

**Our Kids Count of Thunder Bay Inc.**  
**Financial Statements**  
*March 31, 2022*

# Our Kids Count of Thunder Bay Inc.

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For the year ended March 31, 2022

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## Management's Responsibility

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To the Board of Directors of Our Kids Count of Thunder Bay Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings as required.

July 19, 2022

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Executive Director

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To the Board of Our Kids Count of Thunder Bay Inc.:

## Qualified Opinion

We have audited the financial statements of Our Kids Count of Thunder Bay Inc. (the "Organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations and 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 Organization as at March 31, 2022, 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 Qualified Opinion

In common with many not-for-profit organizations, the Organization derives a portion of its revenue from donations, in-kind donations and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to donations, in-kind donations and fundraising revenue and excess (deficiency) of revenue over expenses for the years ended March 31, 2022 and 2021 and assets, liabilities and net assets as at March 31, 2022 and 2021. The audit opinion on the financial statements for the year ended March 31, 2021 was qualified accordingly because of the possible effects of the limitation in 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 Organization in accordance with the 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 opinion.

## Other Matter

The supplementary information contained in Schedules 2 to 9 is presented for the purposes of additional analysis and is not part of the basic audited financial statements. The information in the schedules was derived from the accounting records tested in forming an opinion on the financial statements as a whole.

## 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.

Thunder Bay, Ontario

July 19, 2022

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

**Our Kids Count of Thunder Bay Inc.**  
**Statement of Financial Position**

*As at March 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
<b>Current</b>		
Cash	249,042	245,939
Accounts receivable (Note 4)	108,018	46,954
	<b>357,060</b>	292,893
<b>Capital assets (Note 5)</b>	<b>295,972</b>	283,867
	<b>653,032</b>	576,760
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	88,057	62,298
Government remittances payable	20,087	-
Deferred revenue (Note 7)	61,702	48,242
	<b>169,846</b>	110,540
<b>Long-term debt (Note 8)</b>	<b>40,000</b>	40,000
<b>Deferred contributions related to capital assets (Note 9)</b>	<b>140,839</b>	128,732
	<b>350,685</b>	279,272
<b>Contingencies (Note 11)</b>		
<b>Net Assets</b>		
Invested in capital assets	155,135	155,135
Unrestricted	147,212	142,353
	<b>302,347</b>	297,488
	<b>653,032</b>	576,760

Approved on behalf of the Board

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Director

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Director

*The accompanying notes are an integral part of these financial statements*

**Our Kids Count of Thunder Bay Inc.**  
**Statement of Operations and Changes in Net Assets**

*For the year ended March 31, 2022*

	<i>Restricted Fund</i>	<i>Unrestricted Fund</i>	<i>Invested in Capital Assets</i>	<b>2022</b>	<i>2021</i>
<b>Revenue</b>					
Public Health Agency of Canada	<b>378,940</b>	-	-	<b>378,940</b>	378,940
United Way of Thunder Bay	<b>52,000</b>	-	-	<b>52,000</b>	48,177
Bell Canada	-	-	-	-	25,000
The District of Thunder Bay Social Services Administration Board	<b>55,000</b>	-	-	<b>55,000</b>	31,500
Roots of Empathy	<b>15,000</b>	-	-	<b>15,000</b>	18,750
Donations and fundraising	-	<b>406,916</b>	-	<b>406,916</b>	180,914
National Big Brother Big Sister	<b>19,404</b>	-	-	<b>19,404</b>	5,362
Lottery Trust	-	<b>63,700</b>	-	<b>63,700</b>	88,657
Kiwanis Club of Westfort	-	<b>14,800</b>	-	<b>14,800</b>	-
Ontario Trillium Foundation	-	<b>133,200</b>	-	<b>133,200</b>	71,600
Administrative revenue	-	<b>245</b>	-	<b>245</b>	7,599
Other income	-	<b>3,600</b>	-	<b>3,600</b>	10,010
Amortization of deferred contributions related to capital assets <i>(Note 9)</i>	-	-	<b>17,175</b>	<b>17,175</b>	15,233
Prior year deferred revenue recognized <i>(Note 7)</i>	<b>28,627</b>	<b>19,615</b>	-	<b>48,242</b>	31,910
Less: current year deferred revenue <i>(Note 7)</i>	<b>(61,702)</b>	-	-	<b>(61,702)</b>	(48,242)
	<b>487,269</b>	<b>642,076</b>	<b>17,175</b>	<b>1,146,520</b>	865,410
<b>Government assistance <i>(Note 13)</i></b>					
Canada Emergency Business Account	-	-	-	-	20,000
	<b>487,269</b>	<b>642,076</b>	<b>17,175</b>	<b>1,146,520</b>	885,410
<b>Expenses <i>(Schedule 1)</i></b>					
	<b>487,269</b>	<b>637,217</b>	<b>17,175</b>	<b>1,141,661</b>	866,635
<b>Excess of revenue over expenses</b>	-	<b>4,859</b>	-	<b>4,859</b>	18,775
<b>Net assets, beginning of year</b>	-	<b>142,353</b>	<b>155,135</b>	<b>297,488</b>	278,713
<b>Net assets, end of year</b>	-	<b>147,212</b>	<b>155,135</b>	<b>302,347</b>	297,488

*The accompanying notes are an integral part of these financial statements*

# Our Kids Count of Thunder Bay Inc.

## Statement of Cash Flows

For the year ended March 31, 2022

	2022	2021
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	4,859	18,775
Amortization	17,175	15,232
Bad debts	27,658	-
Deferred contributions related to capital assets (net)	(17,175)	(15,232)
Forgivable portion of CEBA loan	-	(20,000)
	<b>32,517</b>	(1,225)
Changes in working capital accounts		
Accounts receivable	(88,723)	8,555
Deposits	-	22,500
Accounts payable and accruals	25,762	10,488
Government remittances payable	20,087	(13,924)
Deferred revenue	13,460	16,332
	<b>3,103</b>	42,726
<b>Financing</b>		
Advances of long-term debt	-	60,000
Cash contributions received for capital assets	29,282	2,878
	<b>29,282</b>	62,878
<b>Investing</b>		
Purchase of capital assets	(29,282)	(2,878)
<b>Increase in cash resources</b>	<b>3,103</b>	102,726
<b>Cash resources, beginning of year</b>	<b>245,939</b>	143,213
<b>Cash resources, end of year</b>	<b>249,042</b>	245,939

The accompanying notes are an integral part of these financial statements

# Our Kids Count of Thunder Bay Inc.

## Notes to the Financial Statements

For the year ended March 31, 2022

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### 1. Purpose of the organization

Our Kids Count of Thunder Bay Inc. (the "Organization") was incorporated on April 16, 1998 as a not-for-profit organization without share capital under the laws of Ontario. The Organization's mission is to empower individuals to build stronger families and inclusive communities by enhancing people's lives through personal growth and development. The Organization receives support by way of grants and subsidies from various levels of government and, as such, is bound by the provisions of specific operating agreements. The Organization is a registered charity and is exempt from income tax under the Income Tax Act.

#### **Impact on operations of COVID-19**

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Organization's operations were impacted by COVID-19 due to the decreased ability to provide face to face services, having to adapt the way programming is delivered, and incurring additional expenses relating to cleaning services and personal protective equipment.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Organization's business and financial condition.

### 2. Change in accounting policies

#### **Financial instruments**

##### **Financial instruments in a related party transaction, risk disclosures and other amendments**

Effective April 1, 2021 (hereafter referred to as the "initial date of application"), the Organization adopted the Accounting Standards Board's revised recommendations for the measurement and disclosure of financial instruments in a related party transaction, as well as revisions to risk disclosures, in Section 3856 *Financial Instruments*. The revised standard provides additional guidance and requirements for the measurement of financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments").

Revised Section 3856 clarifies that an entity must provide relevant entity-specific information to enable users to evaluate the nature and extent of each type of risk arising from financial instruments. The amendments remove the requirement to separately disclose the risks arising from derivatives from the risks arising from other financial instruments.

Revised Section 3856 requires the following related party financial instruments to be initially measured at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

**2. Change in accounting policies** *(Continued from previous page)*

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value. If the election is not made, these instruments are subsequently measured at amortized cost. Subsequently investments in equity instruments quoted in an active market and derivatives instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are measured at fair value. All other financial instruments arising in a related party transaction are subsequently measured using the cost method.

Previously, the Organization initially measured related party financial instruments at either the carrying amount or exchange amount in accordance with Section 3840 *Related Party Transactions*. Subsequent to initial recognition, related party financial instruments were measured in accordance with extant Section 3856.

*Transition*

The Organization applied the changes in accounting policies resulting from the adoption of revised Section 3856 retrospectively and prior periods have been restated. Financial instruments exchanged in a related party transaction that do not exist at the date of initial application and were impaired or modified in the immediately preceding fiscal year have not been restated in accordance with Section 3856. In addition, the following transitional provisions were applied to related party financial instruments that exist at the date of initial application:

- The cost of a financial instrument that has repayment terms is determined using the undiscounted cash flows, excluding interest and dividend payments, of the instrument less any impairment, as at the beginning of the earliest comparative period presented in these financial statements
- The cost of a financial instrument that does not have repayment terms is deemed to be the carrying amount of the instrument in the financial statements of the entity less any impairment, at the beginning of the earliest comparative period presented in these financial statements
- Fair value of a financial instrument that is an investment in debt or equity instruments that are quoted in active market; a debt instrument where inputs significant to the determination of fair value of the instrument are observable; or, a derivative contract, is determined at the beginning of the earliest comparative period presented in these financial statements.

The retrospective application of this change in accounting policy did not have a material impact on the results of operations and financial condition of the Organization.

**3. Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

***Fund accounting***

The Organization reports using fund accounting. The Organization maintains three funds: Unrestricted Fund, Restricted Fund and Invested in Capital Assets.

Unrestricted Fund

The Unrestricted Fund reports revenue and expenses related to the general operations and administration.

Restricted Fund

The Restricted Fund reports assets, liabilities, revenue and expenses related to programs that are funded with restricted contributions.

Invested in Capital Assets

The Invested in Capital Assets reports the assets, liabilities, revenue and expenses related to the capital assets held by the Organization.

**3. Significant accounting policies** *(Continued from previous page)*

***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 date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

Deferred contributions related to capital assets and amortization on capital assets is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the periods in which they become known.

***Cash and cash equivalents***

The Organization's policy is to disclose bank balances as cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

***Capital assets***

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined. Capital assets are amortized over their estimated useful lives on a straight-line basis commencing in the year of addition up to and excluding the year of disposal. The cost of major replacements and improvements to capital assets are capitalized and the cost of maintenance and repairs are expensed when incurred.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b><i>Rate</i></b>
Building	25 years
Computer equipment	5 years
Computer software	5 years
Furniture and fixtures	10 years
Paved surfaces	10 years

***Long-lived assets***

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Organization determines that a long-lived asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations and changes in net assets. Write-downs are not reversed.

***Revenue recognition***

The Organization uses the deferral method of accounting for contributions and reports on a fund accounting basis. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the Unrestricted Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**3. Significant accounting policies** *(Continued from previous page)*

***Contributed materials and services***

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations and changes in net assets when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

Directors, committee members and general members donate their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made, and accordingly, these contributed services are not recognized in the financial statements.

***Government subsidies receivable (payable)***

The Organization receives a subsidy from the Public Health Agency of Canada based on an annual budget submission. The Board of Directors administers the funding based upon the signed service agreement. The Organization is required to file annual audited financial statements at year-end with the Public Health Agency of Canada. The audited statements are used for settlement of the year's activities. Settlement is reported in the year of determination.

***Deferred contributions related to capital assets***

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions that were used to purchase the Organization's capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

***Leases***

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

***Financial instruments***

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

***Arm's length financial instruments***

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year. Fair value is determined by reference to recent arm's length transactions.

**Our Kids Count of Thunder Bay Inc.**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2022*

**3. Significant accounting policies** *(Continued from previous page)*

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

**Financial asset impairment**

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

**4. Accounts receivable**

	2022	2021
HST recoverable	33,716	14,201
Northern Ontario Heritage Fund Corporation	26,819	2,608
Hydro One	25,000	-
Roots of Empathy	-	3,750
Other	50,141	26,395
Less: allowance for doubtful accounts	(27,658)	-
	<b>108,018</b>	<b>46,954</b>

**Our Kids Count of Thunder Bay Inc.**  
**Notes to the Financial Statements**

*For the year ended March 31, 2022*

**5. Capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2022 Net book value</i>	<i>2021 Net book value</i>
Land	79,423	-	79,423	79,424
Building	328,000	129,230	198,770	187,424
Computer equipment	14,147	10,293	3,854	-
Computer software	13,308	13,308	-	-
Furniture and fixtures	172,852	160,956	11,896	13,975
Paved surfaces	10,145	8,116	2,029	3,044
	<b>617,875</b>	<b>321,903</b>	<b>295,972</b>	<b>283,867</b>

**6. Bank indebtedness**

The Organization has available a bank overdraft to a maximum of \$30,000. The overdraft is secured by a general security agreement covering all assets and undertakings. Interest is charged at the bank's prime interest rate plus 2.5% (5.20% per annum at year-end). The balance outstanding on the bank overdraft as at March 31, 2022 is \$Nil (2021 - \$Nil).

**7. Deferred revenue**

During the year the Organization received revenue with respect to operating agreements which extend beyond the Organization's fiscal year-end. To the extent that such revenue had not been expended by the fiscal year-end, they have been recorded as deferred revenue. The relevant amounts and agreements to which they pertain are as follows:

	<i>Balance, beginning of year</i>	<i>Amount received during the year</i>	<i>Amount recognized as revenue</i>	<i>2022</i>	<i>2021</i>
Roots of Empathy	18,146	15,000	(14,041)	19,105	18,146
Ontario Trillium Foundation	19,615	-	(19,615)	-	19,615
National Big Brother Big Sister	-	16,000	(10,025)	5,975	-
United Way	10,481	36,000	(9,859)	36,622	10,481
	<b>48,242</b>	<b>67,000</b>	<b>(53,540)</b>	<b>61,702</b>	<b>48,242</b>

**8. Long-term debt**

	<i>2022</i>	<i>2021</i>
Copperfin Credit Union Canada Emergency Business Account revolving credit line, to a maximum of \$60,000. The loan is unsecured and non-interest bearing with no required repayment until December 2023. Any unpaid balance at December 31, 2023 will be converted to a three-year term loan at 5% interest, payable monthly.	<b>40,000</b>	<b>40,000</b>

**Our Kids Count of Thunder Bay Inc.**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2022*

**9. Deferred contributions related to capital assets**

Deferred contributions related to capital assets consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred contributions related to capital assets are as follows:

	2022	2021
Balance, beginning of year	128,732	141,087
Add: contributions received in the year	29,282	2,878
Less: amount amortized to revenue in the year	(17,175)	(15,233)
Balance, end of year	140,839	128,732

**10. Change in invested in capital assets**

The change in invested in capital assets is calculated as follows:

	2022	2021
Purchases of capital assets	29,282	2,878
Amortization expense	(17,175)	(15,233)
Amortization of deferred contributions related to capital assets	17,175	15,233
Deferred contributions related to capital assets	(29,282)	(2,878)
	-	-

**11. Contingencies**

The Organization is contingently liable to Public Health Agency of Canada, its major funding agency, for any expenditures that it may have made in contravention of the contract agreements with the agency and any surpluses may be subject to recovery by Public Health Agency of Canada, depending on the terms and conditions of the relevant contract agreement. The actual amount of any contingent liability is currently not determinable.

**12. Economic dependence**

The Organization's primary source of revenue is government grants. The grant funding can be cancelled if the Organization does not observe certain established guidelines. The Organization's ability to continue viable operations is dependent upon maintaining its right to follow the criteria within the government guidelines. As at the date of these financial statements, the Organization believes that it is in compliance with the guidelines.

**13. Government assistance**

**Canada Emergency Business Account ("CEBA")**

During the March 31, 2021 fiscal year, the Organization was approved for a \$60,000 term loan with Copperfin Credit Union under the CEBA program funded by the Government of Canada. Under the terms of this program, the government will forgive 33% of the loan provided that the remaining balance of the loan (67%) is repaid on or before December 31, 2023 and that the funds from the loan were used exclusively to pay non-redefferrable operating expenses. The forgivable portion (\$20,000) has been recorded as government assistance in other income, with the balance recorded as long-term debt (see Note 8). In the event that the conditions for forgiveness are not fulfilled, the Organization is liable to repay the forgiven amount. The Organization anticipates that they will fulfill the conditions and that no repayment of the forgivable portion will be necessary.

**Our Kids Count of Thunder Bay Inc.**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2022*

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**14. Financial instruments**

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

***Fair value***

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates.

***Interest rate risk***

The Organization is exposed to interest rate risk due to the variable rate of interest on bank credit facilities. Changes in lending rates may cause fluctuations in cash flows and interest expense. In the opinion of management, the interest rate risk exposure to the Organization is low and not material.

**15. Commitments**

The Organization has entered into a 66-month lease with Xerox with respect to computer equipment leases expiring July 1, 2024. Annual payments required under the lease are approximately \$9,504.

The Organization's estimated remaining payments are as follows:

2023	9,504
2024	9,504
2025	2,376
	<hr/>
	21,384

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**Our Kids Count of Thunder Bay Inc.**  
**Schedule 1 - Schedule of Expenses**  
*For the year ended March 31, 2022*

	<i>Restricted Programs</i>	<i>Unrestricted Programs</i>	<i>Invested in Capital Assets</i>	<b>2022</b>	<i>2021</i>
<b>Expenses</b>					
Administrative	1,587	26,367	-	27,954	10,499
Advertising	-	20,240	-	20,240	2,431
Amortization	-	-	17,175	17,175	15,233
Bad debts	-	27,658	-	27,658	-
Donations	-	4,212	-	4,212	13,703
Evaluation	20,971	-	-	20,971	15,989
Fundraising expense	-	70,927	-	70,927	45,410
Insurance	-	21,082	-	21,082	19,847
Meetings	231	185	-	416	634
Office and other	14,160	12,427	-	26,587	44,455
Professional development	606	12,071	-	12,677	6,284
Professional fees	5,800	7,242	-	13,042	21,127
Program materials	41,884	65,473	-	107,357	68,959
Rent	-	14,190	-	14,190	9,229
Repairs and maintenance	-	23,027	-	23,027	18,896
Salaries and benefits	391,148	319,320	-	710,468	555,105
Telephone and utilities	8,102	11,698	-	19,800	15,997
Travel	2,780	1,098	-	3,878	2,837
	<b>487,269</b>	<b>637,217</b>	<b>17,175</b>	<b>1,141,661</b>	<b>866,635</b>

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 2 - Community Action Program for Children Revenue and Expenses**

*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>Revenue</b>		
Public Health Agency of Canada	<b>299,200</b>	299,200
<b>Expenses</b>		
Board and professional development	<b>525</b>	1,256
Evaluation	<b>17,250</b>	13,178
Meetings	<b>225</b>	467
Office and other	<b>7,962</b>	3,901
Professional fees	<b>2,900</b>	6,696
Program materials	<b>3,223</b>	23,079
Salaries and benefits	<b>261,311</b>	245,300
Telephone and utilities	<b>3,466</b>	4,512
Travel	<b>2,338</b>	811
	<b>299,200</b>	299,200
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 3 - Canada Prenatal Nutrition Program Revenue and Expenses**

*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>Revenue</b>		
Public Health Agency of Canada	79,740	79,740
<b>Expenses</b>		
Evaluation	3,721	2,811
Office and other	3,060	2,745
Professional fees	2,900	3,438
Program materials	507	-
Salaries and benefits	64,751	64,336
Telephone and utilities	4,636	5,024
Travel	165	1,386
	79,740	79,740
<b>Excess of revenue over expenses</b>	-	-

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 4 - Roots of Empathy Revenue and Expenses**

*For the year ended March 31, 2022*

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	<b>2022</b>	<b>2021</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<hr/>		
<b>Revenue</b>		
Roots of Empathy	<b>15,000</b>	18,750
Prior year deferred revenue recognized	<b>18,146</b>	6,606
Less: deferred revenue	<b>(19,105)</b>	(18,146)
	<hr/> <b>14,041</b>	<hr/> 7,210
<hr/>		
<b>Expenses</b>		
Program materials	<b>461</b>	-
Salaries and benefits	<b>13,580</b>	7,210
	<hr/> <b>14,041</b>	<hr/> 7,210
<hr/>		
<b>Excess of revenue over expenses</b>	<b>-</b>	-
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**Our Kids Count of Thunder Bay Inc.**

**Schedule 5 - The District of Thunder Bay Social Services Administration Board Program**

**Revenue and Expenses**  
*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	2021 <i>(unaudited)</i>
<b>Revenue</b>		
The District of Thunder Bay Social Services Administration Board	<b>55,000</b>	31,500
<b>Expenses</b>		
Board and professional development	<b>81</b>	-
Office and other	<b>3,138</b>	-
Program materials	<b>28,023</b>	18,000
Travel	<b>144</b>	-
Salaries and benefits	<b>23,614</b>	13,500
	<b>55,000</b>	31,500
<b>Excess of revenue over expenses</b>	<b>-</b>	-

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 6 - United Way of Thunder Bay Program Revenue and Expenses**

*For the year ended March 31, 2022*

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	<b>2022</b>	2021
	<i>(unaudited)</i>	<i>(unaudited)</i>
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<b>Revenue</b>		
United Way of Thunder Bay	<b>36,000</b>	48,177
Prior year deferred revenue recognized	<b>10,481</b>	15,304
Less: deferred revenue	<b>(36,622)</b>	(10,481)
	<b>9,859</b>	53,000
<hr/>		
<b>Expenses</b>		
Office and other	-	8,142
Program materials	<b>6,307</b>	20,134
Salaries and benefits	<b>3,552</b>	24,724
	<b>9,859</b>	53,000
<hr/>		
<b>Excess of revenue over expenses</b>	-	-
<hr/>		

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 7 - General Program Revenue and Expenses**

*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>Revenue</b>		
Donations and fundraising	406,916	180,914
Bell Canada	-	25,000
Other income	3,600	3,600
Kiwanis Club of Westfort	14,800	-
Ontario Trillium Foundation	133,200	71,600
Administrative revenue	245	7,599
Prior year deferred revenue recognized	19,615	-
Less: deferred revenue	-	(19,615)
	<b>578,376</b>	269,098
<b>Government assistance</b>		
Canada Emergency Benefit Account	-	20,000
	<b>578,376</b>	289,098
<b>Expenses</b>		
Administrative	26,367	8,921
Advertising	16,242	2,431
Bad debts	27,658	-
Board and professional development	8,677	4,593
Donations	4,212	13,703
Fundraising expense	47,193	5,539
Insurance	20,207	2,729
Meetings	185	167
Office and other	9,513	26,646
Professional fees	7,242	10,993
Program materials	58,199	7,720
Rent	5,500	9,229
Repairs and maintenance	15,505	14,795
Salaries and benefits	319,320	183,003
Telephone and utilities	4,907	869
Travel	1,098	205
	<b>572,025</b>	291,543
<b>Excess (deficiency) of revenue over expenses</b>	<b>6,351</b>	<b>(2,445)</b>

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 8 - Lottery Trust Revenue and Expenses**

*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>Revenue</b>		
Fundraising	<b>63,700</b>	88,657
<b>Expenses</b>		
Fundraising expense	<b>23,734</b>	39,871
Board and professional development	<b>416</b>	435
Insurance	<b>875</b>	14,464
Office and other	<b>2,281</b>	2,993
Program materials	<b>7,274</b>	-
Rent	<b>8,140</b>	-
Repairs and maintenance	<b>7,522</b>	4,101
Telephone and utilities	<b>6,452</b>	5,592
Advertising	<b>2,733</b>	-
	<b>59,427</b>	67,456
<b>Excess of revenue over expenses</b>	<b>4,273</b>	21,201

**Our Kids Count of Thunder Bay Inc.**  
**Schedule 9 - National Big Brother Big Sister Revenue and Expenses**

*For the year ended March 31, 2022*

	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>Revenue</b>		
United Way of Thunder Bay	<b>16,000</b>	-
Fundraising and other income	-	6,410
National Big Brother Big Sister	<b>19,404</b>	5,362
Prior year deferred revenue recognized	-	10,000
Less: deferred revenue	<b>(5,975)</b>	-
	<b>29,429</b>	21,772
<b>Expenses</b>		
Administrative	<b>1,587</b>	1,578
Insurance	-	2,654
Meetings	<b>6</b>	-
Office and other	-	28
Program materials	<b>3,363</b>	26
Salaries and benefits	<b>24,340</b>	17,051
Travel	<b>133</b>	435
	<b>29,429</b>	21,772
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>