

**Lord Roberts Children's Programs
Annual General Meeting
September 12th,2023**

| | |
|--|---|
| 1.) Land Acknowledgement and Welcome- Rikke McFeetors | |
| 2.) Approval of the Agenda | <u>Motion required: To accept the agenda as presented.</u> |
| 3.) Approval of the 2022 AGM minutes | <u>Motion required: To accept the minutes of the 2022 AGM</u> |
| 4.) Introduction of the 2022/2023 Board members- Rikke Mcfeetors | |
| 5.) Reports: 5.1) Chairperson's Report- Rikke McFeetors 5.2) Treasurer's Report- Audited Financial Statement Review-Eric Robert 5.3) Executive Director's Report- April Kalyniuk | <u>Motion required : To accept these reports as information.</u> |
| 6.) Appointment of the auditor for the 2023/2024 budget year | <u>Motion required : To appoint Rawluk and Robert as the Auditors for the 2023/2024 year.</u> |
| 7.) Elections- Nominating Report and Election- Andrew Gadsby-Pauls | <u>Motion required: To accept the newly elected Board members.</u> |
| 8.) Adjournment | <u>Motion required: To adjourn the meeting at :</u> |

Lord Roberts Children's Programs
Annual General Meeting - Minutes
September 20, 2022
6:30pm-7:00pm
Location: Zoom

In Attendance: April Kalyniuk, Neil McKernan, Stacey Quinn, Rikke McFeetors, Jonathan Christoph, Pam Boychuck, Roni Neufeld, Sheila Henderson, Andrew Gadsby Pauls, Edwin Alarcon, Colleen, MacLellan, Elizabeth MacLellan, Genya , Jessie Gregory, Joanna Dawson, Katharine Foster Grajewski, Kathleen Hartie, Lanny McDonald, Lindsay Salter, Lisa James, Mary Swain, Mayling Morgan, Megan Janssen, Nadia Piasco, Samara Kinahan, Ziggy Bernard, Kenzie Simpson, Sherry Martens, Denise Thomas, Charlene Myran, Devon Meyer Ducharme

Regrets: Shoni Madden

- 1. Welcome & Land Acknowledgement – April Kalyniuk & Neil MCKernan**
- 2. Approval of Agenda**

Motion: To approve the agenda for the annual general meeting September 20, 2022.

Made by: Stacey Quinn

Seconded: Roni Neufeld

Carried

- 3. Approval of 2021 AGM Minutes**

Motion: To approve the meeting minutes from the annual general meeting from 2021.

Made by: Rikke McFeetors

Seconded: Jonathan Christoph

Carried

- 4. Introduction of the 2021/2022 Board members – Neil McKernan**

- 5. Reports:**

5.1 Chairperson's Report – Neil McKernan

5.2 Treasurer's Report – Audited financial statement review – Rikke McFeetors

5.3 Executive Director's Report – April Kalyniuk

Motion: To accept the Chairperson's, Treasurer's, and Executive Director's reports as information.

Made by: Jonathan Christoph

Seconded by: Roni Neufeld

Carried

6. Appointments of the auditor for the 2022/2023 budget year.

Motion: To appoint Rawluk and Robert as the Auditors for the 2022/2023 year.

Made by: Rikke McFeetors

Seconded: Stacey Quinn

Carried. All in favour.

7. Elections – Nominating Report – Neil McKernan

Motion: To ratify the appointment of the board members appointed after AGM 2021 and to accept the newly elected board members.

Made by: Roni Neufeld

Seconded: Pam Boychuck

Carried.

8. Adjournment

Motion: To adjourn the meeting at 7:21pm.

Made by: Ronni Neufeld

Seconded: Rikke McFeetors

Carried.

Chairperson's Report 2023

On behalf of the LRCP Board I am pleased to be able to welcome you back to the LRCC Gym for our 1st In-person AGM in 4 years. Thank you for taking the time to join us tonight.

As a Board we were able to get back to in-person meetings again this past year. I would like to take this time to say Thank You to the Board for their time and continued support of the LRCP!

2022/23 fiscal year brought on new challenges and wins. From Sewer problems at the pre-school site that had us shutting down for a while, to the furnace breaking and temporary heating being installed, to \$10 a day daycare for our Pre-School families, just to name a few. LRCP also received a Subsidy Advance from the Government and with these funds we were able to give "Free" daycare to all our families for approx. 4 months. The year also saw new guidelines and increase to funds from the Government to be allocated to wages. I am happy to share that the board was able to adjust our Salary Scale for all Staff members. The Board navigated each situation together with everyone's best interest in mind.

As previous years we were thrilled to show our appreciation for Staff during ECE week. Thank you to everyone that contributed and helped make this a special week for our Staff.

On behalf of the Board, I would like to thank April and Lanny for continuing to being the Rocks of our Organization. Your hard work and dedication to the Center, Staff and Families does not go unnoticed. We are fortunate to have both of you as role models for our children and leading the way for the staff.

Last but not least a huge Thank You to all the staff of LRCP. Your continued commitment to our children's development and safety is truly outstanding. On behalf of Board I Thank you from the bottom of our hearts, we truly appreciate each and every one of you!

Looking ahead to next year, we are hopeful to continue with positive changes and improvements for another successful year for the Center, Staff and Families.

Rikke McFeetors

Board Chair

LORD ROBERTS CHILDREN'S PROGRAMS INC

Financial Statements

Year Ended March 31, 2023

LORD ROBERTS CHILDREN'S PROGRAMS INC
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Year Ended March 31, 2023

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Rawluk & Robert

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Lord Roberts Children's Programs Inc

Opinion

We have audited the financial statements of Lord Roberts Children's Programs Inc (the organization), which comprise the statement of financial position as at March 31, 2023, and the statements of revenues and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2023, 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 Opinion

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 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 opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

(continues)

Rawluk & Robert

CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report to the Members of Lord Roberts Children's Programs Inc (continued)

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.

Winnipeg, MB
August 15, 2023


Rawluk & Robert Chartered Professional Accountants Inc.
Chartered Professional Accountants


LORD ROBERTS CHILDREN'S PROGRAMS INC
Statement of Financial Position
March 31, 2023

| | Operating Fund | Building Fund | 2023 | 2022 |
|---|-------------------|------------------|-------------------|-------------------|
| ASSETS | | | | |
| CURRENT | | | | |
| Cash | \$ 358,932 | \$ 59,433 | \$ 418,365 | \$ 699,484 |
| Investments (Note 3) | 100,000 | - | 100,000 | 100,000 |
| Accounts receivable (Note 4) | 32,508 | - | 32,508 | 72,586 |
| Prepaid expenses | 5,336 | - | 5,336 | 2,083 |
| | 496,776 | 59,433 | 556,209 | 874,153 |
| CAPITAL ASSETS (Note 5) | 52,625 | - | 52,625 | 29,280 |
| | \$ 549,401 | \$ 59,433 | \$ 608,834 | \$ 903,433 |
| LIABILITIES AND NET ASSETS | | | | |
| CURRENT | | | | |
| Accounts payable and accrued liabilities | \$ 9,520 | \$ - | \$ 9,520 | \$ 5,761 |
| Provincial advances (Note 6) | 6,120 | - | 6,120 | 6,120 |
| Wages payable | 68,789 | - | 68,789 | 129,214 |
| Deferred income (Note 7) | 1,801 | - | 1,801 | 173,366 |
| | 86,230 | - | 86,230 | 314,461 |
| LONG TERM DEBT (Note 8) | 60,000 | - | 60,000 | 60,000 |
| DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 9) | 7,665 | - | 7,665 | 15,610 |
| | 153,895 | - | 153,895 | 390,071 |
| NET ASSETS | 395,506 | 59,433 | 454,939 | 513,362 |
| | \$ 549,401 | \$ 59,433 | \$ 608,834 | \$ 903,433 |

LEASE COMMITMENTS (Note 10)

ON BEHALF OF THE BOARD


 Rikke McFeetors (Aug 17, 2023 14:38 CDT) Director


 Pam Boychuk (Aug 17, 2023 13:59 CDT) Director

See notes to financial statements

LORD ROBERTS CHILDREN'S PROGRAMS INC
Statement of Revenues and Expenditures
Year Ended March 31, 2023

| | Budget <i>Unaudited</i> | Operating Fund | Building Fund | Total | Total |
|---|----------------------------|--------------------|-----------------|--------------------|------------------|
| REVENUES | | | | | |
| Operating grant | \$ 400,400 | \$ 486,480 | \$ - | \$ 486,480 | \$ 400,399 |
| Government subsidies | - | 280,173 | - | 280,173 | 88,604 |
| Fees - parents | 527,928 | 270,276 | - | 270,276 | 352,781 |
| Inclusion grant | 70,425 | 83,538 | - | 83,538 | 94,079 |
| Wage replacement grants | 73,908 | 27,872 | - | 27,872 | - |
| Summer career grant | 24,588 | 22,328 | - | 22,328 | 14,924 |
| Deferred revenue amortization | - | 7,945 | - | 7,945 | 7,210 |
| Fundraising and donations | 4,300 | 4,426 | - | 4,426 | 4,119 |
| Other grants | - | 3,072 | - | 3,072 | 47,172 |
| | <u>1,101,549</u> | <u>1,186,110</u> | <u>-</u> | <u>1,186,110</u> | <u>1,009,288</u> |
| EXPENSES | | | | | |
| Amortization | - | 16,493 | - | 16,493 | 12,158 |
| Administration | 50,365 | 47,476 | - | 47,476 | 47,767 |
| Office and building | 53,764 | 53,646 | - | 53,646 | 37,246 |
| Staff salaries and benefits | 1,070,260 | 1,098,521 | - | 1,098,521 | 1,037,870 |
| Program expenses | 43,500 | 33,376 | - | 33,376 | 35,756 |
| | <u>1,217,889</u> | <u>1,249,512</u> | <u>-</u> | <u>1,249,512</u> | <u>1,170,797</u> |
| DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS | <u>(116,340)</u> | <u>(63,402)</u> | <u>-</u> | <u>(63,402)</u> | <u>(161,509)</u> |
| OTHER INCOME | | | | | |
| Interest income | 500 | 3,171 | 1,806 | 4,977 | 1,031 |
| Canada employment wage subsidy | - | - | - | - | 173,877 |
| | <u>500</u> | <u>3,171</u> | <u>1,806</u> | <u>4,977</u> | <u>174,908</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | <u>\$ (115,840)</u> | <u>\$ (60,231)</u> | <u>\$ 1,806</u> | <u>\$ (58,425)</u> | <u>\$ 13,399</u> |

See notes to financial statements

LORD ROBERTS CHILDREN'S PROGRAMS INC
Statement of Changes in Net Assets
Year Ended March 31, 2023

| | Operating Fund | Building Fund | 2023 | 2022 |
|---------------------------------------|-------------------|------------------|-------------------|-------------------|
| NET ASSETS - BEGINNING OF YEAR | \$ 457,146 | \$ 56,216 | \$ 513,362 | \$ 499,963 |
| Deficiency of revenues over expenses | (61,642) | 3,217 | (58,425) | 13,399 |
| NET ASSETS - END OF YEAR | \$ 395,504 | \$ 59,433 | \$ 454,937 | \$ 513,362 |

See notes to financial statements

LORD ROBERTS CHILDREN'S PROGRAMS INC
Statement of Cash Flows
Year Ended March 31, 2023

| | 2023 | 2022 |
|--|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenues over expenses | \$ (58,425) | \$ 13,399 |
| Item not affecting cash: | | |
| Amortization of capital assets | 16,493 | 12,158 |
| | <u>(41,932)</u> | <u>25,557</u> |
| Changes in non-cash working capital: | | |
| Accounts receivable | 40,078 | (24,859) |
| Prepaid expenses | (3,253) | 75 |
| Accounts payable and accrued liabilities | 3,762 | (1,412) |
| Wages payable | (60,425) | 39,202 |
| Deferred income | (171,566) | 170,496 |
| Deferred contributions related to capital assets | (7,945) | 2,790 |
| | <u>(199,349)</u> | <u>186,292</u> |
| Cash flow from (used by) operating activities | <u>(241,281)</u> | 211,849 |
| INVESTING ACTIVITIES | | |
| Purchase of capital assets | (39,838) | (10,292) |
| Investments | - | (100,000) |
| Cash flow used by investing activities | <u>(39,838)</u> | <u>(110,292)</u> |
| INCREASE (DECREASE) IN CASH FLOW | (281,119) | 101,557 |
| Cash - beginning of year | <u>699,484</u> | <u>597,927</u> |
| CASH - END OF YEAR | \$ 418,365 | \$ 699,484 |
| CASH CONSISTS OF: | | |
| CU Chequing Account | \$ 296,721 | \$ 581,452 |
| Savings - Operating Fund | 61,806 | 60,000 |
| Savings - Building Fund | 59,433 | 57,627 |
| Petty cash | 400 | 400 |
| Credit Union share | 5 | 5 |
| | <u>\$ 418,365</u> | <u>\$ 699,484</u> |

See notes to financial statements

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

1. PURPOSE OF THE ORGANIZATION

Lord Roberts Children's Programs Inc. (the "Day Care") is a not-for-profit organization of Manitoba. As a registered charity the Day Care is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization operates to provide child care services in the City of Winnipeg for working parents of children.

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 (ASNFP). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Cash and short term investments

Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of purchase of twelve months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

Goods and Services Tax

Goods and services tax from purchased supplies and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

| | | |
|------------------------|---------|--------------------------|
| Computer equipment | 30% | declining balance method |
| Furniture and fixtures | 20% | declining balance method |
| Leasehold improvements | 5 years | straight-line method |
| Motor vehicles | 30% | declining balance method |

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Vacation pay

Vacation pay is accrued as entitlement to these payments are earned.

(continues)

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

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

Fund accounting

Lord Roberts Children's Programs Inc follows the restricted fund method of accounting for contributions.

Operating Fund (unrestricted):

The Operating Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Building Fund (restricted):

The Building Fund was established by an initial appropriation of \$40,000 from the Operating Fund. The fund is increased by further appropriations and interest earned. Transfers from the Operating Fund are made as approved by the Board of Directors.

Revenue recognition

Lord Roberts Children's Programs Inc follows the deferral method of accounting for contributions, which include donations and government grants.

The Day Care is funded by the Province of Manitoba in accordance with budget arrangements established by the Department of Family Services. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

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. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on the same basis as the amortization for the related fixed assets.

Revenue from parent fees are recognized when the services are provided and collection is reasonably assured.

Fundraising and donation revenue is recognized when it is received.

Contributed services

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

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(continues)

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

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

Financial instruments policy

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price.

The carrying values of cash, short-term deposits, accounts and grants receivable and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of the instruments.

3. INVESTMENTS

| | 2023 | 2022 |
|--------------------------------------|------------|------------|
| GIC, 4.10% matures, October 15, 2023 | \$ 100,000 | \$ 100,000 |

4. ACCOUNTS RECEIVABLE

| | 2023 | 2022 |
|---------------------------------|-----------|-----------|
| Canada Emergency Wage Subsidy | \$ - | \$ 47,664 |
| GST recoverable | 3,213 | 2,235 |
| Inclusion grant | 7,890 | 7,492 |
| Interest receivable | 1,917 | 552 |
| Parent fees | 1,189 | 7,408 |
| Parent fees subsidies | 9,690 | - |
| Pension cost recovery | 8,890 | 7,516 |
| Subtotal | 32,789 | 72,867 |
| Allowance for doubtful accounts | (281) | (281) |
| | \$ 32,508 | \$ 72,586 |

5. CAPITAL ASSETS

| | Cost | Accumulated amortization | 2023 Net book value |
|------------------------|------------|-----------------------------|---------------------------|
| Computer equipment | \$ 24,374 | \$ 18,212 | \$ 6,162 |
| Furniture and fixtures | 98,829 | 94,580 | 4,249 |
| Leasehold improvements | 78,539 | 38,814 | 39,725 |
| Motor vehicles | 72,543 | 70,054 | 2,489 |
| | \$ 274,285 | \$ 221,660 | \$ 52,625 |

(continues)

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

5. CAPITAL ASSETS *(continued)*

| | Cost | Accumulated amortization | 2022 Net book value |
|------------------------|-------------------|-----------------------------|---------------------------|
| Computer equipment | \$ 24,374 | \$ 15,572 | \$ 8,802 |
| Furniture and fixtures | 98,829 | 93,517 | 5,312 |
| Leasehold improvements | 38,701 | 27,090 | 11,611 |
| Motor vehicles | 72,543 | 68,988 | 3,555 |
| | <u>\$ 234,447</u> | <u>\$ 205,167</u> | <u>\$ 29,280</u> |

6. PROVINCIAL ADVANCES

The advance is non-interest bearing and has no fixed terms of repayment.

| | 2023 | 2022 |
|-----------------|-----------------|-----------------|
| Pension Advance | <u>\$ 6,120</u> | <u>\$ 6,120</u> |

7. DEFERRED INCOME

Deferred income is recognized in revenue in the period to which it relates.

| | 2023 | 2022 |
|---------------------|-----------------|-------------------|
| Prepaid Parent Fees | \$ 727 | \$ 4,875 |
| MB Subsidy Advance | 1,074 | 168,491 |
| | <u>\$ 1,801</u> | <u>\$ 173,366</u> |

8. CANADIAN EMERGENCY BUSINESS ACCOUNT LOAN

The Day Care qualified and received \$60,000 under the Canadian Emergency Business Account Program (CEBA) relating to Federal government initiatives due to COVID-19. The loan bears no interest and no repayment requirements until December 31, 2023. If \$40,000 is repaid by this date, \$20,000 is forgiven. If it is not repaid in full, the balance converts to a two year term loan bearing interest only payments of 5% per annum and the entire balance is due by December 31, 2025.

9. 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 capital assets and renovate the Day Care's facility. Recognition of these amounts as revenue is deferred to periods in accordance with the amortization of the related capital assets and leasehold improvements.

(continues)

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

| 9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS <i>(continued)</i> | 2023 | 2022 |
|--|-----------|-----------|
| Balance, beginning of year | \$ 15,610 | \$ 12,820 |
| Add: Additions during the year | - | 10,000 |
| Less: deferred revenue recognized in the year | (7,945) | (7,210) |
| Total | \$ 7,665 | \$ 15,610 |

10. LEASE COMMITMENTS

The Day Care has entered into a lease arrangement for the provision of its premises located at the Lord Roberts Community Club with City of Winnipeg. The annual rent is \$1.00 per year and requires that the Day Care pay for all operating costs associated with the premises.

The lease for the premises expired December 31, 2020 and provided for a five year renewable option. Effective January 1, 2021 the Day Care exercised its option and the lease arrangement will expire December 31, 2025.

In addition, the Day Care operates in the Lord Roberts School and has entered into a lease agreement whereby the Day Care is charged \$1,407 per annum expiring June 30, 2023. The future lease payments are as follows:

| | |
|------|-----------|
| 2024 | \$ 20,893 |
| 2025 | 4,167 |
| | \$ 25,060 |

11. FINANCIAL INSTRUMENTS

The organization is exposed to various risks arising from its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2023.

Credit risk

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

Liquidity risk

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

Market risk

(continues)

LORD ROBERTS CHILDREN'S PROGRAMS INC
Notes to Financial Statements
Year Ended March 31, 2023

11. FINANCIAL INSTRUMENTS *(continued)*

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 comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to XXX risk and XXX risk.

Currency risk

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in US dollars. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

2023

2022

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

LORD ROBERTS CHILDREN'S PROGRAMS INC
Schedule of Expense Details
(Schedule 1)
Year Ended March 31, 2023

| | Budget Unaudited | Actual 2023 | Actual 2022 |
|------------------------------------|---------------------|------------------|------------------|
| Staff salaries and benefits | | | |
| CPP expense | \$ 47,808 | \$ 50,488 | \$ 44,101 |
| EI expense | 16,688 | 18,532 | 16,553 |
| Other benefits | 164,532 | 50,116 | 67,031 |
| Salaries & wages | 841,232 | 979,385 | 910,184 |
| | <u>1,070,260</u> | <u>1,098,521</u> | <u>1,037,869</u> |
| Program | | | |
| Activity supplies | 10,500 | 11,697 | 10,427 |
| Equipment & furniture | 6,000 | 416 | 7,939 |
| Equipment repairs | 5,500 | - | 649 |
| Food | 6,000 | 6,364 | 5,598 |
| Kitchen & cleaning supplies | 10,000 | 11,352 | 9,497 |
| Special events/outings | 5,500 | 3,545 | 1,646 |
| | <u>43,500</u> | <u>33,374</u> | <u>35,756</u> |
| Office and building | | | |
| Contract cleaners | 12,500 | 11,547 | 11,191 |
| Equipment & furniture | 300 | 300 | 428 |
| Leasehold improvements | - | 7,576 | - |
| Other | 1,500 | 1,701 | 1,449 |
| Rent | 32,464 | 30,757 | 22,329 |
| Repairs and maintenance | 7,000 | 1,765 | 1,849 |
| | <u>53,764</u> | <u>53,646</u> | <u>37,246</u> |
| Administrative | | | |
| Accounting/payroll fees | 3,500 | - | 1,938 |
| Administration other | 3,425 | 3,087 | 3,444 |
| Annual meeting | 250 | 225 | 225 |
| Annual return | 40 | 40 | 40 |
| Audit fee | 4,500 | 6,950 | 4,638 |
| Computer software & supplies | 4,000 | 3,647 | 4,199 |
| Financial service charges | 3,500 | 3,067 | 3,227 |
| Insurance | 4,700 | 5,199 | 4,524 |
| Internet | 2,300 | 1,851 | 2,195 |
| Postage, stat & office supplies | 10,500 | 10,311 | 10,809 |
| Professional association dues | 4,000 | 3,429 | 4,098 |
| Staff training & conferences | 3,000 | 3,763 | 2,347 |
| Telephone | 2,650 | 2,242 | 2,587 |
| Travel expenses | 4,000 | 3,665 | 3,496 |
| | <u>\$ 50,365</u> | <u>\$ 47,476</u> | <u>\$ 47,767</u> |

See notes to financial statements

Five hundred, twenty five thousand, six hundred minutes
Five hundred, twenty five thousand moments so dear
Five hundred, twenty five thousand, six hundred minutes
How do you measure, measure a year?

In daylights, in sunsets
In midnights, in cups of coffee
In inches, in miles
In laughter, in strife

In five hundred, twenty five thousand, six hundred minutes
How do you measure a year in a life?

Jonathan Larsen from the musical Rent

Another year has gone by in the life of Lord Roberts Children's Programs Inc. and as usual it really is immeasurable for us. There is so much growth and change that we see in our children over a year that the only way to measure it is by memories of where they were and how far they have come.

This past year we have finally returned to normal after the COVID closures, we are open regular hours, full completely and super busy after slower times when children were staying home. The staff have needed to re-adjust to being full and we have seen many children who had a very hard time coming to childcare after being home with little social interaction during the COVID closure times.

This year we were blessed with little to no staff turnover. The school-age team remained basically the same and did amazing work juggling the changes with a new principal and new ideas. Andrea, a long-time staff retired in June, and we hired Shinea to work with a child requiring additional support needs. The leadership provided by Lanny and Sherry is second to none and we have a very strong team that work so well together with the older children that I as the Director do not feel too bad that I spend 99.9% of my time at the very busy preschool. (I do feel bad of course but I am confident all is always good!) The preschool site also continues to have an amazing team and has little turnover. We did say farewell to Quili who worked in the Sunshine Room and were happy to have Xin join us after her departure. This group of ladies has children every day from 7:15 am to 5:45 pm and there is little to no down time in the course of a day. This year we had several children that required speech and language support and children who were pending diagnosis for ASD without funding support for extra staff which made life very busy indeed.

Did you know we have at least 3 staff who have been with us over 30 years? Can you name them?

Our staff continue their professional development and this year we saw a real uptake in this area. Staff are encouraged to take at least 24 hours of PD in a year, and it is exciting that we can now close 1 day per year for this without financial penalty. We look forward to this aligning with our teachers in the education system and becoming more than 1 day a year where we do not need to work overtime to take PD. This year the entire team was able to participate in a workshop on Truth and Reconciliation held by MCCA and this is a small part of our commitment to this important work.

The federal government (along with its provincial government counterparts under the Canada-Manitoba agreement) funded various initiatives that benefitted families and the workforce. Parents were gifted with \$10 a day childcare and although it is not perfect it is a start. There was money directed to the workforce that raised some salaries and the plan is over the next few years under the agreement that this will continue. There was a promise made for new spaces to be created and some initiatives for training and the education of ECE's to work in these spaces.

Other things that happened over the last year are as follows: (in no particular order)

- Parents were provided with free childcare December 2022 to April 1st,2023.
- We had a water issue at the preschool which resulted in a 9- day closure.
- The preschool site was painted after a long wait and our new windows were installed after an even longer wait
- We ended the mask mandate in January 2023
- We had a very successful wine raffle in February- thank-you!
- A new salary scale was created and implemented by our Board

I would like to thank our board of directors for the work that they have done this year. There have been many issues to deal with from COVID related illness and decisions to creating new salary scales, making decisions surrounding all the money flowing from the federal government and much, much, more. They have done an outstanding job of taking off their "parent" hats and putting on "LRCP Board member" hats at all times which is a very hard thing to do as often the 2 roles blend.

To the LRCP team- it has been a year where we continue to work together doing our part for the well being of our children. We bring diverse talents to the children and different personalities and ways of doing things and somehow it all works together in a culture of respect that transfers to our children. We are a safe and inclusive place for all who enter our doors and eager to learn as well as teach the children and each other on a daily basis. For this there are no words that convey my thanks but thank-you for each and everyone of you.

To our families-

In five hundred, twenty five thousand, six hundred minutes
How do you measure a year in a life?

-thank you for letting us be a part of these minutes in your children's lives!

April Kalyniuk

Executive Director

Lord Roberts Children's Programs - Board Nominating Report 2023

The Board of Directors for the 2022/2023 year consisted of the following:

| Name | Board Position | Term | |
|-----------------------------|-----------------|-----------|-----------------|
| Neil McKernan | Past Chair | 2022-2023 | Completing term |
| Stacey Quinn | Member-at-large | 2021-2023 | Completing term |
| Pam Boychuk | Treasurer | 2021-2023 | Completing term |
| Jonathon Christoph | Member-at-large | 2021-2023 | Completing term |
| Andrew Gadsby-Pauls | Vice -Chair | 2022-2024 | Continuing Term |
| Kensie Simpson | Member-at-large | 2022-2024 | Continuing term |
| Sheila Henderson | Member-at-large | 2021-2023 | Completing term |
| Lindsay Salter | Member-at-large | 2022-2024 | Continuing term |
| Shoni Madden | Secretary | 2021-2023 | Completing term |
| Rikke McFeetors | Chair | 2022-2024 | Continuing Term |
| Kateherine Foster-Grajewski | Member-at-large | 2022-2024 | Continuing term |

- At this time there are 5 individuals who have completed their terms on the Board. We would like to acknowledge their dedication and efforts to our Board at this time.
- The role of the nominating committee is to recommend a slate of nominees to ensure that the organization is governed with wisdom and vision. The call for nominations for the 2023-2025 term went out in the middle of August 2023.
- The Board by-laws state that in order for the centre to remain in operation we require:

Number of Directors:

3.01 The Board of the Centre is made up of a minimum of five (5) and a maximum of ten (10) directors.

Recommended Slate of Nominees

- The deadline for nominations was September 1st, 2023. The following individuals have applied for membership on the Board for a 2-year (2023-2025) term. Below this list you will find a brief bio that has been provided by our prospective Board members.
- Jenn Conroy
- Danielle Nott
- Kimberly Cooke (was unable to attend this evening's meeting)
- Robin Clarke
- Jessie Gregroy
- Britni Thunder