

**GENERAL CHILD AND FAMILY
SERVICES AUTHORITY**

FINANCIAL STATEMENTS

MARCH 31, 2022

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Management's Responsibility for Financial Reporting

The accompanying financial statements are the responsibility of management of the General Child and Family Services Authority and have been prepared in accordance with Canadian Public Sector Accounting Standards. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgments regarding all necessary estimates and all other data available as at the date of the audit report.

James Lowry
Board Chair

Management maintains internal controls to properly safeguard the assets of the General Child and Family Services Authority and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions and that established policies and procedures are followed.

Jay Rodgers
Chief Executive Officer

The financial statements of the General Child and Family Services Authority have been audited by Magnus LLP, Chartered Professional Accountants, independent external auditors. The responsibility of the auditor is to express an independent opinion on whether the financial statements of the General Child and Family Services Authority are fairly presented, in all material respects, in accordance with Canadian Public Sector Accounting Standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion on the financial statements.

On behalf of Management of the General Child and Family Services Authority

301 - 180 King Street
Winnipeg, Manitoba
R3B 3G8
Canada



Jay Rodgers
Chief Executive Officer



Louis Nault
Chief Financial Officer

Phone: (204) 984-9360
Toll Free: 1-866-803-2814
Fax: (204) 984-9366
www.generalauthority.ca

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
General Child and Family Services Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Child and Family Services Authority (the "Authority"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, change in net financial 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 Authority as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

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 Authority 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 opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to the Supplementary Schedules of Training Revenue and Expenses and Wendy's Wonderful Kids Program Revenue and Expenses included in these financial statements. The supplementary financial information included in these schedules is unaudited.

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 Public Sector Accounting Standards, 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 Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority'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 Authority'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 Authority'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 Authority 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.

June 15, 2022
Winnipeg, Canada



Chartered Professional Accountants

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Financial Position

March 31, 2022

	2022 Actual	2021 Actual
Financial assets		
Cash and cash equivalents	\$ 6,979,115	\$ 2,815,826
Accounts receivable (Note 4)	594,217	453,100
Portfolio investments (Note 5)	4,999,995	-
	<u>12,573,327</u>	<u>3,268,926</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	225,650	142,026
Deferred revenue (Note 7)	100,288	136,533
Province of Manitoba transfer (Note 8)	476,512	-
	<u>802,450</u>	<u>278,559</u>
Net financial assets	<u>11,770,877</u>	<u>2,990,367</u>
Non-financial assets		
Tangible capital assets (Note 9)	6,474	15,922
Prepaid expenses	41,922	46,345
	<u>48,396</u>	<u>62,267</u>
Accumulated surplus	<u>\$ 11,819,273</u>	<u>\$ 3,052,634</u>

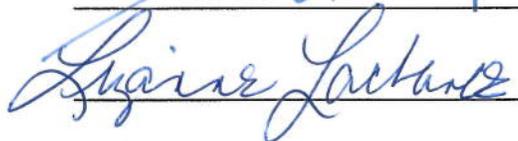
Designated assets (Note 10)

Commitments (Note 14)

See accompanying notes to financial statements.

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

 Director

 Director

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Operations

Year ended March 31, 2022

	2022 Budget	2022 Actual	2021 Actual
Revenue:			
Province of Manitoba transfers/grants:			
Single-envelope funding (Note 11)	\$ 21,589,666	\$ 21,589,700	\$ 21,589,666
Funding for reinvestment and contingency funds (Note 11)	-	8,081,652	-
Other (Note 11)	59,040	645,703	737,228
Restricted revenue:			
David Thomas Foundation	85,000	82,454	64,577
Children's Aid Foundation	62,188	47,210	29,078
Other revenue and recoveries	150,703	19,913	87,006
Investment income	10,000	21,098	5,982
	21,956,597	30,487,730	22,513,537
Expenses:			
Agency allocations (Note 12)	18,999,670	19,014,894	18,749,674
Agency support	-	150	12,955
Amortization	26,447	9,448	20,666
Board meetings and expenses	25,000	16,939	10,959
Grants and programs (Note 13)	178,728	131,707	239,607
Insurance	5,080	9,072	3,002
Interest and bank charges	1,100	1,455	1,261
Legal and audit	36,500	32,902	34,655
Mileage and parking	15,000	18,058	11,979
Office and supplies	58,090	61,012	74,606
Professional services	20,000	32,563	22,875
Rent	143,974	154,120	137,862
Salaries and benefits	2,259,055	2,111,881	1,831,898
Telephone	15,600	12,452	17,963
Training and development	159,853	110,327	138,601
Travel	8,500	368	10
Utilities	4,000	3,743	3,987
Total expenses	21,956,597	21,721,091	21,312,560
Net operating surplus for the year	-	8,766,639	1,200,977
Accumulated surplus, beginning of year	-	3,052,634	1,851,657
Accumulated surplus, end of year	\$ -	\$ 11,819,273	\$ 3,052,634

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Change in Net Financial Assets

Year ended March 31, 2022

	2022 Budget	2022 Actual	2021 Actual
Net operating surplus for the year	\$ -	\$ 8,766,639	\$ 1,200,977
Tangible capital assets:			
Amortization of tangible capital assets	26,447	9,448	20,666
Net acquisition of tangible capital assets	26,447	9,448	20,666
Other non-financial assets:			
Decrease (increase) in prepaid expenses	-	4,423	(17,408)
Net acquisition of other non-financial assets	-	4,423	(17,408)
Increase in net financial assets	26,447	8,780,510	1,204,235
Net financial assets, beginning of year	-	2,990,367	1,786,132
Net financial assets, end of year	\$ -	\$ 11,770,877	\$ 2,990,367

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Cash Flows

Year ended March 31, 2022

	2022 Actual	2021 Actual
Cash provided by (applied to)		
Operating activities:		
Net operating surplus for the year	\$ 8,766,639	\$ 1,200,977
Adjustment for:		
Amortization	9,448	20,666
	8,776,087	1,221,643
Changes in the following:		
Accounts receivable	(141,117)	(251,166)
Accounts payable and accrued liabilities	83,624	(21,608)
Deferred revenue	(36,245)	39,533
Province of Manitoba transfer	476,512	-
Prepaid expenses	4,423	(17,408)
Cash provided by (applied to) operating activities	9,163,284	970,994
Investing activity:		
Change in portfolio investments	(4,999,995)	-
Cash (applied to) investing activity	(4,999,995)	-
Change in cash and cash equivalents	4,163,289	970,994
Cash and cash equivalents, beginning of year	2,815,826	1,844,832
Cash and cash equivalents, end of year	\$ 6,979,115	\$ 2,815,826

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

1. Nature of organization

The General Child and Family Services Authority (the "Authority") was established on November 24, 2003 pursuant to *The Child and Family Services Authorities Act*. The Authority is a Government not-for-profit organization within the Department of Families responsible for the administration and provision of child and family services by the agencies under its jurisdiction, being Child and Family Services of Western Manitoba, Child and Family Services of Central Manitoba, Jewish Child and Family Service, and Winnipeg, Rural and Northern Child and Family Services (Winnipeg Child and Family Services Branch and Rural and Northern Child and Family Services Branch).

2. Basis of accounting

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards which are Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board.

3. Summary of significant accounting policies

(a) Revenue

Government transfers

Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized.

Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.

Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to a liability.

Restricted revenue

Externally restricted revenue is recognized in the period in which the resources are used for the purpose or purposes specified. Externally restricted amounts received prior to being used are recorded as a liability until the resources are used for the purpose or purposes specified.

Other revenue

Other revenue and recoveries are recognized on the accrual basis.

Investment income

Investment income is recognized on the accrual basis.

(b) Expenses

All expenses incurred for goods and services are recorded on the accrual basis when the related goods or services are received.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

3. Summary of significant accounting policies (continued)

(c) Financial assets

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short term deposits and investments with original maturities of three months or less.

Accounts receivable

Accounts receivable are recorded at the lower of cost and net realizable value. An allowance for doubtful accounts is recorded when there is uncertainty whether the amounts will be collected.

Portfolio investments

Portfolio investments are investments and deposits with original maturities of more than three months. These investments are recognized at cost.

(d) Liabilities

Liabilities are present obligations as a result of transactions and events occurring at or prior to the end of the fiscal year the settlement of which will result in the future transfer or use of assets or other form of settlement. Liabilities are recognized when there is an appropriate basis of measurement and a reasonable estimate can be made of the amount involved.

(e) Non-financial assets

Non-financial assets do not normally provide resources to discharge existing liabilities of the Authority. These assets are normally employed to provide future services.

Tangible capital assets

Tangible capital assets are recognized at cost. Cost includes the purchase price as well as other acquisition costs. The costs of tangible capital assets, less any residual value, are amortized over their estimated useful lives as follows:

	<u>Method</u>	<u>Rate</u>
Computer equipment	Straight-line	3 years
Furniture and fixtures	Straight-line	5 years
Leasehold improvements	Straight-line	5 years

Prepaid expenses

Prepaid expenses are payments for goods or services which will provide economic benefits in future periods. The prepaid amount is recognized as an expense in the period the goods or services are consumed.

(f) Financial instruments - measurement

Financial instruments are classified into one of two measurement categories: (a) fair value; or (b) cost or amortized cost. The Authority records its financial assets at cost, which include cash and cash equivalents, accounts receivable and portfolio investments. The Authority also records its financial liabilities at cost, which include accounts payable and accrued liabilities.

Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs. Gains and losses on financial instruments measured at fair value, if any, are recorded in accumulated surplus as remeasurement gains and losses until realized; upon disposition of the financial instruments, the cumulative remeasurement gains and losses are reclassified to the statement of operations.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

3. Summary of significant accounting policies (continued)

(g) Measurement uncertainty

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments are recognized in the period they become known. Actual results may differ from these estimates.

4. Accounts receivable

	2022	2021
Province of Manitoba - other transfers	\$ 586,663	\$ 292,783
Province of Manitoba - expense recoveries	7,554	152,884
Other receivables	-	7,433
	<u>\$ 594,217</u>	<u>\$ 453,100</u>

5. Portfolio investments

As at March 31, 2022, portfolio investments include amounts invested in redeemable guaranteed investment certificates, earning interest at 1.15% payable monthly, and maturing February 17, 2023. These amounts are recorded at cost.

6. Accounts payable and accrued liabilities

	2022	2021
Trade payables and accrued liabilities	\$ 182,637	\$ 107,024
Due to agencies	15,224	35,002
Due to the Province of Manitoba	27,789	-
	<u>\$ 225,650</u>	<u>\$ 142,026</u>

Amounts due to the Province of Manitoba are non-interest bearing with no specified terms of repayment.

7. Deferred revenue

As at March 31, 2022, deferred revenue of \$100,288 (2021 - \$136,533) relates to externally restricted amounts of \$96,549 (2021 - \$116,110) from the Children's Aid Foundation and \$3,739 (2021 - \$20,423) from the David Thomas Foundation. Amounts from the Children's Aid Foundation are for Foster Care Transition and Comfort kits, Ignite the Spark and Stay in School programs and the CIBC Miracle Fund. Amounts from the David Thomas Foundation are for the Wendy's Wonderful Kids program. Changes in deferred revenue during the year are due to additional restricted amounts received during the year less amounts recognized as revenue.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

8. Province of Manitoba transfer

During the year ended March 31, 2022, the Authority received funding from the Province of Manitoba in the amount of \$476,512 (2021 - \$nil) to be used for the Supports to Young Adults program for the year ending March 31, 2023. As at March 31, 2022, the Authority has recorded a liability for this amount and this revenue will be recognized in 2022/23 in accordance with the stipulations associated with this transfer.

9. Tangible capital assets

	2022			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Computer equipment	\$ 107,912	\$ -	\$ -	\$ 107,912
Furniture and fixtures	131,495	-	-	131,495
Leasehold improvements	286,305	-	-	286,305
	<u>\$ 525,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,712</u>
Accumulated Amortization				
Computer equipment	\$ (103,900)	\$ (4,012)	\$ -	\$ (107,912)
Furniture and fixtures	(121,303)	(3,718)	-	(125,021)
Leasehold improvements	(284,587)	(1,718)	-	(286,305)
	<u>\$ (509,790)</u>	<u>\$ (9,448)</u>	<u>\$ -</u>	<u>\$ (519,238)</u>
Net book value	<u>\$ 15,922</u>	<u>\$ (9,448)</u>	<u>\$ -</u>	<u>\$ 6,474</u>
	2021			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Computer equipment	\$ 107,912	\$ -	\$ -	\$ 107,912
Furniture and fixtures	131,495	-	-	131,495
Leasehold improvements	286,305	-	-	286,305
	<u>\$ 525,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,712</u>
Accumulated Amortization				
Computer equipment	\$ (92,542)	\$ (11,358)	\$ -	\$ (103,900)
Furniture and fixtures	(116,995)	(4,308)	-	(121,303)
Leasehold improvements	(279,587)	(5,000)	-	(284,587)
	<u>\$ (489,124)</u>	<u>\$ (20,666)</u>	<u>\$ -</u>	<u>\$ (509,790)</u>
Net book value	<u>\$ 36,588</u>	<u>\$ (20,666)</u>	<u>\$ -</u>	<u>\$ 15,922</u>

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

10. Designated assets

As at March 31, 2022, the Authority has total designated assets included in cash and cash equivalents and portfolio investments of \$7,971,876 (2021 - \$1,078,363) comprised of \$4,941,957 (2021 - \$1,078,363) to be used as a contingency fund as required by the single-envelope funding (SEF) contribution agreement plus additional amounts of \$3,029,919 (2021 - \$nil) designated during the year pursuant to a Province of Manitoba Treasury Board approved SEF reinvestment plan to support the Winnipeg, Rural and Northern Child and Family Services (WRNCFS) agency in achieving strategic objectives.

The intent of the contingency fund is to provide financial stabilization in the face of variable and uncontrollable factors to ensure the most efficient use of government resources under SEF in accordance with the contribution agreement with the Province of Manitoba.

Amounts included in the SEF reinvestment fund are based on Treasury Board approval of requests made by the Authority to access WRNCFS agency's accumulated surplus in accordance with the SEF contribution agreement. Currently, based on Treasury Board approval, the SEF reinvestment fund is to be used by the Authority to improve timely access to clinical services, respond to domestic violence and for prevention work with newcomer families for the WRNCFS agency.

Details for these two categories of designated assets are as follows:

	2022	2021
(a) Contingency fund		
Contingency fund, beginning of year	\$ 1,078,363	\$ 339,877
Allocations during the year:		
Allocation from current year funding	4,941,957	322,345
Additional allocation approved by the Board	-	416,141
Less: Release of previously designated funds	(1,078,363)	-
Contingency fund, end of year	\$ 4,941,957	\$ 1,078,363
(b) SEF reinvestment fund		
SEF reinvestment fund, beginning of year	\$ -	\$ -
Allocations approved during the year:		
Allocation from 2018/19 and 2019/20 WRNCFS surpluses	3,139,695	-
Less: Current year expenditures (i)	(109,776)	-
SEF reinvestment fund, end of year	\$ 3,029,919	\$ -

(i) Current year expenditures of designated SEF reinvestment funds include \$31,250 for clinical services, \$11,452 for domestic violence response and \$67,074 for prevention.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

11. Province of Manitoba - funding reconciliation

A reconciliation of the funding received and/or receivable from the Province of Manitoba during the year to the amounts recognized as revenue is as follows:

		Funding Withheld for Salaries	Current Year Revenue
Funding received/receivable:			
Total 2021/22 amounts per Province of Manitoba confirmation	\$ 28,594,413		
Add: 2021/22 amounts authorized but not posted by the Province	586,663		
Less: Amounts relating to 2022/23	(476,512)		
Less: Salary and other expense recoveries	<u>(12,509)</u>		
Total current year funding	<u>\$ 28,692,055</u>		
Funding applied to:			
Single-envelope funding	\$ 19,964,700	\$ 1,625,000	\$ 21,589,700
Funding for reinvestment and contingency funds (i)	8,081,652	-	8,081,652
Other transfers (ii)	645,703	-	645,703
	<u>\$ 28,692,055</u>	<u>\$ 1,625,000</u>	<u>\$ 30,317,055</u>

(i) Included in the \$8,081,652 received during the year is \$4,941,957 required to be added to the contingency fund and \$3,139,695 for the single-envelope funding reinvestment plan for Winnipeg, Rural and Northern Child and Family Services agency - see also Note 10.

(ii) Other transfers totaling \$645,703 is comprised of \$586,663 for 2021/22 COVID-19 supports for young adults and \$59,040 for the Vision Catcher's Mentorship program.

12. Agency funding allocations

Total agency allocations expensed during the year are as follows:

	2022	2021
Child and Family Services of Western Manitoba	\$10,751,849	\$10,591,579
Child and Family Services of Central Manitoba	7,369,975	7,278,421
Jewish Child and Family Service	893,070	879,674
	<u>\$19,014,894</u>	<u>\$18,749,674</u>

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

13. Grants and program expenses

	2022	2021
Children's Aid Foundation - CIBC Miracle Fund	\$ 9,347	\$ 11,676
Children's Aid Foundation - FC Transition & Comfort Kits	7,225	15,988
Children's Aid Foundation - Scotia Capital Stay in School Fund	13,249	4,195
Children's Aid Foundation - Ignite the Spark	17,390	10,309
Stepping out on Saturdays program	57,500	57,500
Vision Catcher's	18,641	11,703
Youth Engagement	1,750	600
Resource Assistance for Youth Inc.	-	127,636
North West Immigrant Services - Nor-Park Newcomer Summer Camp program	6,605	-
	\$ 131,707	\$ 239,607

14. Commitments

The Authority has a signed lease renewal agreement for space on the third and sixth floors at 180 King Street. The agreement pertaining to the space on the third floor is for a ten year term expiring on November 30, 2022. The agreement pertaining to the space on the sixth floor is for a five year term expiring on November 30, 2022 with a five year renewal option. Occupancy charges for the year ending March 31, 2023 pursuant to this agreement are estimated to be \$102,747 (2022 actual - \$154,120).

15. Financial instruments and financial risk management

The Authority does not have any significant financial instruments subsequently measured at fair value or denominated in a foreign currency therefore the Authority did not incur any remeasurement gains or losses during the year (2021 - \$nil).

Financial risk management – overview

The Authority has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; market risk; interest risk; and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Authority to credit risk are cash and cash equivalents, accounts receivable and portfolio investments.

The maximum exposure of the Authority to credit risk at March 31 is:

	2022	2021
Cash and cash equivalents	\$ 6,979,115	\$ 2,815,826
Accounts receivable	594,217	453,100
Portfolio investments	4,999,995	-
	\$12,573,327	\$ 3,268,926

Cash and cash equivalents and portfolio investments: The Authority is not exposed to significant credit risk as these amounts are held by a reputable Canadian financial institution.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2022

15. Financial instruments and financial risk management (continued)

Credit risk (continued)

Accounts receivable: The Authority is not exposed to significant credit risk as the balance is primarily due from the Province of Manitoba resulting in minimal exposure to credit risk. The Authority manages this credit risk through close monitoring of any overdue accounts.

The Authority establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's best estimates and assumptions regarding current market conditions and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

The balance in the allowance for doubtful accounts as at March 31, 2022 is \$nil (2021 - \$nil).

As at March 31, 2022, the aging of accounts receivable is \$586,663 current, \$nil aged 30-60 days, \$nil aged 60-90 days and \$7,554, greater than 90 days. As at March 31, 2021, the aging of accounts receivable was \$433,250 current, \$19,613 aged 30-60 days, \$nil aged 60-90 days and \$237 greater than 90 days.

Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they come due.

The Authority manages liquidity risk by maintaining adequate cash balances and by review from the Province of Manitoba to ensure adequate funding will be received to meet its obligations.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Authority's net income (loss) or the fair values of its financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and portfolio investments.

The interest rate risk on cash and cash equivalents is considered to be low because of the short-term nature. The interest rate risk on portfolio investments is considered low as the original deposits are reinvested at rates for investments with similar terms and conditions.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Authority is not exposed to significant foreign currency risk as it does not have any significant financial instruments denominated in a foreign currency.

16. COVID-19 implications

During March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy is unknown. Management is of the opinion that financial implications, if any, will be temporary and will not have a significant long-term impact on the Authority's operations as at the date of approval of these financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Supplementary Schedule of Training Revenue and Expenses

Schedule 1

Year ended March 31, 2022

(Unaudited)

Revenue:	
Province of Manitoba - operating grant allocation	\$ 352,396
Expenses:	
Trainer fees	1,313
Training program registration fees	98,715
Training program support	3,378
Training support - salaries and benefits	206,122
Training venues	40,582
	<hr/> 350,110
Surplus for the year	<hr/> \$ 2,286

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Supplementary Schedule of Wendy's Wonderful Kids Program Revenue and Expenses

Schedule 2

Year ended March 31, 2022

(Unaudited)

Revenue:		
David Thomas Foundation	\$	82,454
Expenses:		
Meeting costs		210
Miscellaneous		2,633
Telephone		310
Travel		1,497
Wendy's Wonderful Kids Recruiter - salary and benefits		77,804
		<hr/>
		82,454
		<hr/>
Surplus (deficiency) for the year	\$	-
