

# 45<sup>th</sup> Annual General Meeting 2019



Family Enrichment  
and Counselling  
Service

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## Welcome and opening of the AGM - Bruce McClary, President

I am pleased to report that Family Enrichment and Counselling Service is healthy, strong and continues to move in a positive direction. It is not that the agency is immune to challenges but it is capable of overcoming difficulties with the strong team in place. Last year at this time I stated my belief that the agency established a strong foundation allowing it to continue to provide the necessary services under its mandate and I continue to express this sentiment.

One significant change to Family Enrichment was the change at the Executive Director position. The agency's former Executive Director, Kelly Wilson, decided to move to a different opportunity. I want to thank Kelly for the positive changes she brought to the agency during her tenure and to wish her well in her future endeavors. Kelly was able to broaden Family Enrichment's profile with funding agencies and partners, including a significant grant from the Fredericton Community Foundation.

In Kelly's place, the Board of Directors selected Leentje Deleuil to be the new Executive Director for the agency. I feel Leentje brings her own unique skillset to the agency which she will leverage to grow and build even more partnerships and opportunities. She has the full support of the Board to direct the agency's operation and I look forward to working with her and witnessing her creative ideas and approach to strengthening the Family Enrichment brand and services even more.

Any business or agency is only as strong as the people in place to run it and Family Enrichment has a great staff. I thank you for the dedication and commitment you have to the agency, your profession and the City of Fredericton. Family Enrichment makes an impact in the community and you, the staff, make that happen every day. Amy B., Amy F., Sandy, Teri-Lyn, Tom, Noelle, Sherry, Kathleen, Paula, and Sara, thank you for your continued dedication and service. I also want to welcome new staff members: Alyssa Leavitt, Hilary Swan and Jennifer Colpitts to Family Enrichment and I hope you find this agency a rewarding place to work. Finally, I need to mention Tracy and Bobby, who are not only professionals in their own field, but who stepped up with extra responsibility while the agency was between Executive Directors.

As President, I am fortunate to work with a great board. This volunteer board has a commitment to Family Enrichment because it believes in the work the agency does and the services it provides. The Board will continue to support the agency in growth and support the staff in their work. Thank you to the Board of Directors for your time, energy, expertise and guidance. The Board is once again going through transition as members move on and new members are brought in. This change is healthy though as it provides opportunities for fresh voices and new ideas to be introduced to the agency.

This is a very exciting time for Family Enrichment. I look forward to a new year and to seeing the outcome of the agency's initiatives and projects. As stated, Family Enrichment is in a strong position now to provide quality mental health and counselling services to the greater Fredericton community and I believe next year the agency will be even stronger based on the talent in place, the projects and initiatives at work and the creative ideas and approaches at all levels of the organization.

Bruce McClary, President

## Minutes of the 2018 AGM – Lucie Godin, Director

*Annual General Meeting* was called to order at 5:41 pm by Bruce McClary.

### **Welcome and Introductions** made by Bruce McClary

Bruce introduced board members present and regrets from Heather Lister, board secretary.

### **Introduction of Guest Speaker**, made by Kelly Wilson

Lisa O’Blenis presented on CHIMO.

### **Board Annual Report and President’s Report** presented by Bruce McClary

- Introduced himself as the new president of the board as of September 2017.
- Thanked the staff members and Kelly on behalf of the board.
- Credited Kelly for bringing and keeping the agency in good financial standing.
- Explained that the board is in transition as several board members left this year.
- The board is losing our treasurer, Ashley Ricketts. The board is in the process of recruiting of new members.
- Explained that the agency if in good shape.
- Presented a brief summary of the agency’s accomplishments over the last year.

### **Secretary’s Report** prepared by Amanda Hachey, presented by Bruce McClary

The board met nine times since the 2017 AGM with appropriate quorum.

### **Treasurer/Auditor’s Report** prepared by Shannon & Buffett, LLP

- Presented by Shaun Williams on behalf of Shannon & Buffett
- Financial statements were reviewed and we acceptable
- Motion to approve financial statement as prepared by Shannon & Buffett made by Ashley Ricketts, 2<sup>nd</sup> by Jessica LeBrun. Motion carried.

### **Questions to the Board**

- Agency’s employee attending the AGM asked the board if the current members are staying on. Bruce assured the staff that the current board members are planning on staying on the board and are dedicated to the agency.
- Bruce explained that the board is looking at recruiting in the next few months to have a board of up to 10 individuals.
- No other questions for the board. Bruce reminded employees to contact the board anytime if they have questions.

### **Proposed Resolutions**

None.



### **Appointment of Board Member**

- Ashley Ricketts recommends and motions to appoint Tyler Szo, CMA as the new board treasurer for the next year. 2<sup>nd</sup> by Jessica LeBrun. Motion carried.
- Bruce McClary motioned to provide Tyler Szo, CMA with signing authority as per the agency's by-laws, as the new board treasurer, 2<sup>nd</sup> by Lucie Godin. Motion carried.
- No nominations were made to the board for other members, but it was noted that the board will be looking for new members in the coming months.

### **Adjournment**

Bruce McClary motioned to adjourn the Annual General Meeting at 6:25 pm, 2<sup>nd</sup> by Ashley Ricketts.

**Respectfully submitted by Lucie Godin**



## Guest Speaker:



### Laurie Guthrie

**EcD, BIS, CEcD**

Economic Development Specialist / Smart City Project Manager

City of Fredericton

As a long-serving employee of the City of Fredericton, Laurie Guthrie has worked primarily in the field of economic development - spearheading various strategic initiatives to cultivate economic growth, and to earn Fredericton's brand equity as a 'Smart City' and 'Startup Capital of Canada'.

As Vision 2020 Project Manager, Laurie steered the consultant and 250 stakeholders in the development of Fredericton's economic development strategy - resulting in a five-year secondment to the community's economic development agency to facilitate implementation of Vision 2020. She led the rebranding of Ignite Fredericton; creation of task forces to drive priority sector growth; and development of the region's investment attraction strategy and tool-kit. Laurie also managed the Marketing & Communications Division of Ignite Fredericton, Planet Hatch and Knowledge Park.

Last summer, Laurie returned to her roots to fulfil the role of Smart City Project Manager when Fredericton was shortlisted among 200 Canadian municipalities in Infrastructure Canada's Smart Cities Challenge, competing as a top ten finalist at \$10-million prize level.

Laurie earned her national certified economic developer designation, EcD, in 2005 awarded by the University of Waterloo and Economic Developers Association of Canada, as well as her international designation, CEcD, through the International Economic Development Council. Laurie also holds a Bachelor of Integrated Studies degree from the University of New Brunswick.

Through the years, Laurie has provided leadership and served on numerous committees and collaborative initiatives earning her Canada's Queen's Diamond Jubilee Award and the Fredericton Chamber of Commerce's President's Award.



## Executive Director’s report – Leentje Deleuil, ED

It is an honor for me to be here today as the new Executive Director off Family Enrichment and Counselling Service.

Thank you to the Board and staff for the warm welcome they prepared on my first day, it left a memory that will never be forgotten.

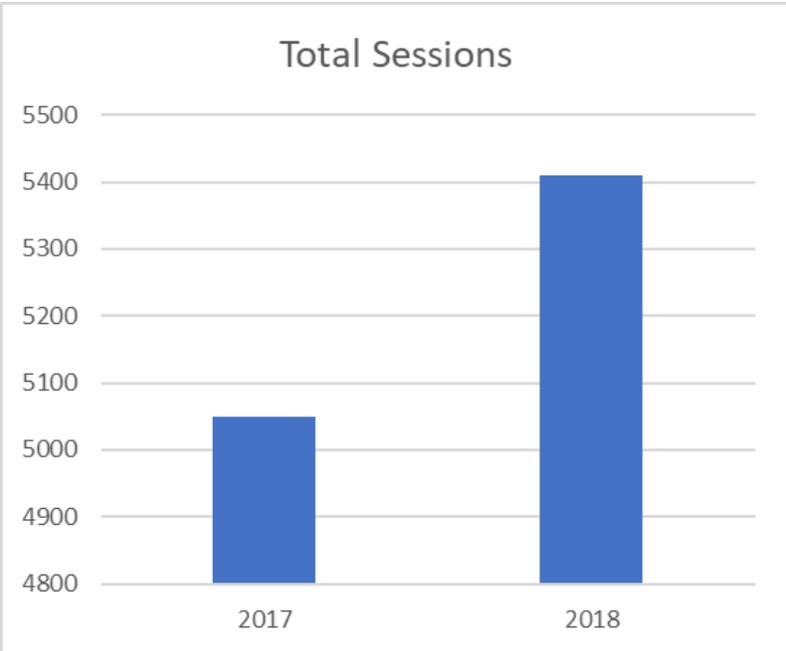
For 45 years, FECS has created a unique and positive reputation in the community; this was only made possible through the immense dedication and commitment of ALL our Staff members. Every single one of them goes above and beyond their duties to serve our clients to the best. Thank you for your wonderful work.

All this work would not have been possible without the support from our funders: United Way Central – NB and the Department of Social Development. Thank you for your ongoing support.

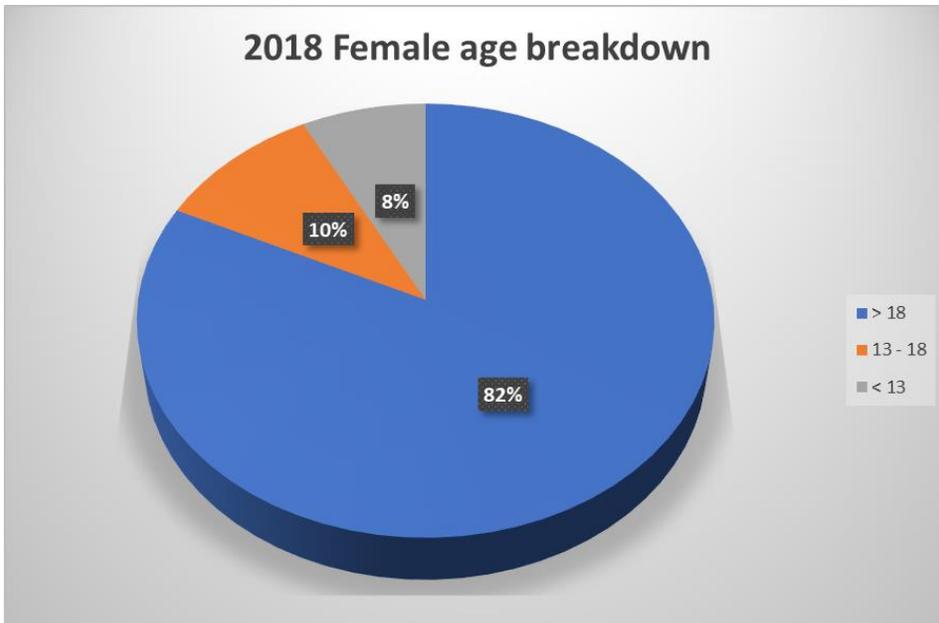
Special thanks go to all the Board members, dynamic, dedicated and active volunteers who lead Family Enrichment and Counselling Service.

### **STATISTICS:**

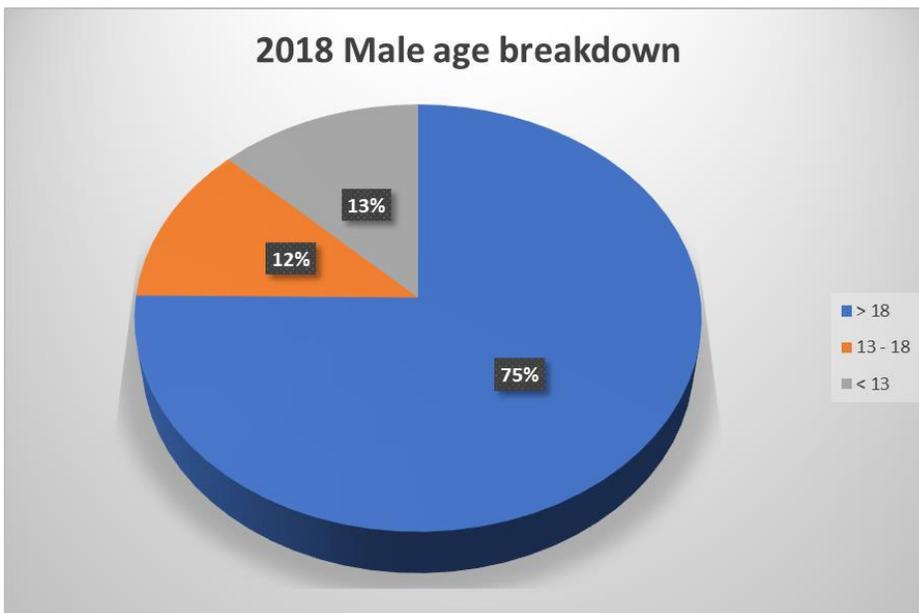
In 2018 we saw a 9.3 % increase in the total amount of individual sessions; from 5049 sessions in 2017 to 5410 sessions in 2018.



Female clients represent 60 % of our clientele:



40% of our clients are male:



The increase of 9.3% is only slightly visible in our financial status. Indeed more and more people seek help for mental health issues but have less and less means to pay for it. We are able to subsidize most of the counselling sessions of people in need with the help of our funders; United Way Central NB and the Department of Social Development. Nevertheless the amounts received don't fully cover the needs; therefore we try to raise money privately through Fundraisers and



Silent Auctions. Today's Auction was put together with the help of all staff members, thank you, as always, you were amazing. Our fundraiser at Grimross last March allowed us to help 10 people struggling with suicidal thoughts.

### **PROGRAMS AND ACTIVITIES:**

Besides our individual counselling, we offered several group programs:

Changing Ways was offered twice and lead by Kathleen MacPhee and Sandy Gordon.

Changing Tides was organized twice in 2018 and lead by Sara Vikse-Brenton. Changing Tides is an 8 week program for women in difficult adult relationships. During the eight week sessions, participants learn to recognize healthy, unhealthy, and abusive relationships, as well as learn strategies for effective communication, with a focus on self-care. The program is funded by a grant from the Department of Social Development which makes it possible for us to offer it free-of-charge to our participants.

We offered a variety of group counselling in-house and in the community:

- \* Teen support Program
- \* Teen anxiety
- \* Grief Counselling
- \* Prenatal workshops
- \* Raising a Challenging child
- \* Financial Literacy
- \* Budgeting for Students
- \* Post separation and divorce counselling,.....

We work together with businesses through their EAP (Employer's Assistance Program)

### **HUMAN RESOURCES:**

Anne Ouellette retired from Family enrichment and Counselling Service after 8 years of dedicated work. She will be missed.

Alyssa Leavitt joined our team as a part-time receptionist and Jennifer Colpitts MSW, joined us recently as a new counsellor, Jen has a lot of experience working with people suffering from addictions. She truly is a great asset for FECS.

Over the last year we had several students doing their practicum at FECS, all of them were awesome and we wish them all the best in their future endeavors.

## PAVING THE WAY:

Paving the Way is an initiative that draws together Mental Health Service Providers and advocates to provide residents of the Greater Fredericton Area with better access to appropriate and timely Mental Health Services. The project was initiated by and is led by Family Enrichment and Counselling Service.

Mental Health issues are widely spread and affect every layer of our society. Today the average waiting time to have appropriate care is 18 months. Together with all related agencies we need to adapt our internal systems and processes to embrace collective work where the person is centered and stigma is taken away.

### The initiative is based upon:

- ❑ FUNDAMENTAL RIGHT: Affordable, timely and appropriate access to mental health services is a fundamental right for all our residents.
- ❑ INNOVATIVE WAYS OF DELIVERING SERVICES: Our current system approaches are not as effective given the complexity and challenges people are facing. Alternative and innovative ways of delivering services should be supported by the nonprofit, public and private systems.
- ❑ WORKS A SYSTEM TO MAXIMIZE OUR RESOURCES: There are an abundance of programs and services available for clients, however needs continue to increase, cases become more complex and financial resources will reach their limits.
- ❑ COLLABORATION IS ESSENTIAL: With collaboration of resources and efforts, quality mental health care can be achieved and be more client-centered.
- ❑ EVERYONE HAS A ROLE: A supportive environment surrounding mental health is critical for healthy vibrant communities. This includes the participation of the community and all levels of government and businesses .

FECS received funds from the Fredericton Community Foundation to start up the project.

The Paving the Way stakeholder gathering was held on Monday December 3<sup>rd</sup>, 2018 and involved a full day event. The objectives of this gathering were:

- To increase understanding of Fredericton Programs and Services.
- To enhance the knowledge base of who can be contacted when clients need a different service from what the agency currently offers.
- To improve understanding and awareness of levels of risk and the appropriate services for them.
- To explore the benefits of a collaborative approach to *Mental Health Service Delivery* including reducing wait lists and improving client outcomes/satisfaction.

The findings of the meeting were:

There was strong consensus on the wish for no more stigma around mental health and a change in perception to “it’s just about dealing with life stuff”. This went hand in hand with a wish for “normalizing” through public awareness and education.

### *Resources*

- All groups agreed on the wish for more money, people and capacity.
- Some wished for government to fully fund mental health services.

### *Access to information*

- As highlighted earlier, there was strong consensus on the need for some form of central database of services, contacts and community events and the desire to use technology for information sharing, coaching etc.

### *System/Processes*

- More open communication between parties (SD, Mental Health, ISD, Education, etc.) emerged as a strong theme.
- Wait times to be reduced or eliminated. Some participants emphasized that better screening was needed and referenced “Todd Leader’s It’s “Not About You” as a useful reference. Some mentioned greater access to free services.
- Service providers should: collaborate not compete; avoid re-inventing the wheel; and break down barriers by breaking down silos and sharing resources.
- When it came to access to services there was agreement on the wish for everyone who needs services being able to access them expeditiously but when it came to the approach the same two themes emerged as in earlier discussions:
  - a. Central intake/ one stop shop.
  - b. Every entry point is the “right” entry point and clients are assisted in accessing the right service from there.
- A “client-centred” approach. This included seeking client input, clients being active in problem solving and clients being able to choose their therapist to ensure a good “fit”.
- An upstream approach focusing on relationship building; a focus on health promotion; resiliency training in schools; more tools for children and youth; and education through infographics and videos.

### *Holistic Approaches*

One theme that emerged within this discussion, that had not been mentioned earlier, was that of support for alternative and holistic therapies e.g. art therapy, food education, physical activity and broader health insurance coverage for such options to avoid prescriptions being the first option.

### *Professional Development*

- Better trained professionals
- Ongoing training for staff
- Mandated mental health education for pre-service professionals

- Better understanding and education of front-line workers
- Cultural sensitivity/competency
- Knowledge of the needs of the multi-cultural community
- Information, training and support for family physicians and clinicians.

Following this Stakeholder's meeting a Steering Committee for Paving the Way Fredericton was created, Fredericton Open your Eyes nominated Family Enrichment and Counselling Service to be the recipient of their grant, composed of an awareness video and \$ 2.000.

The Steering Committee is actually working very hard to set up Terms of References, a strategic Plan and a Communication plan for the Awareness video.

So far we identified the problems, suggested solution and envisioned the outcome.

<b>PROBLEM</b>	<b>SOLUTION</b>	<b>OUTCOME</b>
<p><b><i>Our current response does not effectively address the needs of clients:</i></b></p> <ul style="list-style-type: none"> <li>• The need has increased</li> <li>• There are gaps in services</li> <li>• There is duplication in services</li> <li>• People don't know where to go to get the service they need</li> <li>• There is a lack of communication amongst service providers</li> <li>•</li> </ul>	<p><b><i>A coordinated response for a continuum of services:</i></b></p> <ul style="list-style-type: none"> <li>• Single point of entry – phone/chat/text/portal/in-person</li> <li>• Service response training</li> <li>• Enhanced communication amongst service providers</li> <li>• Environmental scan to identify and address needs and services</li> <li>• Common “consent form” to enable information sharing amongst service providers – “circle of care”</li> </ul>	<p><b><i>Agreement of service providers, funders and decision makers to commit to a coordinated response.</i></b></p> <ul style="list-style-type: none"> <li>• Adequate and sustainable funding to create and maintain single point of entry approach</li> <li>• Accountability framework that provides oversight, increases awareness and assesses effectiveness</li> </ul>

I hope and wish to be able to bring you more concrete information next year.

Respectfully,

Leentje Deleuil

## Recognizing our Funders and Donators – Leentje Deleuil, ED

### Our funders:



### Special Grant:



### Special thanks to all businesses who donated items for our Silent Auction:

- |                       |                     |                      |
|-----------------------|---------------------|----------------------|
| ◆ Kingswood Gym       | - Riverview Ford    | - Coveys             |
| ◆ Lighthouse          | - Crestor           | - Goodlife           |
| ◆ Vintners            | - Ritchies          | - Spicers            |
| ◆ Staedler            | - Leon's Furniture  | - Bird Stairs        |
| ◆ Kent                | - Mark Magee        | - Michael Hill       |
| ◆ Valley Ridge        | - Chrysler Fairview | - Home Depot         |
| ◆ Storeytown Cottages | - Crown Plaza       | - Spicer Cole        |
| ◆ Victory Meat market | - Dolan's           | - David Eastwood     |
| ◆ Jen Colpitts        | - Carolann Doherty  | - Newell Brands      |
| ◆ Andrée MacLean      | - Clay Café         | - Radical Edge,..... |



## Board of Directors 2019- 2020 - Bruce McClary, President

**President:**

Bruce McClary  
Instructor at NBCC-Fredericton Campus  
Appointed on January 21,2016

**Vice-President:**

Mike Ryan  
Fredericton Outreach  
Appointed July 14,2016

**Treasurer:**

Tyler Szo  
CPA, CMA (Certified Management Accountant). Financial Manager for the Department of Public Safety, as well as the Department of Justice and Office of the Attorney General.

**Secretary:**

Amanda Nason  
Appointed October 18th,2018

**Directors:**

Jessica Lebrun  
Appointed December 12,2012

Lucie Godin  
Appointed December 11,2014



Financial Statements 2018 - Tyler Szo- Treasurer

**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2018**  
**(UNAUDITED)**



**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

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**YEAR ENDED DECEMBER 31, 2018**

**(UNAUDITED)**

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## **INDEPENDENT PRACTITIONERS REVIEW ENGAGEMENT REPORT**

To the Board of Directors of Family Enrichment and Counselling Service Fredericton Inc.:

We have reviewed the accompanying financial statements of Family Enrichment and Counselling Service Fredericton Inc. that comprise the statement of financial position as at December 31, 2018 and the statements of operations and changes in net assets, and cash flows for the year then ended, and summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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.

### ***Practitioner's Responsibility***

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### ***Conclusion***

Based on our review, nothing has come to our attention, that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Family Enrichment and Counselling Service Fredericton Inc. as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profits organizations.

Chartered Professional Accountants  
March 31, 2019

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**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED DECEMBER 31, 2018 WITH COMPARATIVE FIGURES FOR 2017**

(UNAUDITED)

	<u>2018</u>	<u>2017</u>
<b><u>ASSETS</u></b>		
Current:		
Cash	\$ 48,121	\$ 10,912
Accounts receivable (note 3)	48,173	68,737
IIST receivable	<u>4,023</u>	<u>4,639</u>
	100,317	84,288
Capital assets (note 4)	<u>6,235</u>	<u>8,616</u>
	<u>\$ 106,552</u>	<u>\$ 92,904</u>
<b><u>LIABILITIES</u></b>		
Current:		
Accounts payable and accrued liabilities (note 5)	\$ 16,487	\$ 13,593
Deferred revenues	<u>8,011</u>	<u>5,000</u>
	<u>24,498</u>	<u>18,593</u>
<b><u>NET ASSETS</u></b>		
Unrestricted net assets	<u>82,054</u>	<u>74,311</u>
	<u>82,054</u>	<u>74,311</u>
	<u>\$ 106,552</u>	<u>\$ 92,904</u>

See accompanying notes to financial statements.

On Behalf of the Board:

Director \_\_\_\_\_

**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**STATEMENT OF OPERATIONS AND NET ASSETS**

**YEAR ENDED DECEMBER 31, 2018 WITH COMPARATIVE FIGURES FOR 2017**

(UNAUDITED)

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Revenues:</b>		
Third party billings	\$ 255,848	\$ 230,163
Grants	103,190	106,880
United Way grant	43,140	40,337
Self referrals	157,660	172,220
Paving the Way	7,789	-
Donations	3,584	8,910
Other revenues	<u>17,557</u>	<u>14,697</u>
	<u>588,768</u>	<u>573,207</u>
<b>Expenses:</b>		
Wages and employee benefits	454,012	457,461
Rent	39,312	41,016
Professional services	16,271	16,535
Insurance	7,968	9,765
Utilities	9,440	8,777
Office	8,170	7,914
Paving the Way	7,789	-
Special programs	-	62
Travel	4,969	5,720
Advertising and promotion	4,274	2,896
Amortization	2,381	2,263
Bad debts	3,122	1,371
Interest and bank charges	1,482	2,668
Memberships	1,436	1,455
Miscellaneous	3,301	1,676
Repairs and maintenance	7,044	5,099
Telephone and communications	2,718	3,485
Training	<u>7,336</u>	<u>4,649</u>
	<u>581,025</u>	<u>572,812</u>
Excess of revenue over expenses	7,743	395
Net assets, beginning of year	<u>74,311</u>	<u>73,916</u>
<b>Net assets, end of year</b>	<b><u>\$ 82,054</u></b>	<b><u>\$ 74,311</u></b>

See accompanying notes to financial statements.

**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2018 WITH COMPARATIVE FIGURES FOR 2017**  
**(UNAUDITED)**

	<u>2018</u>	<u>2017</u>
<b>CASH GENERATED FROM (USED IN):</b>		
<b>OPERATING ACTIVITIES:</b>		
Excess of revenue over expenses	\$ 7,743	\$ 395
Items not requiring a cash outlay:		
Amortization	2,381	2,263
Adjustment of prior period net assets	-	(27,488)
Net change in current assets and liabilities other than cash:		
Accounts receivable	20,564	(19,235)
Deferred revenue	3,011	3,000
HST receivable	616	(1,497)
Accounts payable and accrued liabilities	<u>2,894</u>	<u>9,848</u>
	<u>37,209</u>	<u>(32,714)</u>
<b>INVESTING ACTIVITIES:</b>		
Additions to capital assets	<u>-</u>	<u>(4,461)</u>
<b>INCREASE (DECREASE) IN CASH, in the year</b>	37,209	(37,175)
<b>CASH, beginning of year</b>	<u>10,912</u>	<u>48,087</u>
<b>CASH, end of year</b>	<u>\$ 48,121</u>	<u>\$ 10,912</u>

Cash position is defined as cash less bank indebtedness.

See accompanying notes to financial statements.

**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

(UNAUDITED)

**1. The Organization:**

Family Enrichment and Counselling Service Fredericton Inc. (the "Agency") is incorporated under the New Brunswick Business Corporations Act and its principal business activities include providing counselling services, educational programs, and mediation in Fredericton and surrounding area. The Agency has been operating since 1974.

**2. Summary of significant accounting policies:**

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

**(a) Cash -**

Cash is defined as cash on hand and cash on deposit with financial institutions.

**(b) Revenue recognition -**

Revenue on services provided is recognized when the service is complete.

**(c) 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**(d) Capital assets -**

Capital assets are stated at cost. Amortization is provided using the following methods and annual rates:

Furniture & fixtures	Declining balance	20%
Equipment	Declining balance	30%
Computer equipment	Declining balance	50%

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**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

(UNAUDITED)

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

**(e) Financial instruments -**

**(i) Measurement of financial instruments**

The Agency initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs.

The Agency subsequently measures all of its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations in the period incurred.

**(ii) Impairment**

At the end of each reporting period the Agency assesses whether there are any indications that the financial asset measured at amortized cost may be impaired.

When there is an indication of impairment, the Agency determines whether a significant adverse change has occurred during the period in the expected timing or amount of future in cash flows from the financial asset. Where there is a significant adverse change, the carrying amount of the asset is reduced and the impairment loss is recognized in the statement of operations.

**(iii) Transaction costs**

Transaction costs are recognized in the statement of operations in the period incurred, except for the financial instruments that will be subsequently measured at amortized costs.

**3. Accounts receivable:**

Accounts receivable are comprised of the following as at December 31:

	<b><u>2018</u></b>	<b><u>2017</u></b>
Accounts receivable	\$ 49,233	\$ 70,727
Allowance for bad debts	<u>(1,060)</u>	<u>(1,920)</u>
	<b><u>\$ 48,173</u></b>	<b><u>\$ 68,737</u></b>

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**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

(UNAUDITED)

**4. Capital assets:**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2018 Net Book Value</u>	<u>2017 Net Book Value</u>
Furniture & fixtures	\$ 11,898	\$ 7,423	\$ 4,475	\$ 5,594
Equipment	4,428	3,558	870	1,242
Computer equipment	<u>2,373</u>	<u>1,483</u>	<u>890</u>	<u>1,780</u>
	<u>\$ 18,699</u>	<u>\$ 12,464</u>	<u>\$ 6,235</u>	<u>\$ 8,616</u>

**5. Accounts payable and accrued liabilities:**

Accounts payable and accrued liabilities are comprised trade payables, accrued accounting, and accrued payroll as follows:

	<u>2018</u>	<u>2017</u>
Trade accounts payable	\$ 2,887	\$ 1,393
Accrued accounting	3,500	3,500
Accrued payroll	<u>10,100</u>	<u>8,700</u>
	<u>\$ 16,487</u>	<u>\$ 13,593</u>

**6. Commitments:**

The Agency leases office space and a copier machine under operating leases expiring between 2019 and 2023. Minimum lease payments for the next five years is approximately as follows:

2019	\$ 45,000
2020	43,200
2021	43,200
2022	43,200
2023	43,200

**7. Financial instruments:**

The Agency is exposed to various risks through its financial instruments. The following analysis provides a measure of the Agency's risk exposure and concentrations at December 31, 2018.

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**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

(UNAUDITED)

**7. Financial instruments (continued):**

**Credit risk**

Credit risk is the risk that a party may default on their financial obligations to the Agency, or if there is a concentration of transactions carried out with the same party or a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Agency could incur a financial loss.

The maximum exposure that the Agency has to credit risk as at December 31 is as follows:

	<b><u>2018</u></b>	<b><u>2017</u></b>
Cash	\$ 48,121	\$ 10,912
Accounts receivable	<u>48,173</u>	<u>68,737</u>
	<b><u>\$ 96,294</u></b>	<b><u>\$ 79,649</u></b>

Credit risk in cash is minimized by investing in major Canadian financial institutions. The Agency has a higher credit risk on its accounts receivable. As at December 31, 2018 24% (\$12,015) of the accounts receivable are 91 days or over. Management minimizes credit risk in accounts receivable by close monitoring of accounts receivable balances. Management believes that credit risk is minimal.

**Liquidity risk**

Liquidity risk is the risk that the Agency will not be able to meet a demand for cash or fund its obligations as they come due.

The Agency meets its cash flow requirements soliciting grants and donations and by careful monitoring of its accounts receivable, managing payment on accounts payable and has a \$30,000 operating line of credit available to it.

**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 is comprised of currency risk, interest rate risk and other price risk.

**Currency risk**

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Agency is not exposed to any significant foreign currency risk.

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**FAMILY ENRICHMENT AND COUNSELLING SERVICE FREDERICTON INC.**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2018**

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**7. Financial instruments (continued):**

**Interest rate risk**

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with instruments will fluctuate due to changes in market interest rates.

The exposure of the Agency to interest rate risk arises from its interest bearing assets and liabilities. From time to time the Agency has cash deposit with financial institutions that earn interest at market rates. Fluctuations in market rates of interest on cash do not have a significant impact on the Agency's results of operations.

**Other price risk**

The Agency is not exposed to any other significant price risks.

**Changes in risk**

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

Appointment of Auditors for next year :

We move to appoint Shannon and Buffett LLP as our auditors for next fiscal year.