

# Adoption Council of Ontario

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Financial Statements

For the year ended March 31, 2023

## Independent Auditor's Report

To the Directors of Adoption Council of Ontario

### *Qualified Opinion*

I have audited the financial statements of Adoption Council of Ontario ("the ACO") which comprise the statement of financial position as at March 31, 2023, and the statements of operations and changes in net assets, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the 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 ACO as at March 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNPOs).

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the ACO derives revenue from donations and fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly my verification of these revenues was limited to the amounts recorded in the records of the ACO and I was not able to determine whether any adjustments might be necessary to donation or fundraising revenue, excess of revenue over expenditures and cash flows from operations for the year ended March 31, 2023, current assets and net assets as at March 31, 2023.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the ACO in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified 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 ASNPOs, 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 ACO'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 ACO or to cease operations, or has no realistic alternative but to do so.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

My 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 my 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located in the attached Appendix to the Auditor's Report. This description forms part of my auditor's report.

*GTA Accounting Professional Corporation*

Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario  
Toronto, Canada  
July 21, 2023

## Appendix to the Auditor's Report

As part of an audit in accordance with CASs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 ACO'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 ACO's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the ACO to cease to continue as a going concern.

I 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 I identify during my audit.

Adoption Council of Ontario  
Statement of Financial Position  
As at March 31,

|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>Assets</b>                                     |                   |                   |
| <b>Current</b>                                    |                   |                   |
| Cash  | \$ 497,960        | \$ 641,597        |
| Amounts receivable                                | 35,941            | 351,675           |
| Prepaid expenses                                  | 43,645            | 1,437             |
|   | <u>577,546</u>    | <u>994,709</u>    |
| <b>Equipment (Note 3)</b>                         | <b>1,442</b>      | <b>2,881</b>      |
|   | <u>578,988</u>    | <u>997,590</u>    |
| <b>Liabilities</b>                                |                   |                   |
| <b>Current</b>                                    |                   |                   |
| Accounts payable and accrued liabilities (Note 4) | 434,306           | 812,978           |
| Deferred revenue (Note 5)                         | 20,728            | 7,823             |
| Government loans (Note 7)                         | 60,000            | 60,000            |
|   | <u>515,034</u>    | <u>880,801</u>    |
| <b>Net assets</b>                                 | <b>63,954</b>     | <b>116,789</b>    |
|   | <u>\$ 578,988</u> | <u>\$ 997,590</u> |

Contingent liability (Note 8)

APPROVED ON BEHALF OF THE BOARD:

Lisette G. Linas, Director

Peter von Schelling, Director

