

COMMUNITY COUNSELLING CENTRE OF LONDON
Financial Statements
Year Ended December 31, 2024

COMMUNITY COUNSELLING CENTRE OF LONDON

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Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Community Counselling Centre of London

Qualified Opinion

I have audited the financial statements of Community Counselling Centre of London (the Organization), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, revenues and expenditures and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2024, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations and contributions the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Organization and I was not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

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 Organization in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical 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 audit 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 ASNPO, 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

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.

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Independent Auditor's Report to the Members of Community Counselling Centre of London *(continued)*

As part of an audit in accordance with Canadian generally accepted auditing standards, 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 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 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 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.

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.



London, Ontario
May 26, 2025

James K. Jeffery CPA, CA
CHARTERED PROFESSIONAL ACCOUNTANT
Licensed Public Accountant

COMMUNITY COUNSELLING CENTRE OF LONDON

Statement of Financial Position

December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 2,917	\$ 6,771
Accounts receivable	3,238	5,542
Harmonized sales tax recoverable	3,194	2,786
Prepaid expenses	<u>2,426</u>	<u>1,686</u>
	<u>\$ 11,775</u>	<u>\$ 16,785</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 9,255	\$ 5,106
Wages payable	29,425	4,663
Employee deductions payable	2,380	1,751
Deferred income (Note 4)	<u>-</u>	<u>18,197</u>
	41,060	29,717
NET ASSETS	<u>(29,285)</u>	<u>(12,932)</u>
	<u>\$ 11,775</u>	<u>\$ 16,785</u>

ON BEHALF OF THE BOARD

Don Janzen

Director

[Signature]

Director

See notes to financial statements

COMMUNITY COUNSELLING CENTRE OF LONDON**Statement of Changes in Net Assets****Year Ended December 31, 2024**

	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ (12,932)	\$ (11,453)
EXCESS OF REVENUES OVER EXPENSES	(16,353)	(1,479)
NET ASSETS - END OF YEAR	\$ (29,285)	\$ (12,932)

COMMUNITY COUNSELLING CENTRE OF LONDON

Statement of Revenues and Expenditures

Year Ended December 31, 2024

	2024	2023
REVENUES		
Grants (<i>Note 3</i>)	\$ 106,947	\$ 53,917
Donations	43,741	36,078
Counselling	40,361	63,573
Fundraising	8,650	13,918
Training fees	7,785	11,595
Wage subsidy	4,973	-
Interest income	17	15
Other income	-	2,000
	<u>212,474</u>	<u>181,096</u>
EXPENSES		
Salaries and wages	169,972	143,717
Professional fees	23,678	11,442
Office	17,590	7,739
Associate fees	10,943	12,108
Insurance	3,682	4,679
Marketing	2,662	2,697
Interest and bank charges	300	193
	<u>228,827</u>	<u>182,575</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (16,353)</u>	<u>\$ (1,479)</u>

COMMUNITY COUNSELLING CENTRE OF LONDON

Statement of Cash Flow

Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (16,353)	\$ (1,479)
Changes in non-cash working capital:		
Accounts receivable	2,304	(2,302)
Accounts payable	4,149	(1,894)
Deferred income	(18,197)	(6,417)
Prepaid expenses	(740)	-
Harmonized sales tax receivable	(408)	(2,786)
Wages payable	24,762	645
Employee deductions payable	629	349
	<u>12,499</u>	<u>(12,405)</u>
DECREASE IN CASH FLOW	(3,854)	(13,884)
Cash - beginning of year	<u>6,771</u>	<u>20,655</u>
CASH - END OF YEAR	\$ 2,917	\$ 6,771

COMMUNITY COUNSELLING CENTRE OF LONDON

Notes to Financial Statements

Year Ended December 31, 2024

1. PURPOSE OF THE ORGANIZATION

Community Counselling Centre of London (the "organization") is a not-for-profit organization incorporated federally under the Canada Not-for-profit Corporations Act. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

Effective September 3, 2019, the Organization successfully registered for and obtained registered charity status. The organization continues to operate as an independent counselling centre in London, Ontario.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

In general, the organization recognizes revenues when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Revenue from counselling services and tuition fees are initially deferred and recognized upon the completion of the corresponding production.

Grants, donations and contributions are recorded as revenue when the conditions of the funding have been met. If no conditions are attached the revenue is recorded upon receipt.

Other revenue, including interest revenue, is recorded upon receipt.

Any revenue stipulated for a specific purpose is only recognized in the fiscal year that the related expenditure and service is performed.

Government funding

Government funding is recognized in the financial statement in the year in which the payment is authorized and the event giving rise to the funding occur, performance criteria are met, and a reasonable estimate of the amount can be made. Government funding that is stipulated to be used for a specific purpose is only recognized as revenue in the fiscal year that the related expenditures are incurred or services performed.

Measurement uncertainty

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 revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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COMMUNITY COUNSELLING CENTRE OF LONDON

Notes to Financial Statements

Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

3. GRANT REVENUE

The Organization has received several grants and has recorded revenues related to these grants as follows:

	2024	2023
<u>Grant Revenue Recognized</u>		
Congregation of The Sisters of St. Joseph in Canada Grant	\$ 5,000	\$ 5,000
Diaconal Ministries Canada Grant	12,500	6,667
John & Ellie Voortman Charitable Foundation Grant - Supervision	4,447	17,250
John & Ellie Voortman Charitable Foundation Grant - Counselling	25,000	25,000
Sifton Family Foundation Grant - Counselling	25,000	-
Stait Family Foundation Grant - Counselling	15,000	-
The Miggsie Fund - Lawson Foundation Grant	5,000	-
Westminster College Foundation Grant	15,000	-
Grant revenue recognized in the year	106,947	53,917
Total grant revenue	\$ 106,947	\$ 53,917

4. DEFERRED REVENUE

Grant revenue received by the Organization that has not yet been earned is summarized as follows:

	2024	2023
<u>Grant Revenue Deferred</u>		
Diaconal Ministries Canada Grant Revenue	\$ -	\$ 8,750
John & Ellie Voortman Charitable Foundation Grant - Supervision	-	4,447
The Miggsie Fund - Lawson Foundation Grant	-	5,000
Deferred revenue at the end of the year:	\$ -	\$ 18,197

COMMUNITY COUNSELLING CENTRE OF LONDON

Notes to Financial Statements

Year Ended December 31, 2024

5. OCCUPANCY COSTS

The organization is reliant upon the Good News Christian Reformed Church to provide office and operational space from which to operate from. The value of the support received is not included in these financial statements. Should this support be withdrawn it is unclear if the Organization could continue to operate and meet its stated mission.

6. JOHN & ELLIE VOORTMAN CHARITABLE FOUNDATION GRANT

During 2022, the Organization received \$25,000 in funding to support a part time supervising therapist. At the end of the current year \$0 (2023 - \$4,447) of this funding remained unspent and no further deferral exists.

During the prior year the Organization received a further \$25,000 to provide 200 subsidized counselling sessions. All of this funding was used in 2024.

	2024	2023
<u>John & Ellie Voortman Charitable Foundation Grants</u>		
Amounts deferred from the prior year - Supervision	\$ 4,447	\$ 21,697
Amounts received during the current year - Counselling	25,000	25,000
Subtotal	29,447	46,697
Funding deferred - Supervision	-	(4,447)
Grant revenue recognized in the year	\$ 29,447	\$ 42,250

7. DIACONAL MINISTRIES CANADA GRANT

Through partnership with Diaconal Ministries Canada, the Organization successfully applied for a three year grant through a NewGround Application. On November 1, 2020, the application for this grant was successfully approved for \$15,000 in the first year, \$10,000 in the second and \$5,000 in the final year. The grant was extended for a fourth year in 2024 for another \$15,000. The grant was recognized over each period that it covered.

	2024	2023
<u>Diaconal Ministries Canada Grant</u>		
Deferred revenue balance from the prior year	\$ 8,750	\$ 2,916
Amounts received during the year	3,750	12,500
Subtotal	12,500	15,416
Grant revenue deferred	-	(8,750)
Grant revenue recognized in the year	\$ 12,500	\$ 6,666

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2024.

Credit risk

(continues)

COMMUNITY COUNSELLING CENTRE OF LONDON

Notes to Financial Statements

Year Ended December 31, 2024

8. FINANCIAL INSTRUMENTS *(continued)*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.
