited)

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	Year ended March 31	
	2019	2018
Donations		
Corporations	\$ 500	\$ 7,000
Foundations	10,000	40,000
Individuals	10,427	26,155
	<u>20,927</u>	<u>73,155</u>
Honoraria	-	200
Interest income	59	61
	<u>20,986</u>	<u>73,416</u>
Expenses		
Program		
Education and awareness	9,908	17,550
Parent to Parent peer support program	1,405	3,155
Research	329	4,216
	<u>11,642</u>	<u>24,921</u>
Non-program		
Administration	4,672	3,905
Professional development	1,794	3,639
Professional fees	3,142	7,727
	<u>9,608</u>	<u>15,271</u>
Total expenses	<u>21,250</u>	<u>40,192</u>
Excess of revenue over expenses (expenses over revenue) and net assets	(264)	33,224
Net assets, beginning of year	95,740	62,516
Net assets, end of year	<u>\$ 95,476</u>	<u>\$ 95,740</u>

See accompanying notes

## Families for Addiction Recovery

### Statement of Cash Flows

(unaudited)

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	Year ended March 31	
	2019	2018
Cash provided by (used in)		
Operations		
Excess of revenue over expenses		
(revenue over expenses) for the year	\$ (264)	\$ 33,224
Change in non-cash working capital		
Accounts receivable	200	(200)
GST/HST recoverable	4,004	(2,350)
Prepaid expenses	1,685	(1,776)
Accounts payable and accrued liabilities	713	2,461
	<u>6,338</u>	<u>31,359</u>
Net change in cash during year period	6,338	31,359
Cash and cash equivalents, beginning of year	<u>87,238</u>	<u>55,879</u>
Cash and cash equivalents, end of year	<u>\$ 93,576</u>	<u>\$ 87,238</u>
Represented by:		
Cash	\$ 90,519	\$ 84,177
Guaranteed investment certificates	<u>3,057</u>	<u>3,061</u>
	<u>\$ 93,576</u>	<u>\$ 87,238</u>
See accompanying notes		



# Families for Addiction Recovery

## Notes to the Financial Statements

March 31, 2019

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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

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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 in 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.