Financial Statements of

CANADIAN COUNCIL OF THE BLIND

And Independent Auditors' Report thereon

Year ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Directors of the Canadian Council of the Blind

Opinion

We have audited the financial statements of the Canadian Council of the Blind (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of operations, changes in fund balances and its 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 auditors' report.

We are independent of the Entity 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 the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 23, 2022

CANADIAN COUNCIL OF THE BLIND

Statement of Financial Position

December 31, 2021, with comparative information for 2020

		2021		2020
Assets				
Current assets:				
Cash	$	639,295	$	477,133
Amounts receivable		51,407		54,389
Prepaid expenses		26,708		5,734
		717,410		537,256
Investments (note 2)		319,927		318,882
Tangible capital and intangible assets (note 3)		14,516		42,588
Assets under capital leases (note 3)		8,291		12,436
	$	1,060,144	$	911,162
Liabilities and Fund Balances				
Current liabilities:				
Accounts payable and accrued liabilities (note 4)	$	147,161	$	100,608
Deferred revenue (note 5)		8,523		46,475
		155,684		147,083
Deferred capital contributions (note 6)		4,879		32,920
Obligations under capital leases		10,009		13,892
Loan payable (note 7)		-		40,000
Fund balances:				
Capital fund		17,928		22,104
Unrestricted - General fund		871,644		655,163
		889,572		677,267
Commitments and guarantees (note 9)				
	$	1,060,144	$	911,162

See accompanying notes to financial statements.

On behalf of the Board:

______________________ Director ______________________ Director

CANADIAN COUNCIL OF THE BLIND

Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Donations - Special Campaign	$ 2,494,079	$ 2,162,026
Donations - White Cane	111,500	278,947
Eye Health Program	280,054	113,126
Donations - other	117,327	94,837
Other income	-	49,292
Other grants	72,239	39,923
Membership fees	15,395	15,760
Amortization of deferred capital contributions	28,041	8,136
Investment	719	2,900
Rental income	3,076	480
	3,122,430	2,765,427
Expenses:		
Project and program:		
Membership awareness campaign	1,105,973	963,460
Future vision and eye health	470,666	234,981
Special campaign - professional fees	334,862	257,099
Skills and training development	260,035	278,678
Chapter support	219,608	194,853
White Cane	62,486	198,424
Public education and awareness	50,562	42,480
Sports, recreation and bonspiel	22,013	4,235
Accessibility and advocacy	6,406	10,759
World Blind Union	-	1,366
	2,532,611	2,186,335
General operating:		
Salaries and benefits	154,253	130,688
Administration	148,441	124,349
Rent and parking	38,910	38,602
Legal and professional fees	20,015	16,482
Amortization of tangible capital and intangible assets	15,895	17,519
	377,514	327,640
	2,910,125	2,513,975
Excess of revenue over expenses	$ 212,305	$ 251,452

See accompanying notes to financial statements.

CANADIAN COUNCIL OF THE BLIND

Statement of Changes in Fund Balances

Year ended December 31, 2021, with comparative information for 2020

	Capital fund	General fund	Total 2021	Total 2020
Fund balances, beginning of year	$ 22,104	$ 655,163	$ 677,267	$ 425,815
Excess of revenue over expenses	-	212,305	212,305	251,452
Amortization of deferred capital contributions	28,041	(28,041)	-	-
Loss on disposal of tangible capital assets	(25,817)	25,817	-	-
Purchase of tangible capital and intangible assets	9,495	(9,495)	-	-
Amortization of tangible capital and intangible assets	(15,895)	15,895	-	-
Fund balances, end of year	$ 17,928	$ 871,644	$ 889,572	$ 677,267

See accompanying notes to financial statements.

CANADIAN COUNCIL OF THE BLIND

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash flows from operating activities:		
Excess of revenue over expenses	$ 212,305	$ 251,452
Items not involving cash:		
Amortization of tangible capital and intangible assets	15,895	17,519
Amortization of deferred capital contributions	(28,041)	(8,136)
Loss on disposal of tangible capital assets	25,817	-
Change in non-cash operating working capital:		
Amounts receivable	2,982	34,206
Prepaid expenses	(20,974)	14,094
Accounts payable and accrued liabilities	46,553	(63,873)
Deferred revenue	(37,952)	(45,080)
	216,585	200,182
Cash flows from financing activities:		
Decrease in obligations under capital lease	(3,883)	(3,789)
Net additions to investments	(1,045)	(2,605)
	(4,928)	(6,394)
Cash flows from investing activities:		
Purchase of tangible capital and intangible assets	(9,495)	(4,912)
Proceeds (repayment) of loan payable	(40,000)	40,000
	(49,495)	35,088
Increase in cash	162,162	228,876
Cash, beginning of year	477,133	248,257
Cash, end of year	$ 639,295	$ 477,133

See accompanying notes to financial statements.

The Canadian Council of the Blind (the “Council”) is a registered charitable organization and was inaugurated in 1944 as an organization of clubs of blind persons across Canada.

The Council was incorporated under the Canada Corporations Act, without share capital, in May 1950. Effective November 29, 2013, the Council continued their articles of incorporation from the Canada Corporations Act to the Canada Not-for-profit Corporations Act. The Council is a registered charity and is exempt from tax pursuant to paragraph 149(1)(f) of the Income Tax Act (Canada).

1. Significant accounting policies:

(a) Basis of presentation:

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

The Council follows the deferral fund method of accounting for contributions for not-for-profit organizations.

These financial statements reflect the operations of the Canadian Council of the Blind only and do not include the revenue, expenses, assets and liabilities of Provincial Divisions or other Chapters of the Council.

(b) Fund accounting:

The General Fund accounts for the Council’s program delivery and administrative activities.

The Capital Fund accounts for the Council's investment in tangible capital and intangible assets.

(c) Revenue recognition:

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue and realized gains and losses on investments are recognized in the year earned. Unrealized gains and losses on investments are recorded in the year in which they occur.

1. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Membership fees and miscellaneous income are recognized as revenue in the year to which they relate.

(d) Tangible capital and intangible assets:

Tangible capital and intangible assets are carried at cost less accumulated amortization. Amortization is recorded using the following methods over the estimated useful lives of the assets as follows:

Asset	Basis	Useful life
Tangible capital assets:		
Computer hardware	Straight-line	5 years
Office equipment	Straight-line	5 years
Leasehold improvements	Straight-line	Term of the lease plus first renewal
Assets under capital lease	Straight-line	5 years
Intangible assets:		
Computer software	Straight-line	5 years

When a tangible capital or intangible asset no longer contributes to the Council's ability to provide services, its carrying amount is written down to its residual value.

(e) Deferred capital contributions:

Contributions restricted for the purchase of tangible capital assets are deferred and amortized into revenue on a straight-line basis, at rates corresponding with the amortization rates for the related tangible capital assets.

(f) Expenses:

In the statement of operations, the Council presents its expenses in two functions: Project and Program and General Operating.

Expenses are recognized in the year incurred and are recorded in the function to which they are directly related. The Council does not allocate expenses between functions after initial recognition.

1. Significant accounting policies (continued):

(g) Donated goods and services:

Donations of goods and services are recorded at fair market value, if determinable, when received.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Council has elected to carry investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using straight-line rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year. Where an indicator of impairment is present, the Council determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Council expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

(i) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions 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 revenue and expenses during the year. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period they become known.

2. Investments:

Investments consist entirely of guaranteed investment certificates with interest rates from 0.05% to 0.45% (2020 - 0.05% to 0.45%) and mature August 2023 (2020 - August 2023).

The Council's investment policy restricts investments to low-risk, fixed-term investments and guaranteed investment certificates.

3. Tangible capital and intangible assets:

						2021		2020
		Cost		Accumulated amortization		Net book value		Net book value
Tangible capital assets:								
Computer hardware	$	36,947	$	22,431	$	14,516	$	11,333
Leasehold improvements		-		-		-		30,980
Office equipment		1,374		1,374		-		275
Intangible assets:								
Computer software		8,334		8,334		-		-
		46,655		32,139		14,516		42,588
Property under capital leases:								
Assets under capital leases		20,727		12,436		8,291		12,436
	$	67,382	$	44,575	$	22,807	$	55,024

Cost and accumulated amortization as at December 31, 2020 amounted to $263,227 and $208,203, respectively. In the year, the Council disposed of capital assets with a cost and accumulated amortization of $205,340 and $179,523, respectively. A loss on disposal of $25,817 is recorded in Administration expense on the Statement of operations

4. Accounts payable and accrued liabilities:

Included in accounts payable is $13,711 (2020 - $15,371) for government remittances such as harmonized sales tax or payroll-related taxes included in accounts payable and accrued liabilities.

5. Deferred revenue:

		2021		2020
Membership fees	$	7,095	$	10,915
Other		1,428		35,560
	$	8,523	$	46,475

6. Deferred capital contributions:

Deferred capital contributions consist of:

		2021		2020
Enabling Accessibility Grant - ramp	$	4,879	$	6,098
Deferred insurance recovery - leasehold improvements		-		24,882
Insurance recovery - capital asset office and computer equipment		-		1,940
	$	4,879	$	32,920

7. Loan payable:

During the prior year, the Council obtained a $60,000 loan through the Canadian Emergency Business Account (CEBA) program. Under the terms of the agreement, the loan was non-interest bearing until December 31, 2022. If the loan is repaid by December 31, 2022, up to $20,000 would be forgiven.

In the prior year, the Council recorded grant income of $20,000 related to the forgivable portion of the loan.

In the current year, the Council repaid the loan in full.

8. Fund balances:

The Council considers its capital to consist of its fund balances. The Council's objectives when managing capital is to safeguard its ability to continue as a going concern so that it can promote its mandate while addressing the concerns and interests of its membership and stakeholders. Management continually monitors the impact of changes in economic conditions on its commitments.

The Council is not subject to externally imposed capital requirements and its overall strategy with respect to capital remains unchanged from the year ended December 31, 2020.

9. Commitments and guarantees:

(a) Leases:

The Council is committed under the terms of certain leases for equipment and premises. Minimum payments under these leases for the next five years are as follows:

2022	$ 54,290
2023	52,087
2024	45,992
2025	45,992
2026	38,327
	$ 236,688

9. Commitments and guarantees (continued):

(b) Guarantee:

In the normal course of business, the Council has entered into a lease agreement for premises. It is common in such commercial lease transactions for the Council as the lessee, to agree to indemnify the lessor for liabilities that may arise from the use of the leased assets. The maximum amount potentially payable under the foregoing indemnities cannot be reasonably estimated. The Council has liability insurance that relates to the indemnifications described above.

10. Financial risk management:

(a) Liquidity risk:

Liquidity risk is the risk that the Council will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Council manages its liquidity risk by monitoring its operating requirements. The Council prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.. The Council is exposed to credit risk with respect to the amounts receivable. The Council assesses, on an annual basis, amounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. At year end, there were no amounts allowed for in amounts receivable.

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Council believes it is not exposed to significant currency or other price risk from its financial instruments.

(d) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Council believes it is not subject to significant interest rate risk arising from its financial instruments as this risk is limited to its guaranteed investment certificates

11. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.