

Financial Statements of
CANADIAN COUNCIL OF THE BLIND
And Independent Auditor's Report thereon
Year ended December 31, 2022



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INDEPENDENT AUDITOR'S REPORT

To the Directors of Canadian Council of the Blind

Opinion

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

- the statement of financial position as at December 31, 2022
- 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, 2022 and its results of operations, its 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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.



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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.

Auditor's 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 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 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.



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- 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 auditor's 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 auditor's 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

May 11, 2023

CANADIAN COUNCIL OF THE BLIND

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash	\$ 763,581	\$ 639,295
Amounts receivable	83,133	51,407
Short-term investments (note 2)	418,562	-
Prepaid expenses	24,338	26,708
	<u>1,289,614</u>	<u>717,410</u>
Investments (note 2)	-	319,927
Tangible capital and intangible assets (note 3)	17,879	14,516
Assets under capital leases (note 3)	4,145	8,291
	<u>\$ 1,311,638</u>	<u>\$ 1,060,144</u>
Liabilities and Fund Balances		
Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 235,002	\$ 147,161
Deferred revenue (note 5)	15,815	8,523
	<u>250,817</u>	<u>155,684</u>
Deferred capital contributions (note 6)	3,659	4,879
Obligations under capital leases	5,485	10,009
	<u>259,961</u>	<u>170,572</u>
Fund balances:		
Capital fund	18,365	17,928
Unrestricted - General fund	1,033,312	871,644
	<u>1,051,677</u>	<u>889,572</u>
Commitments and guarantees (note 8)		
	<u>\$ 1,311,638</u>	<u>\$ 1,060,144</u>

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, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Donations - Special Campaign	\$ 2,587,444	\$ 2,494,079
Donations - White Cane	194,100	111,500
Donations - other	120,281	117,327
Eye Health Program	107,884	280,054
Other grants	55,465	72,239
Rental income	16,822	3,076
Membership fees	9,035	15,395
Investment income	6,987	719
Amortization of deferred capital contributions	1,220	28,041
	<u>3,099,238</u>	<u>3,122,430</u>
Expenses:		
Project and program:		
Membership awareness campaign	1,236,084	1,105,973
Future vision and eye health	291,035	470,666
Special campaign - professional fees	284,718	334,862
Skills and training development	260,974	260,035
Chapter support	221,968	219,608
White Cane	152,289	62,486
Public education and awareness	75,283	50,562
Sports, recreation and bonspiel	830	22,013
Accessibility and advocacy	16,657	6,406
	<u>2,539,838</u>	<u>2,532,611</u>
General operating:		
Salaries and benefits	197,238	154,253
Administration	131,992	148,441
Rent and parking	43,002	38,910
World Blind Union	550	-
Legal and professional fees	14,722	20,015
Amortization of tangible capital assets and intangible assets	9,791	15,895
	<u>397,295</u>	<u>377,514</u>
	<u>2,937,133</u>	<u>2,910,125</u>
Excess of revenue over expenses	<u>\$ 162,105</u>	<u>\$ 212,305</u>

See accompanying notes to financial statements.

CANADIAN COUNCIL OF THE BLIND
Statement of Changes in Fund Balances

Year ended December 31, 2022, with comparative information for 2021

	Capital fund	General fund	Total 2022	Total 2021
Fund balances, beginning of year	\$ 17,928	\$ 871,644	\$ 889,572	\$ 677,267
Excess of revenue over expenses	-	162,105	162,105	212,305
Amortization of deferred capital contributions	1,220	(1,220)	-	-
Purchase of tangible capital and intangible assets	9,008	(9,008)	-	-
Amortization of tangible capital and intangible assets	(9,791)	9,791	-	-
Fund balances, end of year	\$ 18,365	\$ 1,033,312	\$ 1,051,677	\$ 889,572

See accompanying notes to financial statements.

CANADIAN COUNCIL OF THE BLIND

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 162,105	\$ 212,305
Items not involving cash:		
Amortization of tangible capital and intangible assets	9,791	15,895
Amortization of deferred capital contributions	(1,220)	(28,041)
Loss on disposal of tangible capital assets	-	25,817
Changes in non-cash operating working capital:		
Amounts receivable	(31,726)	2,982
Prepaid expenses	2,370	(20,974)
Accounts payable and accrued liabilities	87,841	46,553
Deferred revenue	7,292	(37,952)
	<u>236,453</u>	<u>216,585</u>
Cash flows from financing activities:		
Decrease in obligations under capital lease	(4,524)	(3,883)
Net additions to investments	(98,635)	(1,045)
	<u>(103,159)</u>	<u>(4,928)</u>
Cash flows from investing activities:		
Purchase of tangible capital and intangible assets	(9,008)	(9,495)
Repayment of loan payable	-	(40,000)
	<u>(9,008)</u>	<u>(49,495)</u>
Increase in cash	124,286	162,162
Cash, beginning of year	639,295	477,133
Cash, end of year	<u>\$ 763,581</u>	<u>\$ 639,295</u>

See accompanying notes to financial statements.

**CANADIAN COUNCIL OF THE
BLIND** Notes to Financial Statements

Year ended December 31, 2022

Canadian Council of the Blind (the "Organization") 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 and donations are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions and donations 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.

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Investment income including 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.

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	Rate
Tangible capital assets:		
Computer hardware	Straight-line	5 years
Office equipment	Straight-line	5 years
Assets under capital leases	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.

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(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.

(g) Donated goods and services:

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

(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 all financial instruments 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.

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(h) Financial instruments (continued):

Other financial instruments, including accounts receivable and accounts payable, are recorded at fair value upon initial recognition, which represents cost, and are subsequently recorded at cost net of any provisions for impairment.

(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 2.01% to 4.50% (2021 - 0.05% to 0.45%) and mature between June and October 2023 (2021 - August 2023).

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

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

3. Tangible capital and intangible assets:

			2022		2021
	Cost	Accumulated amortization	Net book value		Net book value
Tangible capital assets:					
Computer hardware	\$ 45,955	\$ 28,076	\$ 17,879	\$	14,516
Office equipment	1,374	1,374	-		-
Intangible assets:					
Computer software	8,334	8,334	-		-
	55,663	37,784	17,879		14,516
Property under capital leases:					
Assets under capital leases	20,727	16,582	4,145		8,291
	\$ 76,390	\$ 54,366	\$ 22,024	\$	22,807

Cost and accumulated amortization as at December 31, 2021 amounted to \$67,382 and \$44,575, respectively.

4. Accounts payable and accrued liabilities:

Included in accounts payable is \$23,985 (2021 - \$13,711) for government remittances such as harmonized sales tax or payroll-related taxes included in accounts payable and accrued liabilities.

5. Deferred revenue:

		2022		2021
Membership fees	\$	10,115	\$	7,095
Other		5,700		1,428
	\$	15,815	\$	8,523

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

6. Deferred capital contributions:

Deferred capital contributions consist of

	2022	2021
Enabling Accessibility Grant - ramp	\$ 3,659	\$ 4,879

7. 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, 2021.

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

8. Commitments and guarantee:

(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:

2023	\$	57,660
2024		51,564
2025		51,564
2026		43,899
2027		5,356
Thereafter		1,998
		<hr/>
	\$	212,041

(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.

CANADIAN COUNCIL OF THE BLIND
Notes to Financial Statements (continued)

Year ended December 31, 2022

9. 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.

There has been no significant changes in the Council's risk exposure from the prior year.