

FINANCIAL STATEMENTS
For
JEWISH FAMILY SERVICES OF OTTAWA
For year ended
MARCH 31, 2024

JEWISH FAMILY SERVICES OF OTTAWA
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MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the directors of

JEWISH FAMILY SERVICES OF OTTAWA

Opinion

We have audited the financial statements of Jewish Family Services of Ottawa (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024 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 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 report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

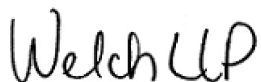
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 Organization'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 Organization'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 Organization 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.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 27, 2024.

JEWISH FAMILY SERVICES OF OTTAWA

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 1,042,974	\$ 864,091
Accounts receivable	452,724	712,721
Prepaid expenses	58,989	71,258
Due from JFSO Tzedakah Foundation (note 8)	<u>13,048</u>	<u>-</u>
	1,567,735	1,648,070
DUE FROM JFSO TZEDAKAH FOUNDATION (note 8)	644,170	577,005
TANGIBLE CAPITAL ASSETS (note 5)	<u>41,285</u>	<u>57,276</u>
	<u>\$ 2,253,190</u>	<u>\$ 2,282,351</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 583,705	\$ 524,997
Deferred contributions (note 6)	<u>1,018,132</u>	<u>1,128,086</u>
	1,601,837	1,653,083
DEFERRED BEQUEST (note 4)	440,444	440,444
DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS (note 7)	<u>22,153</u>	<u>27,719</u>
	<u>2,064,434</u>	<u>2,121,246</u>
NET ASSETS		
Operating fund - unrestricted	144,624	106,548
Net assets invested in tangible capital assets - internally restricted	19,132	29,557
Restricted for endowment purposes (note 4)	<u>25,000</u>	<u>25,000</u>
	<u>188,756</u>	<u>161,105</u>
	<u>\$ 2,253,190</u>	<u>\$ 2,282,351</u>

Approved on behalf of the Board:

 Sarah Caspi, Executive Director

 Matt Conley, President

 Joanne Gorenstein, Treasurer

(See accompanying notes)

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JEWISH FAMILY SERVICES OF OTTAWA
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2024

	<u>Operating fund</u>	<u>Net assets invested in tangible capital assets</u>	<u>Restricted for endowment purposes</u>	<u>2024 Total</u>	<u>2023 Total</u>
Balance, beginning of year	\$ 106,548	\$ 29,557	\$ 25,000	\$ 161,105	\$ 169,016
Excess of revenue over expenses (expenses over revenue)	<u>38,076</u>	<u>(10,425)</u>	<u>-</u>	<u>27,651</u>	<u>(7,911)</u>
Balance, end of year	<u>\$ 144,624</u>	<u>\$ 19,132</u>	<u>\$ 25,000</u>	<u>\$ 188,756</u>	<u>\$ 161,105</u>

(See accompanying notes)

JEWISH FAMILY SERVICES OF OTTAWA

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Restricted revenue		
Ontario Health East/Champlain Local Health Integration Network	\$ 2,230,512	\$ 2,148,738
Immigration, Refugees and Citizenship Canada	1,725,383	1,498,519
Jewish Federation of Ottawa	531,709	412,649
Conference on Jewish Material Claims Against Germany	514,659	487,218
Royal Ottawa Hospital	331,375	250,293
City of Ottawa	223,037	217,248
Refugee support	149,696	233,555
Ottawa Jewish Community Foundation	132,518	137,938
Ministry of Labour, Training & Skills Development	96,455	96,330
United Way East Ontario	85,000	90,069
Ministry of Community and Social Services	79,609	74,089
The Azrieli Foundation	70,031	46,155
Alcohol and Gaming Commission of Ontario	52,195	48,522
Other - Pandemic Support	43,683	29,918
Nepean Rideau Osgoode Community Resource Centre	43,303	21,842
Carefor	37,430	55,317
RBC Foundation	34,090	17,020
Employment and Social Development Canada	29,679	44,025
Ottawa Community Foundation	53,056	54,586
J.P Bickell Foundation	25,705	8,755
Canadian Women's Foundation	20,215	37,859
Public Safety and Emergency Preparedness	7,822	-
JFSO Tzedakah Foundation	565	14,371
Ministry of Seniors & Accessibility	-	<u>21,752</u>
	<u>6,517,727</u>	<u>6,046,768</u>
Other		
Program user fees	1,133,766	1,054,082
Donations (note 10)	326,616	529,308
Other	171,548	181,706
Investment income (loss)	<u>76,213</u>	<u>(20,803)</u>
	<u>8,225,870</u>	<u>7,791,061</u>
EXPENSES		
Salaries and benefits	5,378,038	5,075,877
Program costs	1,058,698	928,993
Direct assistance (note 10)	652,175	697,156
Rent	382,280	324,186
Office	200,127	226,946
Refugee support	153,403	233,724
Public relations	75,431	64,324
Training	58,591	32,069
Sundry	55,941	45,661
Insurance	42,438	35,172
Professional fees	42,230	46,942
Telephone	41,935	36,877
Membership fees and dues	26,091	25,884
Amortization	15,991	8,707
Travel	14,657	8,618
Board	<u>193</u>	<u>7,836</u>
	<u>8,198,219</u>	<u>7,798,972</u>
EXCESS OF REVENUE OVER EXPENSES		
(EXPENSES OVER REVENUE)	<u>\$ 27,651</u>	<u>\$ (7,911)</u>

(See accompanying notes)

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JEWISH FAMILY SERVICES OF OTTAWA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
CASH PROVIDED BY (USED IN)		
Operating activities		
Excess of revenue over expenses (expenses over revenue)	\$ 27,651	\$ (7,911)
Adjustment for:		
Investment income earned on portfolio held by JFSO Tzedakah Foundation	(67,165)	31,275
Amortization	15,991	8,707
Amortization of deferred contributions related to tangible capital assets	<u>(5,566)</u>	<u>(4,281)</u>
	(29,089)	27,790
Changes in operating net assets		
Accounts receivable	259,997	(546,085)
Prepaid expenses	12,269	(38,523)
Accounts payable and accrued liabilities	58,708	(29,477)
Due to JFSO Tzedakah Foundation	(13,048)	(637)
Deferred contribution	<u>(109,954)</u>	<u>(12,267)</u>
	<u>178,883</u>	<u>(599,199)</u>
Investing activities		
Purchase of tangible capital assets	<u>-</u>	<u>(32,111)</u>
Financing activities		
Contributions received for capital purchases	<u>-</u>	<u>32,000</u>
INCREASE (DECREASE) IN CASH	178,883	(599,310)
CASH, BEGINNING OF YEAR	<u>864,091</u>	<u>1,463,401</u>
CASH, END OF YEAR	<u>\$ 1,042,974</u>	<u>\$ 864,091</u>

(See accompanying notes)

JEWISH FAMILY SERVICES OF OTTAWA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024

1. PURPOSE OF THE ORGANIZATION

Jewish Family Services of Ottawa (the Organization) is dedicated to strengthening and preserving the quality of individual and family life in the Ottawa area, through the provision of counselling, advocacy and preventative services, with a special sensitivity to the needs of the Jewish Community.

The Organization is incorporated under the Ontario Corporations Act as a Not-for-Profit organization. The Organization is a registered charity exempt from income taxes under paragraph 149(1)(f) of the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents are considered restricted when they are subject to contingent rights of a third party under performance related contracts that the Organization is unable to revoke. Included in cash is \$235,542 (2023 - \$328,041) that is restricted.

Tangible capital assets

Tangible capital assets are recorded at cost. Amortization has been provided at the following rates

Computer hardware	20% declining balance
Computer software	20% declining balance
Furniture and equipment	20% declining balance
Leasehold improvements	10 years straight-line
Vehicle	20% declining balance

Amortization is recorded at one-half of the above rates in the year of acquisition.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as a direct increase in net assets. Program user fees revenue is recognized as services are provided.

Contributed services and materials

Volunteers contribute many hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Organization receives food donations which are recorded fair market value

JEWISH FAMILY SERVICES OF OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

2. **SIGNIFICANT ACCOUNTING POLICIES - Cont'd..**

Financial instruments

Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include the determination of accrued liabilities and collectibility of amounts receivables. Actual results could differ from these estimates and adjustments are made to the statement of operations as appropriate in the year they become known.

Significant estimates include assumptions used for the useful life of tangible capital assets.

3. **FINANCIAL INSTRUMENTS**

Risks and concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at March 31, 2024.

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 Organization's main credit risks relate to the sum of the carrying value of its cash, its amounts due from JFSO Tzedakah Foundation and its accounts receivable. The Organization's cash is deposited with a Canadian chartered bank. The Organization provides credit to its program users and funding agencies in the normal course of operations. As such, management believes the risk of loss on these items to be remote. The Organization manages its credit risk by reviewing and following up with outstanding amounts regularly. The amount due from JFSO Tzedakah Foundation consists of funds invested on JFSO's behalf and management does not believe it is subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Organization meets its liquidity requirements by preparing and monitoring forecasts of cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash, and by establishing budgets and cash estimates to ensure it has funds necessary to fulfil its obligations.

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.

JEWISH FAMILY SERVICES OF OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

3. FINANCIAL INSTRUMENTS - Cont'd.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Organization's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

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 Organization is exposed to interest rate risk as a portion of its investments managed by JFSO Tzedakah Foundation are invested in bond funds.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because 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 the market. The Organization is exposed to other price risk through its investments that are managed by JFSO Tzedakah Foundation with a portion of the portfolio invested in marketable securities.

Changes in risk

There have been no significant changes in the Organization's risk exposures from the prior year.

4. MANAGED FUNDS

In 2014, an amount of \$440,444 was bequested to the Organization so that a building could be purchased as a welcome centre for seniors and new immigrants in the community. In 2018, \$25,000 was given to the Organization as an endowment, with any income earned to be used to hold an Erev Rosh Hashanah dinner to bring members of the community together. Until such time as the terms of these funds are fulfilled, the organization has entered into an agreement with JFSO Tzedakah Foundation (the Foundation) whereby the Foundation will invest these funds on behalf of the Organization.

5. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<u>2024</u>			<u>2023</u>		
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>
Computer hardware	\$ -	\$ -	\$ -	\$ 155,500	\$ 151,045	\$ 4,455
Computer software	-	-	-	6,735	5,464	1,271
Furniture and equipment	-	-	-	153,825	151,240	2,585
Vehicle	32,111	9,848	22,263	32,111	4,282	27,829
Leasehold improvements	<u>117,395</u>	<u>98,373</u>	<u>19,022</u>	<u>117,395</u>	<u>96,259</u>	<u>21,136</u>
	<u>\$ 149,506</u>	<u>\$ 108,221</u>	<u>\$ 41,285</u>	<u>\$ 465,566</u>	<u>\$ 408,290</u>	<u>\$ 57,276</u>

JEWISH FAMILY SERVICES OF OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

6. DEFERRED CONTRIBUTIONS

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,128,086	\$ 1,140,353
Add: amounts received in the year	7,044,696	6,698,337
Less: amounts recognized as revenue in the year	<u>(7,154,650)</u>	<u>(6,710,604)</u>
Balance, end of year	<u>\$ 1,018,132</u>	<u>\$ 1,128,086</u>

Deferred revenue represents amounts externally restricted for specific purposes from various contributors maintained in the operating fund. Monies are received in advance and deferred until the related expenses are incurred.

7. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

	<u>2024</u>			<u>2023</u>	
	<u>Beginning balance</u>	<u>Contributions received</u>	<u>Recognized as revenue</u>	<u>Ending balance</u>	<u>Ending balance</u>
Vehicle	\$ 27,719	\$ -	\$ 5,566	\$ 22,153	<u>27,719</u>

8. DUE TO/FROM JFSO TZEDAKAH FOUNDATION

During the year, JFSO earned an administration fee of \$565 (2023 - \$569) from the Foundation. This amount was recorded at the exchange amount which is the amount agreed upon by both parties.

Furthermore, the Foundation invests funds on behalf of JFSO. The investment fees are divided amongst the two organizations as a percentage of the total invested funds. During the year JFSO paid \$9,961 (2023 - \$8,592) in investment fees to the Foundation. In addition, JFSO paid the Foundation \$2,845 (2023 - \$2,710) for the management of these investments.

The Organization has a receivable due from the Foundation of \$13,048 (2023 - \$nil). This amount is unsecured, interest free and has no specified terms of repayment.

9. COMMITMENTS

The Organization has an operating lease commitment on its premises which expires June 2027. The following is a schedule of future lease payments, exclusive of operating costs, required annually in the next fiscal years:

2025	\$ 400,916
2026	400,916
2027	400,916
2028	<u>100,229</u>
	<u>\$ 1,302,977</u>

JEWISH FAMILY SERVICES OF OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2024

10. CONTRIBUTED MATERIALS

During the year, \$38,424 (2023 - \$33,724) of contributed materials were recorded as donation revenue with the offsetting expenses included in direct assistance.

11. REVENUE

The Organization is a beneficiary agency of:

- Canadian Women's Foundation
- Conference on Jewish Material Claims Against Germany
- Jewish Federation of Ottawa
- JFSO Tzedakah Foundation
- Ottawa Community Foundation
- Ottawa Jewish Community Foundation
- Royal Bank of Canada Foundation
- The Azrieli Foundation
- United Way East Ontario

12. SUBSEQUENT EVENTS

The JFSO Tzedakah Foundation has begun the process of winding up the Foundation. The investments that were held and managed on the Organization's behalf have been transferred back on April 1, 2024. Going forward, the Organization plans to manage these funds independently. Other assets held by JFSO Tzedakah Foundation will be transferred to the Organization as proper legal documentation is obtained.

13. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.