

**JEWISH FAMILY SERVICES**  
**Financial Statements**  
**For the Year Ended June 30, 2024**



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Jewish Family Services

#### Qualified Opinion

We have audited the financial statements of Jewish Family Services (the Society), which comprise the statement of financial position as at June 30, 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, except for the possible 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 Society as at June 30, 2024, and the results of its operations and cash flows 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 not-for-profit organizations, the Society derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, and cash flows from operations for the year ended June 30, 2024, current assets and net assets as at June 30, 2024. Our audit opinion on the financial statements for the year ended June 30, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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 Society in accordance with 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 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the To the Members of Jewish Family Services (continued)

### **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 Society'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 Society'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 Society 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.

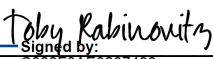
Edmonton, Alberta  
October 16, 2024

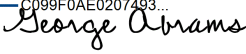
  
Chartered Professional Accountants

**JEWISH FAMILY SERVICES**  
**Statement of Financial Position**  
**As at June 30, 2024**

	2024	2023
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 155,232	\$ 445,480
Investments (Note 4)	1,250,000	-
Accounts receivable (Note 5)	94,066	350,722
Goods and services tax recoverable	7,684	6,186
Interest receivable	12,431	-
Prepaid expenses	21,470	38,995
	<u>1,540,883</u>	841,383
Fixed assets (Note 6)	<u>91,494</u>	112,210
	<u>\$ 1,632,377</u>	<u>\$ 953,593</u>
<b>Liabilities and Net Assets</b>		
Current		
Accounts payable and accrued liabilities	\$ 266,605	\$ 280,317
Employee deductions payable	7,038	7,265
Deferred revenue (Note 7)	493,270	132,421
	<u>766,913</u>	420,003
Lease inducements (Note 8)	<u>159,396</u>	136,386
	<u>926,309</u>	556,389
Commitments (Note 9)		
Net Assets		
Internally restricted (Note 12)	318,187	-
Contingency reserve	387,881	397,204
	<u>706,068</u>	397,204
	<u>\$ 1,632,377</u>	<u>\$ 953,593</u>

On behalf of the Board

  
 Signed by: \_\_\_\_\_ Director  
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**JEWISH FAMILY SERVICES**  
**Statement of Operations**  
**For the Year Ended June 30, 2024**

	2024	2023
<b>Revenue</b> <i>(Schedule 1)</i>		
Azerieli and other foundations <i>(Note 10)</i>	\$ 136,266	\$ 112,975
Casino	71,113	56,844
Claims Conference <i>(Note 10)</i>	2,521,811	2,993,500
Donations <i>(Note 11)</i>	61,168	68,233
Family and community support services	378,658	84,144
Fees for service	729,286	418,459
Fundraising	3,613	3,928
Grant income	688,200	562,668
Interest and other income	28,487	15,314
	<u>4,618,602</u>	<u>4,316,065</u>
<b>Expenses</b> <i>(Schedule 1)</i>		
Administrative expenses	75,277	58,958
Facility occupancy	89,987	79,500
Governance	40,328	27,083
Office	53,976	64,391
Programs and services	434,882	457,495
Salaries, wages and benefits	3,245,756	3,327,429
Subcontractors	708,219	632,530
	<u>4,648,425</u>	<u>4,647,386</u>
<b>Deficiency of revenue over expenses before extraordinary income</b>	<b>(29,823)</b>	<b>(331,321)</b>
<b>Extraordinary income</b>		
Estates income <i>(Note 12)</i>	<u>338,687</u>	<u>-</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 308,864</b>	<b>\$ (331,321)</b>

**JEWISH FAMILY SERVICES**  
**Statement of Changes in Net Assets**  
**For the Year Ended June 30, 2024**

	Unrestricted net assets	Internally restricted (Note 12)	Contingency Reserve	<b>2024</b>	2023
<b>Net assets - beginning of year</b>	\$ -	\$ -	\$ 397,204	<b>\$ 397,204</b>	\$ 729,941
Excess of revenue over expenses	308,864	-	-	<b>308,864</b>	(331,321)
Transfer of current year surplus	(308,864)	318,187	(9,323)	-	(1,416)
<b>Net assets - end of year</b>	<b>\$ -</b>	<b>\$ 318,187</b>	<b>\$ 387,881</b>	<b>\$ 706,068</b>	<b>\$ 397,204</b>

**JEWISH FAMILY SERVICES****Statement of Cash Flows****Year Ended June 30, 2024**

	2024	2023
<b>Operating activities</b>		
Cash receipts from funders and customers	\$ 5,547,257	\$ 3,860,751
Cash paid to suppliers and employees	(4,602,610)	(4,499,853)
Interest received	15,105	20,728
	<u>959,752</u>	<u>(618,374)</u>
<b>Investing activities</b>		
Purchase of investments	(1,250,000)	-
Purchase of fixed assets	-	(119,115)
Proceeds from investments	-	300,000
	<u>(1,250,000)</u>	<u>180,885</u>
<b>Decrease in cash and cash equivalents</b>	<b>(290,248)</b>	<b>(437,489)</b>
Cash and cash equivalents - beginning of year	<u>445,480</u>	<u>882,969</u>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 155,232</b>	<b>\$ 445,480</b>
<b>Cash and cash equivalents consist of:</b>		
Cash and cash equivalents - unrestricted	\$ 101,222	\$ 421,005
Cash and cash equivalents - restricted	54,010	24,475
	<u>\$ 155,232</u>	<u>\$ 445,480</u>

**JEWISH FAMILY SERVICES**  
**Notes to Financial Statements**  
**Year Ended June 30, 2024**

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**1. Description of operations**

Jewish Family Services ("JFS" or the "Society") is based in Edmonton, Alberta operating for the benefit of the general community of Edmonton and surrounding areas. For some programs, its efforts are directed towards the Jewish community. Some of the services provided by the Society are therapeutic and bereavement counselling, employment support, senior advocacy services, newcomer services, volunteer support, community development, short term emergency financial support and provision of local cultural resource information.

The Society is a non-profit organization incorporated under the Societies Act of Alberta and is exempt from income tax pursuant to the Income Tax Act of Canada. It is registered as a charity with Canada Revenue Agency and is able to issue charitable donation receipts for income tax purposes.

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**2. Summary of significant accounting policies**

Basis of presentation

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

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short term investments with original maturities of three months or less. Cash and cash equivalents subject to restrictions that prevent its current use is included in restricted cash and cash equivalents.

Investments

Investments, which consist of fixed income securities, are carried at amortized cost.

Fixed assets

Property and equipment are stated at cost and amortized over their useful lives. Purchases with a per item cost of less than \$20,000 are expensed in the year they are purchased.

Leasehold improvements	straight-line method over the term of the lease
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Donations

Cash donations are recognized as revenue when received. Donations in kind of goods that are used in the normal course of operations are recorded at fair market value when their fair market value can be reasonably estimated.

Contributed services

Contributed services are not recorded in these financial statements. Volunteers contribute hours in carrying out governance and other activities of the Society. Due to the difficulty in determining their fair value, contributed volunteer services are not recognized in the financial statements.

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**JEWISH FAMILY SERVICES**  
**Notes to Financial Statements**  
**Year Ended June 30, 2024**

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**2. Summary of significant accounting policies (continued)**

Designated Reserves

Contingency Reserve

The Contingency Reserve is to cover unbudgeted liabilities or general expenses in the event that regular funding sources are inadequate. Board approval is required for any expenses covered by the Contingency Reserve. The balance in the Contingency Reserve is not to exceed 25% of prior year non-project operational expenses.

Internally Restricted Reserve

The Internally Restricted Reserve accounts for the unspent portion of the extraordinary estate donation (see Note 12).

Revenue recognition

Jewish Family Services 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. Investment income is recognized as revenue when earned.

Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expense on a straight-line basis over the lease term. Lease incentives under operating leases are recognized as a liability and amortized on a straight-line basis over the life of the lease term.

Allocation of administrative expenses

Administration expenses are allocated to programs based on a review and assessment made by management. The allocation of these costs is performed according to the underlying resources used by each program.

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**JEWISH FAMILY SERVICES**  
**Notes to Financial Statements**  
**Year Ended June 30, 2024**

**3. Financial instruments**

The Society 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 Society's risk exposure and concentration as of June 30, 2024.

Credit risk

The Society's exposure to credit risk related to accounts receivable arises from the possibility that a customer does not fulfil its obligations. This is minimized through a program of credit evaluation of new customers and limits on the amount of credit extended as deemed necessary. The Society performs continuous evaluation of its accounts receivable.

Liquidity risk

The Society's exposure to liquidity risk is dependent on the collection of accounts receivable, the ability to raise funds to sustain operations and fulfilling customer purchasing commitments and obligations. The Society control liquidity risk by management of working capital, cash flows and the availability of borrowing facilities.

**4. Investments**

	2024	2023
Redeemable Guaranteed Investment Certificates with interest at 3% due May 3, 2025	\$ 800,000	\$ -
Redeemable Guaranteed Investment Certificates with interest at 3.% due November 10, 2025	450,000	-
	\$ 1,250,000	\$ -

**5. Accounts receivable**

	2024	2023
Accounts receivable	\$ 94,066	\$ 231,607
Lease inducement receivable	-	119,115
	\$ 94,066	\$ 350,722

**JEWISH FAMILY SERVICES**  
**Notes to Financial Statements**  
**Year Ended June 30, 2024**

**6. Fixed assets**

	Cost	Accumulated amortization	<b>2024 Net book value</b>	2023 Net book value
Leasehold improvements	\$ 119,115	\$ 27,621	<b>\$ 91,494</b>	\$ 112,210

During the year, the Society recorded amortization expense of \$20,716, netted against amortization of lease inducements of \$20,716.

**7. Deferred revenue**

The deferred revenue represent the unspent portion of grants received from the funders or donors for specific programs and purposes. Deferred revenue is recognized as revenue when the related expenses are made. Changes in the deferred revenue balance are as follows:

	Balance, beginning of year	Received during the year	Recognized as revenue in the year	Balance, end of year
Alberta Gaming, Liquor and Cannibas Commission (AGLC)	\$ 24,475	\$ 100,647	\$ (71,113)	\$ 54,009
Anti-Racism Initiative	55,858	6,050	(61,908)	-
Claims Conference	-	2,711,442	(2,521,811)	189,631
Emergency Response	-	60,500	(25,686)	34,814
Enabling Accessibility	-	91,020	-	91,020
FCSS regular funding	7,083	409,091	(378,658)	37,516
New Horizons	21,666	21,667	(27,244)	16,089
Other programs	7,028	11,964	(11,165)	7,827
Social Prescribing	16,311	270,205	(235,819)	50,697
United Way	-	151,667	(140,000)	11,667
	<b>\$ 132,421</b>	<b>\$ 3,834,253</b>	<b>\$ (3,473,404)</b>	<b>\$ 493,270</b>

**8. Lease inducements**

The Society's landlord provided \$0.25 per square foot for space planning and \$45 per square foot for leasehold improvements upon execution of the lease. Any unused allowance is credited towards the basic rent. In addition, the landlord also provided the Society with a free rent period from March to November.

	<b>2024</b>	2023
Provision for free rent	<b>\$ 67,902</b>	\$ 24,176
Provision for leashold improvements	<b>91,494</b>	112,210
	<b>\$ 159,396</b>	<b>\$ 136,386</b>

**JEWISH FAMILY SERVICES**  
**Notes to Financial Statements**  
**Year Ended June 30, 2024**

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**9. Commitments**

The Society has a long term lease with respect to its office space which expires on November 30, 2028. Future minimum lease payments are as follows:

2025	\$	104,402
2026		105,449
2027		107,245
2028		107,993
2029		44,997

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**10. Claims Conference**

The City of Edmonton has been recognized as having a relatively high number of low income survivors of Nazi atrocities. The conference on Jewish Material Claims Against Germany (the "Claims Conference") continues to negotiate ongoing funding to support holocaust survivors and funding is secured well in advance of JFS contract negotiations.

The Society has continued servicing additional clients as the Jewish community becomes more aware of the support services being provided under the Claim Conference funding model. During the year, revenue recognized from the Claims Conference was \$2,521,811 (2023 - \$2,994,895).

The Society also received additional funding from the Azrieli Foundation which is to be used to supplement the funding received from the Claims Conference to provide services to low income survivors of Nazi atrocities. During the year, revenue recognized from the Azrieli Foundation was \$115,250 (2023 - \$112,975).

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**11. Donations**

The Society has adopted Imagine Canada's Ethical Fundraising and Financial Accountability Code. During the year, the total donations for which receipts were issued for income tax purposes totaled \$369,130 (2023 - \$42,966).

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**12. Estates income**

The Society received an unanticipated and extraordinary estate donation of \$338,687 during the year with an additional amount to be received next year when the estate has been fully distributed. The donor did not explicitly specify the use of the funds. The Board approved \$20,500 from these funds to pay a one-time employee search fee. The unspent portion of the donation has been internally restricted until the Board formally adopts a policy to steward the funds in keeping with what it believes is the spirit and intent of the gift.

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**13. Economic dependence**

The Society is economically dependent on the Claims Conference for its funding. All of the funding is used in the Society's Home Support program.

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**JEWISH FAMILY SERVICES**  
**Schedule of Operations by Program**  
**For the Year Ended June 30, 2024**

(Schedule 1)

	Home Support	Edmonton Healing Centre	Older Adult Services	Counselling	Outreach	Administration	Total
<b>Revenue</b>							
Claims Conference	\$ 2,521,811	\$ -	\$ -	\$ -	\$ -	\$ -	2,521,811
Fees for Service	294,124	27,915	370,137	35,810	1,300	-	729,286
United Way	-	42,167	-	97,833	-	232	140,232
United Jewish Appeal	-	6,746	-	-	69,111	2,366	78,223
Other grants	5,224	28,441	284,249	4,093	147,738	-	469,745
Family and Community Support Services	-	90,104	288,554	-	-	-	378,658
Foundation revenue	115,250	1,393	378	-	(2,215)	21,279	136,266
Interest and other income	100	-	-	-	-	28,387	28,487
Donations	-	9,757	18,871	1,067	15,415	16,058	61,168
Fundraising	-	-	-	-	-	3,613	3,613
Casino	-	12,975	(3,150)	30,275	28,352	2,661	71,113
	<u>2,936,509</u>	<u>219,498</u>	<u>959,039</u>	<u>169,259</u>	<u>259,701</u>	<u>74,596</u>	<u>4,618,602</u>
<b>Expenses</b>							
Salaries, wages and benefits	2,032,665	124,544	676,851	87,843	196,303	127,550	3,245,756
Programs and services	376,981	524	31,085	3,338	20,493	2,461	434,882
Subcontractors	318,988	56,043	141,238	47,526	8,180	136,244	708,219
Facility occupancy	15,668	15,537	8,177	15,609	17,672	17,324	89,987
Administrative	226	3,049	816	-	21,314	49,872	75,277
Office	16,515	765	12,020	820	524	23,332	53,976
Governance	3,588	-	-	-	-	36,740	40,328
Administrative allocation	168,895	25,296	58,899	18,595	25,341	(297,026)	-
	<u>2,933,526</u>	<u>225,758</u>	<u>929,086</u>	<u>173,731</u>	<u>289,827</u>	<u>96,497</u>	<u>4,648,425</u>
<b>Excess (deficiency) of revenue over expenses before extraordinary items</b>	2,983	(6,260)	29,953	(4,472)	(30,126)	(21,901)	(29,823)
<b>Extraordinary items</b>							
Estates income (Note 12)	-	-	-	-	-	338,687	338,687
<b>Excess (deficiency) of revenue over expenses</b>	<u>\$ 2,983</u>	<u>\$ (6,260)</u>	<u>\$ 29,953</u>	<u>\$ (4,472)</u>	<u>\$ (30,126)</u>	<u>\$ 316,786</u>	<u>\$ 308,864</u>