

**GENERAL CHILD AND FAMILY
SERVICES AUTHORITY**

FINANCIAL STATEMENTS

MARCH 31, 2024

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.

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.

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



Jay Rodgers
Chief Executive Officer



Louis Nault
Chief Financial Officer

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, 2024, 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, 2024, 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.

May 22, 2024
Winnipeg, Canada



Chartered Professional Accountants

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Financial Position

March 31, 2024

| | 2024 Actual | 2023 Actual |
|---|----------------------|----------------------|
| Financial assets | | |
| Cash and cash equivalents | \$ 15,570,215 | \$ 1,613,915 |
| Accounts receivable (Note 4) | 296,917 | 1,238,066 |
| Portfolio investments (Note 5) | 4,999,995 | 10,249,995 |
| | <u>20,867,127</u> | <u>13,101,976</u> |
| Liabilities | | |
| Accounts payable and accrued liabilities (Note 6) | 170,124 | 1,481,011 |
| Deferred revenue (Note 7) | 157,723 | 136,658 |
| | <u>327,847</u> | <u>1,617,669</u> |
| Net financial assets | <u>20,539,280</u> | <u>11,484,307</u> |
| Non-financial assets | | |
| Tangible capital assets (Note 8) | 15,452 | 2,756 |
| Prepaid expenses | 81,468 | 97,226 |
| | <u>96,920</u> | <u>99,982</u> |
| Accumulated surplus | <u>\$ 20,636,200</u> | <u>\$ 11,584,289</u> |

Designated assets (Note 9)


Commitments (Note 13)

Contingency (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, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual |
|---|----------------|----------------|----------------|
| Revenue: | | | |
| Province of Manitoba transfers/grants: | | | |
| Single-envelope funding (Note 10) | \$ 23,105,149 | \$ 21,937,400 | \$ 21,251,275 |
| Funding for reinvestment (Note 10) | 9,261,881 | 9,261,881 | - |
| Supports to Young Adults (Note 10) | 800,000 | 1,021,700 | 476,512 |
| Funding - other allocations | - | - | 7,157,038 |
| Other transfers | 1,180,000 | - | 1,180,000 |
| Restricted revenue: | | | |
| David Thomas Foundation | 85,000 | 23,146 | 78,006 |
| Children's Aid Foundation | 344,888 | 174,708 | 57,786 |
| Other revenue and recoveries | 51,836 | 146,773 | 152,328 |
| Investment income | 671,914 | 985,088 | 315,043 |
| | 35,500,668 | 33,550,696 | 30,667,988 |
| Expenses: | | | |
| Agency allocations (Note 11) | 22,495,153 | 19,368,508 | 19,655,064 |
| Agency support | 230,000 | 86,187 | 25,010 |
| Allocations - other | - | - | 7,157,038 |
| Amortization | 5,840 | 4,473 | 3,718 |
| Board meetings and expenses | 25,000 | 20,025 | 15,359 |
| Grants and programs (Note 12) | 3,374,469 | 1,704,440 | 1,231,790 |
| Insurance | 5,080 | 7,139 | 6,313 |
| Interest and bank charges | 1,500 | 2,860 | 4,508 |
| Legal and audit | 37,500 | 77,462 | 36,808 |
| Mileage and parking | 17,000 | 20,910 | 25,193 |
| Office and supplies | 142,150 | 55,379 | 48,360 |
| Professional services | 1,027,600 | 228,095 | 95,701 |
| Rent | 162,243 | 154,404 | 136,879 |
| Salaries and benefits | 2,196,793 | 2,423,615 | 2,217,028 |
| Telephone | 12,500 | 15,092 | 15,151 |
| Training and development | 195,010 | 312,731 | 210,453 |
| Travel | 16,500 | 12,236 | 13,793 |
| Utilities | 4,000 | 5,229 | 4,806 |
| | 29,948,338 | 24,498,785 | 30,902,972 |
| Net operating surplus (deficit) for the year | 5,552,330 | 9,051,911 | (234,984) |
| Accumulated surplus, beginning of year | - | 11,584,289 | 11,819,273 |
| Accumulated surplus, end of year | \$ - | \$ 20,636,200 | \$ 11,584,289 |

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Change in Net Financial Assets

Year ended March 31, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual |
|---|----------------|----------------|----------------|
| Net operating surplus (deficit) for the year | \$ 5,552,330 | \$ 9,051,911 | \$ (234,984) |
| Tangible capital assets: | | | |
| Acquisition of tangible capital assets | (26,000) | (17,169) | - |
| Amortization of tangible capital assets | 5,840 | 4,473 | 3,718 |
| Net acquisition of tangible capital assets | (20,160) | (12,696) | 3,718 |
| Other non-financial assets: | | | |
| Decrease (increase) in prepaid expenses | - | 15,758 | (55,304) |
| Net acquisition of other non-financial assets | - | 15,758 | (55,304) |
| Increase (decrease) in net financial assets | 5,532,170 | 9,054,973 | (286,570) |
| Net financial assets, beginning of year | - | 11,484,307 | 11,770,877 |
| Net financial assets, end of year | \$ - | \$ 20,539,280 | \$ 11,484,307 |

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Statement of Cash Flows

Year ended March 31, 2024

| | 2024 Actual | 2023 Actual |
|--|----------------|----------------|
| <i>Cash provided by (applied to)</i> | | |
| Operating activities: | | |
| Net operating surplus (deficit) for the year | \$ 9,051,911 | \$ (234,984) |
| Adjustment for: | | |
| Amortization | 4,473 | 3,718 |
| | 9,056,384 | (231,266) |
| Changes in the following: | | |
| Accounts receivable | 941,149 | (643,849) |
| Accounts payable and accrued liabilities | (1,310,887) | 1,255,361 |
| Deferred revenue | 21,065 | 36,370 |
| Province of Manitoba transfer | - | (476,512) |
| Prepaid expenses | 15,758 | (55,304) |
| Cash provided by (applied to) operating activities | 8,723,469 | (115,200) |
| Investing activities: | | |
| Net change in portfolio investments | 5,250,000 | (5,250,000) |
| Cash provided by (applied to) investing activities | 5,250,000 | (5,250,000) |
| Capital activities: | | |
| Acquisition of tangible capital assets | (17,169) | - |
| Cash (applied to) capital activities | (17,169) | - |
| Change in cash and cash equivalents | 13,956,300 | (5,365,200) |
| Cash and cash equivalents, beginning of year | 1,613,915 | 6,979,115 |
| Cash and cash equivalents, end of year | \$ 15,570,215 | \$ 1,613,915 |

See accompanying notes to financial statements.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2024

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, 2024

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, 2024

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

| | 2024 | 2023 |
|---|-------------------|---------------------|
| Province of Manitoba - other transfers | \$ - | \$ 1,180,000 |
| Province of Manitoba - expense recoveries | 114,100 | 36,448 |
| Province of Manitoba - salary reconciliation receivable | 86,977 | - |
| Interest receivable | 92,090 | 21,618 |
| Other receivables | 3,750 | - |
| | <u>\$ 296,917</u> | <u>\$ 1,238,066</u> |

5. Portfolio investments

Portfolio investments include amounts invested in guaranteed investment certificates with original maturities greater than three months. As at March 31, 2024, the Authority has invested in one redeemable guaranteed investment certificate earning variable interest payable monthly at prime less 2.10% maturing in July 2024. As at March 31, 2023, the Authority had invested in three guaranteed investment certificates, with two being redeemable and earning variable interest payable monthly at prime less 2.10% maturing in June 2023 and July 2023, and one non-redeemable guaranteed investment certificate earning interest at 5.00% payable at maturity on September 6, 2023.

6. Accounts payable and accrued liabilities

| | 2024 | 2023 |
|--|-------------------|---------------------|
| Trade payables and accrued liabilities | \$ 170,124 | \$ 174,297 |
| Due to agencies | - | 960,885 |
| Due to the Province of Manitoba | - | 345,829 |
| | <u>\$ 170,124</u> | <u>\$ 1,481,011</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, 2024, deferred revenue of \$157,723 (2023 - \$136,658) relates to externally restricted amounts of \$157,723 (2023 - \$128,707) from the Children's Aid Foundation and \$nil (2023 - \$7,951) from the David Thomas Foundation. Amounts from the Children's Aid Foundation are for Foster Care Transition and Comfort kits, the CIBC Miracle Fund, and Ignite the Spark, Stay in School and Safe at Home programs. 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, 2024

8. Tangible capital assets

| | 2024 | | | |
|---------------------------------|---------------------|-------------------|-------------|---------------------|
| | Opening Balance | Additions | Disposals | Closing Balance |
| Cost | | | | |
| Computer equipment | \$ 107,912 | \$ - | \$ - | \$ 107,912 |
| Furniture and fixtures | 131,495 | - | - | 131,495 |
| Leasehold improvements | 286,305 | 17,169 | - | 303,474 |
| | \$ 525,712 | \$ 17,169 | \$ - | \$ 542,881 |
| Accumulated Amortization | | | | |
| Computer equipment | \$ (107,912) | \$ - | \$ - | \$ (107,912) |
| Furniture and fixtures | (128,739) | (2,756) | - | (131,495) |
| Leasehold improvements | (286,305) | (1,717) | - | (288,022) |
| | \$ (522,956) | \$ (4,473) | \$ - | \$ (527,429) |
| Net book value | \$ 2,756 | \$ 12,696 | \$ - | \$ 15,452 |

| | 2023 | | | |
|---------------------------------|---------------------|-------------------|-------------|---------------------|
| | 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 |
| | \$ 525,712 | \$ - | \$ - | \$ 525,712 |
| Accumulated Amortization | | | | |
| Computer equipment | \$ (107,912) | \$ - | \$ - | \$ (107,912) |
| Furniture and fixtures | (125,021) | (3,718) | - | (128,739) |
| Leasehold improvements | (286,305) | - | - | (286,305) |
| | \$ (519,238) | \$ (3,718) | \$ - | \$ (522,956) |
| Net book value | \$ 6,474 | \$ (3,718) | \$ - | \$ 2,756 |

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2024

9. Designated assets

As at March 31, 2024, the Authority has total designated assets included in cash and cash equivalents and portfolio investments of \$14,207,364 (2023 - \$6,773,899) comprised of \$4,941,957 (2023 - \$4,941,957) to be used as a contingency fund as required by the single-envelope funding (SEF) contribution agreement plus additional amounts of \$9,265,407 (2023 - \$1,831,942) designated during the years ended March 31, 2022 and 2024 pursuant to Province of Manitoba Treasury Board approved SEF reinvestment plans 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, for prevention work with newcomer families and practice model advancement for the WRNCFS agency.

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

(a) Contingency fund

| | 2024 | 2023 |
|---|--------------|--------------|
| Contingency fund, beginning and end of year | \$ 4,941,957 | \$ 4,941,957 |

(b) SEF reinvestment fund

| | 2024 | 2023 |
|---|--------------|--------------|
| SEF reinvestment fund, beginning of year | \$ 1,831,942 | \$ 3,029,919 |
| Allocations approved during the year: | | |
| Allocation from 2018/19 to 2020/21 WRNCFS surpluses | 9,261,881 | - |
| Less: Current year expenditures (i) | (1,828,416) | (1,197,977) |
| SEF reinvestment fund, end of year | \$ 9,265,407 | \$ 1,831,942 |

(i) For the year ended March 31, 2024, expenditures of designated SEF reinvestment funds of \$1,828,416 (2023 - \$1,197,977) is comprised of \$1,300,676 (2023 - \$1,016,288) for clinical services, \$420,561 (2023 - \$149,546) for domestic violence response, \$39,430 (2023 - \$32,143) for prevention and \$67,749 (2023 - \$nil) for practice model advancement. These amounts are included in grants and programs, professional services, training and development, salaries and benefits and travel expenses on the statement of operations.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2024

10. 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 2023/24 amounts per Province of Manitoba confirmation | \$ 30,273,081 | | |
| Less: salary and other expense recoveries | <u>(114,100)</u> | | |
| Total current year funding | <u>\$ 30,158,981</u> | | |
| Funding applied to: | | | |
| Single-envelope funding | \$ 19,875,400 | \$ 2,062,000 | \$ 21,937,400 |
| Funding for reinvestment (i) | 9,261,881 | - | 9,261,881 |
| Supports to Young Adults | 1,021,700 | - | 1,021,700 |
| | <u>\$ 30,158,981</u> | <u>\$ 2,062,000</u> | <u>\$ 32,220,981</u> |

(i) During the year ended March 31, 2024, an additional \$9,261,881 was approved by Treasury Board to be used for the SEF reinvestment plan for the WRNCFS agency - see also Note 9.

11. Agency funding allocations

Total agency allocations expensed during the year are as follows:

| | 2024 | 2023 |
|---|----------------------|----------------------|
| Child and Family Services of Western Manitoba | \$ 10,957,184 | \$ 11,128,150 |
| Child and Family Services of Central Manitoba | 7,454,753 | 7,546,021 |
| Jewish Child and Family Service | 956,571 | 980,893 |
| | <u>\$ 19,368,508</u> | <u>\$ 19,655,064</u> |

12. Grants and program expenses

| | 2024 | 2023 |
|--|---------------------|---------------------|
| Children's Aid Foundation - CIBC Miracle Fund | \$ 9,370 | \$ 9,574 |
| Children's Aid Foundation - FC Transition and Comfort Kits | 46,338 | 21,657 |
| Children's Aid Foundation - Ignite the Spark | 26,317 | 32,976 |
| Children's Aid Foundation - Safe at Home | 106,836 | - |
| Stepping out on Saturdays program | 57,500 | 57,500 |
| Vision Catcher's | 29,985 | 20,824 |
| Youth Engagement | 1,000 | 1,125 |
| North West Immigrant Services - Summer Camp program | 12,500 | 7,378 |
| Community Care Provider grants | 1,134,077 | 938,488 |
| START program - Domestic Violence Response | 120,475 | 112,129 |
| Post Secondary Education Support | 142,221 | 22,697 |
| Other grants | 17,821 | 7,442 |
| | <u>\$ 1,704,440</u> | <u>\$ 1,231,790</u> |

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2024

13. Commitments

The Authority has a signed lease renewal agreement for space on the third and sixth floors at 180 King Street. During the year ended March 31, 2023, the two separate leases expiring on November 30, 2022 were replaced by a new agreement for both spaces for an eight year term expiring on November 30, 2030. Total annual basic rent pursuant to this lease renewal agreement is \$56,532 from December 1, 2022 to November 30, 2023, \$61,911 from December 1, 2023 to November 30, 2024, \$67,290 per year from December 1, 2024 to November 30, 2027 and \$69,990 from December 1, 2027 to November 30, 2030. Total occupancy charges for the year include basic rent plus additional charges for common area maintenance and operating costs. Total occupancy charges for the year ending March 31, 2025 pursuant to this lease renewal agreement are estimated to be \$162,140 (2024 actual - \$154,404).

14. Contingency

By virtue of its overall role and responsibilities as disclosed in Note 1, the Authority is subject to involvement in legal claims. As at year end, there is one outstanding claim in which the Authority is named as a defendant. As at the date of these financial statements, the outcome of this claim is not determinable and any amounts involved are unknown. Management is of the opinion that any loss or liability to the Authority will not be material. No amounts related to this claim are included in these financial statements.

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 (2023 - \$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:

| | 2024 | 2023 |
|---------------------------|----------------------|----------------------|
| Cash and cash equivalents | \$ 15,570,215 | \$ 1,613,915 |
| Accounts receivable | 296,917 | 1,238,066 |
| Portfolio investments | 4,999,995 | 10,249,995 |
| | <u>\$ 20,867,127</u> | <u>\$ 13,101,976</u> |

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Notes to Financial Statements

Year ended March 31, 2024

15. Financial instruments and financial risk management (continued)

Credit risk (continued)

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.

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, 2024 is \$nil (2023 - \$nil).

As at March 31, 2024, the aging of accounts receivable is \$296,917 current, \$nil aged 30-60 days, \$nil aged 60-90 days and \$nil greater than 90 days. As at March 31, 2023, the aging of accounts receivable was \$1,234,755 current, \$nil aged 30-60 days, \$nil aged 60-90 days and \$3,311 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 operating surplus (deficit) 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.

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

Supplementary Schedule of Training Revenue and Expenses

Schedule 1

Year ended March 31, 2024

(Unaudited)

| | |
|---|-----------------|
| Revenue: | |
| Province of Manitoba - operating grant allocation | \$ 352,396 |
| Expenses: | |
| Training materials and supplies | 1,333 |
| Training and development | 73,956 |
| Training program support | 6,657 |
| Training support - salaries and benefits | 127,809 |
| Training venues | 45,157 |
| Travel | 127 |
| | <hr/> 255,039 |
| Excess of revenue over expenses | <hr/> \$ 97,357 |

GENERAL CHILD AND FAMILY SERVICES AUTHORITY

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

Schedule 2

Year ended March 31, 2024

(Unaudited)

| | | |
|--|--|-----------|
| Revenue: | | |
| David Thomas Foundation | | \$ 23,146 |
| Expenses: | | |
| Meeting costs | | 241 |
| Office and miscellaneous | | 1,227 |
| Telephone | | 16 |
| Travel | | 73 |
| Wendy's Wonderful Kids Recruiter - salary and benefits | | 10,460 |
| | | <hr/> |
| | | 12,017 |
| | | <hr/> |
| Excess of revenue over expenses | | \$ 11,129 |
