

SOCIAL PLANNING COUNCIL OF OTTAWA

FINANCIAL STATEMENTS

DECEMBER 31, 2021



1.

INDEPENDENT AUDITORS' REPORT

To the Members of
Social Planning Council of Ottawa

Qualified Opinion

We have audited the financial statements of Social Planning Council of Ottawa (the "Council"), which comprise the statement of financial position as at December 31, 2021, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Council derives revenue from the general public in the form of fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Council and we were not able to determine whether any adjustments might be necessary to fundraising revenue, net revenue and cash flows from operations for the years ended December 31, 2021 and 2020, current assets and unrestricted surplus as at December 31, 2021 and 2020. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 the Council 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 qualified opinion.

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2.

INDEPENDENT AUDITORS' REPORT (Cont'd.)

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 the Council'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 the Council's financial reporting process.

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 the Council's internal control.

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3.

INDEPENDENT AUDITORS' REPORT (Cont'd.)

- 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 Council'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.

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.

McCay Duff LLP

McCay Duff LLP,
Licensed Public Accountants.

Ottawa, Ontario,
June 6, 2022.

SOCIAL PLANNING COUNCIL OF OTTAWA

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT		
Cash	\$ 598,695	\$ 634,666
Accounts receivable	102,730	91,031
Prepaid expenses	<u>12,284</u>	<u>14,919</u>
	713,709	740,616
COMMUNITY FOUNDATION ENDOWMENT FUND ASSETS (note 4)	26,306	22,753
RESTRICTED RESERVE ASSETS	<u>10,497</u>	<u>10,496</u>
	<u>\$ 750,512</u>	<u>\$ 773,865</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (note 5)	\$ 51,025	\$ 80,180
Deferred contributions (note 6)	<u>580,967</u>	<u>581,716</u>
	631,992	661,896
NET ASSETS		
COMMUNITY FOUNDATION ENDOWMENT FUND (note 4)	26,306	22,753
UNRESTRICTED SURPLUS	81,717	78,720
RESTRICTED RESERVE	<u>10,497</u>	<u>10,496</u>
	<u>118,520</u>	<u>111,969</u>
	<u>\$ 750,512</u>	<u>\$ 773,865</u>

Approved on behalf of the Board:

Chandra Hapuarachchi, Treasurer
[Chandra Hapuarachchi, Treasurer \(Jun 10, 2022 16:35 EDT\)](#)

Director

Lise Hebabi, Vice-President
[Lise Hebabi, Vice-President \(Jun 10, 2022 16:39 EDT\)](#)

Director

SOCIAL PLANNING COUNCIL OF OTTAWA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
UNRESTRICTED SURPLUS		
BALANCE - BEGINNING OF YEAR	\$ 78,720	\$ 66,047
Net revenue for the year	<u>2,997</u>	<u>12,673</u>
BALANCE - END OF YEAR	<u>\$ 81,717</u>	<u>\$ 78,720</u>
RESTRICTED RESERVE		
BALANCE - BEGINNING OF YEAR	\$ 10,496	\$ 10,433
Investment income	<u>1</u>	<u>63</u>
BALANCE - END OF YEAR	<u>\$ 10,497</u>	<u>\$ 10,496</u>

SOCIAL PLANNING COUNCIL OF OTTAWA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General Operations</u>	<u>Research, Planning & Networking</u>	<u>Synapcity</u>	<u>Special Projects</u>	<u>2021 Total</u>	<u>2020 Total</u>
REVENUE						
Deferred contributions from previous year (note 6)	\$ 55,840	\$ 124,049	\$ 98,088	\$ 303,739	\$ 581,716	\$ 323,660
Baycrest Centre	-	4,325	-	-	4,325	1,500
Canada Emergency Wage Subsidy	94,368	-	-	1,078	95,446	251,603
Canadian Women's Foundation	-	-	-	190,126	190,126	-
Centre for Aging and Brain Health Innovation	-	-	-	-	-	70,078
City of Ottawa	72,293	10,075	-	151,910	234,278	215,795
Client user fees	-	82,295	-	23,568	105,863	95,145
Co-operators Community Fund	-	-	-	30,000	30,000	-
Data Consortium	-	14,300	-	-	14,300	8,400
Employment and Social Development Canada	-	50,101	-	320,134	370,235	126,124
Fundraising and donations	20,005	25	2,720	25,437	48,187	100,617
Gilligan Foundation	-	-	-	-	-	25,000
Make Way Foundation	-	-	-	1,000	1,000	-
Matt Foundation	-	-	7,000	-	7,000	7,000
Membership fees	335	3,000	-	210	3,545	1,190
Other income	374	7,500	-	1,000	8,874	3,367
Ottawa Community Foundation	150	50,160	62,620	57,430	170,360	249,833
Project revenues	-	218,955	-	26,492	245,447	8,350
Province of Ontario	-	52,795	-	-	52,795	-
RBC Foundation	-	-	-	-	-	44,260
The Ontario Trillium Foundation	35,000	7,400	-	-	42,400	109,800
United Way East Ontario	-	206,771	-	45,000	251,771	350,571
	<u>278,365</u>	<u>831,751</u>	<u>170,428</u>	<u>1,177,124</u>	<u>2,457,668</u>	<u>1,992,293</u>
Deferred contributions to next year (note 6)	-	162,003	110,381	308,583	580,967	581,716
	<u>278,365</u>	<u>669,748</u>	<u>60,047</u>	<u>868,541</u>	<u>1,876,701</u>	<u>1,410,577</u>
EXPENSES (Schedule of Expenses)	<u>275,885</u>	<u>669,415</u>	<u>60,047</u>	<u>868,357</u>	<u>1,873,704</u>	<u>1,397,904</u>
NET REVENUE	<u>\$ 2,480</u>	<u>\$ 333</u>	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ 2,997</u>	<u>\$ 12,673</u>

SOCIAL PLANNING COUNCIL OF OTTAWA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Cash from operations		
Net revenue for the year	\$ 2,997	\$ 12,673
Restricted reserve net revenue	<u>1</u>	<u>63</u>
	2,998	12,736
 Changes in non-cash working capital		
- accounts receivable	(11,699)	3,623
- prepaid expenses	2,635	663
- accounts payable and accrued liabilities	(29,155)	29,661
- deferred contributions	<u>(749)</u>	<u>258,056</u>
	<u>(38,968)</u>	<u>292,003</u>
	(35,970)	304,739
 INVESTING ACTIVITY		
Change in restricted reserve assets	<u>(1)</u>	<u>(63)</u>
 INCREASE (DECREASE) IN CASH DURING THE YEAR	(35,971)	304,676
 CASH - BEGINNING OF YEAR	<u>634,666</u>	<u>329,990</u>
 CASH - END OF YEAR	<u>\$ 598,695</u>	<u>\$ 634,666</u>

SOCIAL PLANNING COUNCIL OF OTTAWA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. ORGANIZATION

The Council is incorporated under the laws of Ontario without share capital by way of letters patent. The Council is a private, not-for-profit and registered charitable organization directed by a volunteer Board of Directors. Its mission is to provide the residents of Ottawa with the means to exercise informed leadership on issues affecting their social and economic well-being. The Council is dependent on grants from various levels of government and the United Way of Ottawa in order to maintain its current levels of service. The Council qualifies as a non-profit organization as defined in section 149(1)(L) of the Income Tax Act. Accordingly, the Council is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Council's significant accounting policies are as follows:

(a) Revenue Recognition

The Council follows the deferral method of accounting for contributions. Restricted contributions are recognized in the year in which the related restrictions are met. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue when received or receivable.

(b) Capital Assets and Amortization

Capital assets are stated at cost, net of accumulated amortization. Amortization on the telephone system is recorded on a straight line basis over 5 years.

(c) Administration Cost Allocation

Administration costs are allocated to projects up to the maximum allowed under the funding agreements.

(d) Restricted Reserve

The Council maintains a portion of its surplus in an internally restricted reserve. The terms and conditions of the amount, use and restrictions of the reserve are determined by the Council. Reserve assets consist of guaranteed investment certificates.

SOCIAL PLANNING COUNCIL OF OTTAWA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

(e) Use of Estimates

The preparation of 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, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue as appropriate in the year they become known.

(f) Financial Instruments

The Council's financial instruments consist of cash, accounts receivable, Community Foundation endowment fund assets, restricted reserve assets, and accounts payable and accrued liabilities.

Measurement

Financial instruments are recorded at fair value on initial recognition.

The Council subsequently measures its financial instruments as follows:

Cash, accounts receivable, funds held in trust, and accounts payable and accrued liabilities are subsequently measured at amortized cost.

Restricted reserve assets and Community Foundation endowment fund assets are subsequently measured at fair value. Changes in fair value are recognized in net revenue.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue.

(g) Volunteer Services

The Council receives the services of many volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expense has been included in these financial statements.

SOCIAL PLANNING COUNCIL OF OTTAWA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

3. FINANCIAL RISKS AND CONCENTRATION OF RISKS

It is management's opinion that the Council is not exposed to significant credit, interest rate, liquidity, market or currency risks arising from its financial instruments. There has been no change to the risk exposure from the prior year.

4. COMMUNITY FOUNDATION ENDOWMENT FUND

In 2004, the Council established an endowment fund with the Community Foundation of Ottawa. The fund was established in order to begin the process of providing long-term funding stability. Contributions to the fund, since its inception, total \$13,618. The total income earned by the fund over that period is \$12,688, resulting in a fund balance at December 31, 2021 of \$26,306 (2020 - \$22,753). Activity of the endowment fund for the fiscal year ending December 31, 2021 consists of net investment income of \$3,553. A stipulation of the fund is that all earnings must be reinvested until the fund balance reaches \$25,000. Once the fund has \$25,000 invested, earnings of the fund will be available for use in general operations.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of \$26,193 (2020 - \$23,443) for payroll related taxes.

SOCIAL PLANNING COUNCIL OF OTTAWA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

6. DEFERRED CONTRIBUTIONS

Deferred contributions received are restricted for use in subsequent fiscal periods.

	Balance - Beginning of Year	Received During the Year	Recognized as Revenue in the Year	Balance - End of Year
Baycrest Centre	\$ -	\$ 4,325	\$ 4,325	\$ -
Canada Emergency Wage Subsidy	-	95,446	95,446	-
Canadian Women's Foundation	-	190,126	190,126	-
City of Ottawa	48,473	234,278	229,594	53,157
Client user fee	24,967	109,408	125,516	8,859
Community Foundation of Ottawa	115,570	170,360	180,985	104,945
Co-operators Community Fund	-	30,000	27,965	2,035
Data Consortium	-	14,300	14,300	-
Employment and Social Development Canada	4,357	370,235	320,438	54,154
Fundraising and donations	209,442	48,187	65,503	192,126
Gilligan Foundation	20,841	-	20,841	-
Innoweave	-	7,500	7,500	-
Matt Foundation	5,575	7,000	8,712	3,863
Make Way Foundation	-	1,000	311	689
Other	-	1,374	1,374	-
Project revenues	28,144	245,447	138,090	135,501
Province of Ontario	-	52,795	43,696	9,099
RBC Foundation	10,120	-	10,120	-
The Ontario Trillium Foundation	49,846	42,400	92,246	-
United Way East Ontario	<u>64,381</u>	<u>251,771</u>	<u>299,613</u>	<u>16,539</u>
	<u>\$ 581,716</u>	<u>\$ 1,875,952</u>	<u>\$ 1,876,701</u>	<u>\$ 580,967</u>

SOCIAL PLANNING COUNCIL OF OTTAWA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

7. PENSION PLAN

The Council participates in the Ottawa-Carleton Community Agencies Pension Plan. This multi-employer defined benefit pension plan covers employees of the Council and employees of other participating organizations.

The Council has adopted defined contribution plan accounting principles for this pension plan as sufficient information is not available to use defined benefit plan accounting.

As at December 31, 2020, the pension plan surplus in aggregate was \$3,076,439. During the year, the Council contributed and expensed \$8,488 (2020 - \$12,337) to the plan. No significant changes were made to the contractual elements of the plan during the year.

8. IMPACT OF COVID-19

The impact of COVID-19 to the public since its outbreak in mid-March 2020 has been extensive. In response to ongoing health concerns, the Council has been adhering to government guidelines as they relate to states of emergency, social distancing measures and mandated closures. The Canadian government has continued to implement financial easing policies to mitigate the financial impact on the economy in which the Council operates, however its effectiveness is yet to be determined. The financial impact on the Council as a result of COVID-19 is unknown as the potential impact on future operations cannot be determined. No amounts have been recognized in the audited financial statements relating to the potential impact of future events on the Council as a result of COVID-19.

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current financial statement presentation.

SOCIAL PLANNING COUNCIL OF OTTAWA

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021

	General Operations	Research Planning & Networking	Synapcity	Special Projects	2021 Total	2020 Total
AGM and annual report	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 324
Bad debts (recovery)	-	-	-	-	-	5,670
Bookkeeping	9,355	-	-	1,802	11,157	10,406
Conference, travel and staff development	1,289	268	-	77,244	78,801	38,193
Consultant fees	58,811	5,864	46,711	128,011	239,397	96,327
Contract personnel	101,095	301,174	-	288,425	690,694	377,053
COVID-19 direct support	3,058	57,746	68	81,673	142,545	44,706
Employee benefits	16,527	48,877	-	37,392	102,796	95,345
Funding services	22	56,034	-	300	56,356	78,204
Fundraising	4,666	89	-	-	4,755	821
Information and data purchase	-	22,183	-	-	22,183	22,284
Insurance	4,439	1,161	768	1,403	7,771	7,538
Miscellaneous	2,735	-	120	6,529	9,384	11,339
Office equipment maintenance and leases	29,194	6,903	896	4,357	41,350	30,687
Occupancy	19,944	-	-	-	19,944	20,235
Pilot projects	-	50,838	-	51,833	102,671	167,676
Postage and shipping	143	-	14	27	184	443
Printing, photocopying and desktop publishing	99	-	-	296	395	2,810
Professional fees	8,206	-	200	-	8,406	7,533
Public relations and publicity	-	-	-	210	210	370
Salaries and honorariums	38,995	82,134	300	134,386	255,815	327,747
Stationery and supplies	2,468	313	-	1,916	4,697	4,013
Subscriptions and publications	52	55	78	-	185	1,275
Sundry, local transport and participant expenses	1,598	14,184	101	47,776	63,659	30,447
Telephone	2,197	15	-	661	2,873	5,458
Translation	-	900	-	169	1,069	4,245
Volunteer/Board support	-	199	240	380	819	977
Website/Internet	2,081	2,311	-	1,196	5,588	5,778
Admin allocation (recovery)	<u>(31,089)</u>	<u>18,167</u>	<u>10,551</u>	<u>2,371</u>	<u>-</u>	<u>-</u>
	<u>\$ 275,885</u>	<u>\$ 669,415</u>	<u>\$ 60,047</u>	<u>\$ 868,357</u>	<u>\$ 1,873,704</u>	<u>\$ 1,397,904</u>