

Financial Statements of

**THE CHILDREN'S AID SOCIETY OF  
THE DISTRICT OF NIPISSING  
AND PARRY SOUND**

And Independent Auditor's Report thereon

Year ended March 31, 2025



**KPMG LLP**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of The Children's Aid Society of the District of Nipissing and Parry Sound

***Qualified Opinion***

We have audited the financial statements of The Children's Aid Society of the Districts of Nipissing and Parry Sound (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and changes in net assets (deficiency) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "***Basis for Qualified Opinion***" section of our auditor's report, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

***Basis for Qualified Opinion***

In common with many not-for-profit organizations, the Entity derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at March 31, 2025 and March 31, 2024
- the statement of operations and changes in net assets (deficiency) for the year then ended March 31, 2025 and March 31, 2024
- the statement of cash flows for the year then ended March 31, 2025 and March 31, 2024



Page 2

Our opinion on the financial statements for the year ended March 31, 2024 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditor’s Responsibilities for the Audit of the Financial Statements**” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### ***Material Uncertainty Related to Going Concern***

We draw attention to Note 1(a) in the financial statements, which indicates that the Entity has a net asset deficiency and a working capital deficiency at March 31, 2025.

As stated in Note 1(a) in the financial statements, these events or conditions, along with other matters as set forth in Note 1(a) in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Entity’s ability to continue as a going concern.

### ***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 Entity’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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’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 qualified opinion.



Page 3

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 the 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 qualified 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 Entity'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 Entity'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 Entity 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.



Page 4

- 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.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

North Bay, Canada

August 1, 2025

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	2025	2024
<b>Assets</b>		
Current assets:		
Cash	\$ 85,570	\$ 96,798
Accounts receivable (note 2)	510,214	2,475,023
Prepaid expenses and other	91,928	98,185
	687,712	2,670,006
Capital assets (note 3)	8,174,796	8,264,035
	\$ 8,862,508	\$ 10,934,041
<b>Liabilities, Deferred Contributions and Net Assets (Deficiency)</b>		
Current liabilities:		
Bank indebtedness (note 4)	\$ 1,580,000	\$ 1,260,000
Accounts payable and accrued liabilities (note 5)	2,748,298	3,826,492
Due to Trust fund	44,107	18,964
Payable to Ministry of Children, Community and Social Services	61,237	65,232
Current portion of long-term debt (note 6)	806,605	35,398
	5,240,247	5,206,086
Deferred contributions (note 7)		
Expenses of future periods	570,783	740,818
Capital assets	7,006,984	7,096,224
	12,818,014	13,043,128
Asset retirement obligations (note 13)	-	-
Long-term debt (note 6)	-	799,548
	12,818,014	13,842,676
Net assets (deficiency):		
Unrestricted:		
Operating	(3,170,757)	(2,092,264)
Employment-related	(1,196,294)	(1,199,065)
Internally restricted (note 9)	49,829	49,829
Capital (note 8)	361,716	332,865
	(3,955,506)	(2,908,635)
Going concern (note 1(a))		
Contingency (note 11)		
	\$ 8,862,508	\$ 10,934,041

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Statement of Operations and Changes in Net Assets (Deficiency)

Year ended March 31, 2025, with comparative information for 2024

	Unrestricted		Internally Restricted	Investment in capital assets	Total 2025	Total 2024
	Operating (Schedules)	Employment Related				
<b>Revenue:</b>						
Ministry of Children, Community and Social Services (note 10)	\$ 20,075,351	-	-	-	20,075,351	23,305,054
Special allowances	552,182	-	-	-	552,182	424,618
Other grants	496,026	-	-	-	496,026	477,642
Amortization of deferred capital contributions	-	-	-	457,294	457,294	405,751
Other	1,066,360	-	-	-	1,066,360	379,455
Public Health Agency of Canada	357,142	-	-	-	357,142	350,738
Other Children's Aid Societies	131,792	-	-	-	131,792	362,611
Rent	16,395	-	-	-	16,395	4,800
	22,695,248	-	-	457,294	23,152,542	25,710,669
<b>Expenses:</b>						
Salaries, wages and benefits	16,288,429	-	-	-	16,288,429	15,907,718
Boarding rate payments	4,757,708	-	-	-	4,757,708	4,376,915
Professional services	707,756	-	-	-	707,756	619,800
Target adoption subsidies	562,115	-	-	-	562,115	545,588
Client's personal needs	1,220,000	-	-	-	1,220,000	392,889
Travel	520,939	-	-	-	520,939	501,711
Amortization of capital assets	-	-	-	457,294	457,294	405,679
Technology	427,501	-	-	-	427,501	368,436
Insurance	410,225	-	-	-	410,225	385,207
Repairs and maintenance	172,177	-	-	-	172,177	326,007
Building occupancy	122,095	-	-	-	122,095	126,171
Utilities and telephone	199,727	-	-	-	199,727	220,116
Health and related costs	171,520	-	-	-	171,520	180,104
Office administration	119,383	-	-	-	119,383	145,098
Admission prevention	90,531	-	-	-	90,531	108,255
Membership fees	69,824	-	-	-	69,824	101,343
Training and recruitment	65,787	-	-	-	65,787	88,489
Recreation	54,060	-	-	-	54,060	56,466
Miscellaneous	34,919	-	-	-	34,919	105,150
Purchased services and supplies	32,247	-	-	-	32,247	111,930
Facility renewal (recovery)	25,435	-	-	-	25,435	(20,189)
Promotion and publicity	7,999	-	-	-	7,999	17,759
Food	-	-	-	-	-	12,507
Education	3,779	-	-	-	3,779	8,878
Employment related (recovery)	-	(2,771)	-	-	(2,771)	(27,408)
	26,064,156	(2,771)	-	457,294	26,518,679	25,064,619
(Deficiency) excess of revenue over expenses before the undernoted items	(3,368,908)	2,771	-	-	(3,366,137)	646,050
One-time Ministry accumulated surplus funding	2,339,767	-	-	-	2,339,767	-
Gain (loss) on sale of capital assets	-	-	-	510	510	(160,200)
Subsidy funding returned to Ministry	(21,011)	-	-	-	(21,011)	(3,995)
Repayments of long term debt	(28,341)	-	-	28,341	-	-
(Deficiency) excess of revenue over expenses	(1,078,493)	2,771	-	28,851	(1,046,871)	481,855
Net assets (deficiency), beginning of year	(2,092,264)	(1,199,065)	49,829	332,865	(2,908,635)	(3,390,490)
Net assets (deficiency), end of year	\$ (3,170,757)	(1,196,294)	49,829	361,716	(3,955,506)	(2,908,635)

See accompanying notes to financial statements.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

## Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash flows from operating activities:		
(Deficiency) excess of revenue over expenses	\$ (1,046,871)	\$ 481,855
Adjustments for:		
Amortization of capital assets	457,294	405,679
Amortization of deferred capital contributions	(457,294)	(405,751)
(Gain) loss on sale of capital assets	(510)	160,200
	(1,047,381)	641,983
Change in non-cash working capital:		
Accounts receivable	1,964,809	(429,956)
Prepaid expenses and other	6,257	(24,682)
Payable to Ministry of Children, Community and Social Services	(3,995)	(870,726)
Trust payable	25,143	(5,743)
Accounts payable and accrued liabilities	(1,078,194)	719,991
	(133,361)	30,867
Cash flows from financing activities:		
Principal repayments of long term debt	(28,341)	(38,367)
Cash flows from capital activities:		
Capital contributions	368,054	1,635,280
Deferred contributions, net of proceeds of disposition	(170,035)	(1,301,976)
Purchase of capital assets, net of proceeds of disposition	(367,545)	(1,635,280)
	(169,526)	(1,301,976)
Net decrease in cash	(331,228)	(1,309,476)
(Bank indebtedness) cash, beginning of year	(1,163,202)	146,274
Bank indebtedness, end of year	\$ (1,494,430)	\$ (1,163,202)
Bank indebtedness consists of:		
Cash	\$ 85,570	\$ 96,798
Bank indebtedness	(1,580,000)	(1,260,000)
	\$ (1,494,430)	\$ (1,163,202)

See accompanying notes to financial statements.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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The Children's Aid Society of the District of Nipissing and Parry Sound (the "Society") is incorporated without share capital under the laws of Ontario to discharge the functions of a Children's Aid Society under the Child and Family Services Act – 1984. The Society received its Letters Patent of Amalgamation on November 18, 1999. The Society is exempt from income taxes under the Income Tax Act.

## 1. Significant accounting policies:

### (a) Going concern:

These financial statements have been prepared on a going concern basis in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. The going concern basis of presentation assumes that the Society will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of operations. There is significant doubt about the appropriateness of the use of the going concern assumption because the Society has a net asset deficiency and working capital deficiency at March 31, 2025 as well as ongoing legal matters and litigation claiming \$18,100,000. The outcome of the cases are not presently determinable.

The ability of the Society to continue as a going concern and realize its assets and discharge its liabilities in the normal course of operations is dependent upon the continued support of the Ministry of Children, Community and Social Services and on its ability to restore and maintain sustainable operations in the future. No assurance can be given that additional funding will be available in the future from the Ministry of Children, Community and Social Services or other sources or that, if available, it can be obtained on terms favorable to the Society.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these financial statements, then adjustments would be necessary to the carrying value of assets, the reported revenues and expenses, and the statement of financial position classifications used.

### (b) Basis of accounting:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

### (c) Revenue recognition:

The Society follows the deferral method of accounting for contributions which include government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of fiscal period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

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.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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## 1. Significant accounting policies (continued):

### (c) Revenue recognition (continued):

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Revenue from rentals is recognized when earned.

### (d) Employee future benefits:

Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Society has insufficient information to apply defined benefit plan accounting.

### (e) Financial instruments:

All financial instruments are initially recorded on the statement of financial position at fair value.

All investments held in equity instruments that trade in an active market would be recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value would be recognized in the statement of remeasurement gains and losses until they are realized, when they would be transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded at fair value, as described below:

Level 1	Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Fair value measurements are those derived market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
Level 3	Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 1. Significant accounting policies (continued):

### (f) Capital assets:

Capital asset purchases are recorded at cost. Capital assets donated are recorded at their fair market value at the date of acquisition. When a capital asset no longer contributes to the Society's ability to provide services, it is written down to its residual value. Any unamortized deferred capital contribution amount related to the capital asset is recognized in revenue in the Statement of Operations, provided that all restrictions have been complied with. Amortization is provided on the straight-line basis over their estimated useful lives, from the time the assets are put in use, at the following range of annual rates:

	Rate
Buildings	2% – 4%
Land improvements	5% – 10%
Vehicles	20%
Computers	33%
Furniture and equipment	10% – 20%

Long-lived assets, including capital assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Society uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

Assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell and are no longer amortized. The asset and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the statement of financial position.

### (g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amounts of capital assets; provisions for impairment of trade accounts receivable and accounts payable and accrued liabilities. Actual results could differ from those estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in the statement of operations in the year in which they become known.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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## 1. Significant accounting policies (continued):

### (h) Asset retirement obligations:

The Society recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

A liability for the removal of certain Society facilities has been recognized based on estimated future expenses. Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability recorded within the financial statements is recognized in the Statement of Operations at the time of remediation occurs.



Kim Kanmacher, Board Chair

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 2. Accounts receivable:

	2025	2024
Trade receivables	\$ 307,374	\$ 1,806,055
Harmonized sales tax recoverable	202,840	668,968
	\$ 510,214	\$ 2,475,023

## 3. Capital assets:

2025	Cost	Accumulated amortization	Net book Value
Land	\$ 1,094,286	\$ -	\$ 1,094,286
Land improvements	313,293	86,317	226,976
Buildings	11,820,607	5,257,425	6,563,182
Vehicles	421,117	376,219	44,898
Computer	1,253,340	1,167,595	85,745
Furniture and equipment	590,434	454,225	136,209
Leasehold improvements	25,000	1,500	23,500
	\$ 15,518,077	\$ 7,343,281	\$ 8,174,796

2024	Cost	Accumulated amortization	Net book Value
Land	\$ 1,094,286	-	1,094,286
Land improvements	267,548	66,406	201,142
Buildings	11,543,978	4,921,282	6,622,696
Vehicles	452,641	388,479	64,162
Computer	1,207,659	1,116,599	91,060
Furniture and equipment	590,434	424,245	166,189
Leasehold improvements	25,000	500	24,500
	\$ 15,181,546	\$ 6,917,511	\$ 8,264,035

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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#### 4. Bank indebtedness:

The Society has available a line of credit of \$2,500,000 secured by a general security agreement bearing interest at the bank's prime rate less 0.25%, repayable December 31, 2024. At March 31, 2025, \$1,580,000 is outstanding on this facility (2024 - \$1,260,000).

As a condition of its credit facilities, the Society must maintain certain restrictive covenants. As at March 31, 2025, the Society was in compliance with all restrictive covenants.

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

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	2025	2024
Trade payables	\$ 1,119,128	\$ 1,320,352
Government remittances	3,684	-
Payroll payable	429,192	491,094
Payroll accruals	-	815,981
Vacation and health spending payable	1,196,294	1,199,065
	<hr/> \$ 2,748,298	<hr/> \$ 3,826,492

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# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 6. Long term debt:

	2025	2024
TD Canada Trust mortgage bearing interest at 1.9%, repaying in blended monthly payments of \$1,887, secured by a general security agreement, land and building located at 140 Elmwood Avenue, North Bay and an assignment of fire insurance. Due August, 2025.	\$ 351,948	\$ 367,813
TD Canada Trust loan bearing a floating interest rate, at prime less 0.5% for 2023, fixed monthly payments of \$1,633 principal only, secured by a general security agreement, land and building located at 140 Elmwood Avenue, North Bay and an assignment of fire insurance. Due August, 2025.	454,657	467,133
	806,605	834,946
Less current portion due within one year	806,605	35,398
	\$ -	\$ 799,548

As a condition of its credit facilities, the Society must maintain certain restrictive covenants. As at March 31, 2025, the Society was in compliance with all restrictive covenants.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 7. Deferred contributions:

### (a) Expenses of future periods:

Deferred contributions related to expenses of future periods represent unspent externally restricted donations and grants.

	2025	2024
Balance, beginning of year	\$ 740,818	2,042,794
Add: amounts received for the following year	270,434	1,600,412
Less: amount recognized as revenue in the year	(440,469)	(2,902,388)
<b>Balance, end of year</b>	<b>\$ 570,783</b>	<b>740,818</b>

The deferred contributions balance is allocated to the following programs:

	2025	2024
Child Welfare Funds to be Invested for RESPs	\$ 215,103	\$ 179,746
OCBE Savings	144,121	132,683
Kids in Care Achieving Success/Beauchamp Hub	78,984	230,763
One-Site Donations	41,583	21,511
OCBE Activities	35,875	-
Kinship Families Donations	19,557	10,050
NB Hospital	9,924	21,859
Big Steps to Success	9,108	10,112
Christmas donation	6,338	3,878
Canada Post	6,085	17,151
Youth Enrichment	2,756	2,756
Wendy's Wonderful Kids	771	771
Parry Sound Camp Fund	578	578
Partner Facility Renewal	-	75,000
Capital expenditures	-	25,744
CPNP	-	5,051
Community Action Program	-	3,165
<b>Balance, end of year</b>	<b>\$ 570,783</b>	<b>\$ 740,818</b>

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 7. Deferred contributions (continued):

(b) Deferred contributions related to capital assets represent the unamortized and unspent balances of donations and grants received for capital asset acquisitions. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2025	2024
Balance, beginning of year	\$ 7,096,224	\$ 5,866,695
Add: amounts received for the following year	368,054	1,635,280
Less: amount recognized as revenue in the year	(457,294)	(405,751)
<b>Balance, end of year</b>	<b>\$ 7,006,984</b>	<b>\$ 7,096,224</b>

There are no unspent balances during the year (2024 - \$Nil).

## 8. Investment in capital assets:

Details of the investment in capital assets are as follows:

	2025	2024
Capital assets	\$ 8,174,796	\$ 8,264,035
Amounts financed by:		
Deferred contributions - capital assets - unamortized	(7,006,475)	(7,096,224)
Mortgage payable	(806,605)	(834,946)
	<b>\$ 361,716</b>	<b>\$ 332,865</b>

## 9. Restrictions on net assets:

The Board of Directors has restricted net assets as follows:

	2025	2024
Betty Ralph Trust	\$ 21,406	\$ 21,406
Ronald Lees Trust	28,423	28,423
	<b>\$ 49,829</b>	<b>\$ 49,829</b>

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

## 10. Ministry of Children, Community and Social Services Funding:

	2025	2024
Funding:		
Operating	\$ 20,215,237	\$ 23,477,517
OCBE	79,149	144,066
Less: amounts received for capital assets	(219,035)	(316,529)
	\$ 20,075,351	\$ 23,305,054

## 11. Contingency:

The Society is involved in certain legal matters and litigation claiming \$18,100,000. The outcome of the cases are not presently determinable. The loss, if any, from these contingencies will be accounted for in the period in which the matters are resolved or can be reasonably estimated.

## 12. Trust accounts:

The following accounts, held in trust, are not funds of the Society's and are not included on the statement of financial position.

	2025	2024
Assets:		
RESP trust deposits	\$ 2,043,717	\$ 1,868,247
Liabilities:		
RESP trust deposits	\$ 2,043,717	\$ 1,868,247

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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### 13. Asset retirement obligation:

The Society has accrued for asset retirement obligations related to the requirement for the removal or remediation of building owned by the Society. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the facility in accordance with current legislation.

The change in the estimated obligation during the year consists of the following:

	2025		2024	
Balance, beginning of year	\$	-	\$	119,000
Less: current portion reported in accounts payable and accrued liabilities		-		(119,000)
Balance, end of year	\$	-	\$	-

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2025

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## 14. Multi-employer pension plan:

The Society makes contributions to Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the "Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2022. The results of this valuation disclosed total going concern actuarial liabilities of \$142,489 million (2024 - \$136,185 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of \$139,576 million (2024 - \$131,983 million) indicating a going concern actuarial deficit of \$2,913 million (2024 - \$4,202 million).

The amount contributed to OMERS was \$1,137,633 (2024 - \$1,128,432) for current service and is included as an expense in the statement of operations and net assets.

## 15. Financial risks:

### a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to accounts receivable. The Society assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Society at March 31, 2025 is the carrying value of these assets. There have been no significant changes to the risk exposure from 2024.

### b) Liquidity risk:

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no significant changes to the risk exposures from 2024.

### c) Interest risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Society is exposed to this risk through its bank line of credit and term debt. There have been no significant changes to the risk exposure from 2024.

## 16. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

# THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses - Ministry of Children, Community and Social Services  
(Unaudited)

Year ended March 31, 2025, with comparative information for 2024

	Non-Residential and Residential Direct Cost of Services for Children in Care	Infant Development	Child and Family Intervention	Y.O.A. Community Support	Education Liaison	Community Capacity	Partner Facility Renewal	Ontario Child Benefit Equivalent Fund	E.C.M. - Kehoe Street Apartment Building	Total 2025	Total 2024
<b>Revenue:</b>											
Provincial grants - Operating	\$ 21,043,667	\$ 464,209	\$ 260,281	\$ 540,584	\$ 96,396	\$ 39,668	\$ 110,200	\$ -	\$ -	\$ 22,555,005	\$ 20,212,657
- Ontario Child Benefit Equivalent	-	-	-	-	-	-	-	79,149	-	79,149	148,258
Other grants	7,023	-	-	-	-	-	-	-	-	7,023	-
Other	257,254	-	-	-	-	-	-	-	-	257,254	299,142
Special allowances	552,182	-	-	-	-	-	-	-	-	552,182	429,277
Other Children's Aid Societies	131,792	-	-	-	-	-	-	-	-	131,792	628,560
Rental	16,395	-	-	-	-	-	-	-	-	16,395	15,847
	22,008,313	464,209	260,281	540,584	96,396	39,668	110,200	79,149	-	23,598,800	21,733,741
<b>Expenses:</b>											
Salaries and wages	10,704,196	267,607	13,131	317,690	71,797	34,446	-	-	-	11,408,867	11,241,706
Benefits	3,319,213	94,049	2,783	72,727	15,017	5,222	-	-	-	3,509,011	3,079,131
Travel	480,509	4,665	-	16,369	-	-	-	-	-	501,543	508,295
Training and recruitment	56,146	-	-	3,646	419	-	-	-	-	60,211	118,594
Boarding rate payments:											
Foster care boarding home fees	1,827,036	-	-	-	-	-	-	-	-	1,827,036	1,394,784
Outside paid foster care	1,573,136	-	-	-	-	-	-	-	-	1,573,136	980,440
Outside paid institution fees	1,269,696	-	-	-	-	-	-	-	-	1,269,696	916,772
Other care	86,640	-	-	-	-	-	-	-	-	86,640	387,205
Adoption probation	1,200	-	-	-	-	-	-	-	-	1,200	-
Purchased services:											
Non-client	322	-	-	-	-	-	-	-	-	322	148,729
Professional services:											
Non-client	242,190	50,000	-	-	-	-	-	-	-	292,190	374,124
Client	97,662	-	217,702	-	-	-	-	-	-	315,364	242,704
Client legal	100,077	-	-	-	-	-	-	-	-	100,077	293,271
Client's personal needs	1,165,724	165	-	269	-	-	-	18,654	93	1,184,905	501,001
Technology	360,629	-	-	59,325	-	-	-	-	3,658	423,612	471,697
Building occupancy	122,065	-	-	30	-	-	-	-	-	122,095	115,941
Health and related costs	171,507	-	-	-	-	-	-	13	-	171,520	126,277
Office administration	112,629	-	-	1,033	-	-	-	-	3,816	117,478	85,942
Recreation	-	-	-	-	-	-	-	54,060	-	54,060	54,100
Miscellaneous	25,557	200	-	-	-	-	-	-	-	25,757	29,530
Membership fees	69,824	-	-	-	-	-	-	-	-	69,824	47,050
Target Adoption Subsidies	561,080	-	-	-	-	-	-	1,035	-	562,115	538,367
Utilities and telephone	177,668	-	-	13,000	-	-	-	-	9,059	199,727	218,880
Facility renewal (recovery)	(230,149)	-	-	-	-	-	103,805	-	-	(126,344)	732
Repairs and maintenance	147,184	-	-	933	-	-	-	-	24,060	172,177	426,151
Promotion and publicity	7,999	-	-	-	-	-	-	-	-	7,999	19,678
Admission prevention	90,531	-	-	-	-	-	-	-	-	90,531	51,467
Food	-	-	-	-	-	-	-	-	-	-	13,364
Insurance	410,225	-	-	-	-	-	-	-	-	410,225	291,683
Education	-	-	-	-	-	-	-	3,779	-	3,779	2,419
	22,950,496	416,686	233,616	485,022	87,233	39,668	103,805	77,541	40,686	24,434,753	22,680,034
Excess (deficiency) of revenue over expenses before the undernoted	(942,183)	47,523	26,665	55,562	9,163	-	6,395	1,608	(40,686)	(835,953)	(946,293)
Repayment of long term debt	-	-	-	-	-	-	-	-	-	-	-
Allocation of central administration	144,713	(47,523)	(26,665)	(55,562)	(9,163)	-	-	-	-	5,800	18,800
Transfers (to) from programs	(40,686)	-	-	-	-	-	-	-	40,686	-	-
Transfers to deferred capital contributions	(219,036)	-	-	-	-	-	-	-	-	(219,036)	(1,098,608)
Subsidy funding return to Ministry	-	-	-	-	-	-	-	-	-	-	(21,435)
Excess (deficiency) of revenue over expenses	\$ (1,057,192)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,395	\$ 1,608	\$ -	\$ (1,049,189)	\$ (2,047,536)

**THE CHILDREN'S AID SOCIETY OF THE  
DISTRICT OF NIPISSING AND PARRY SOUND**

Schedule of Program Revenue and Expenses - Other  
(Unaudited)

Year ended March 31, 2025, with comparative information for 2024

	Community Action Program for Children	Canada Prenatal Nutrition Program	Mothers in Mind	Beauchamp Hub	Wendys' Wonderful Kids	Youth Advisory Committee	Big Steps to Success	Canadian Red Cross Society	Joy Project	Residential Framework	Total 2025	Total 2024
<b>Revenue:</b>												
Public Health Agency of Canada	\$ 281,271	\$ 75,871	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357,142	\$ 350,737
Other grants	-	-	302,510	-	80,096	75,422	1,004	29,971	-	-	489,003	477,450
Donations	-	-	-	151,779	-	-	-	-	5,264	652,063	809,106	-
	281,271	75,871	302,510	151,779	80,096	75,422	1,004	29,971	5,264	652,063	1,655,251	828,187
<b>Expenses:</b>												
Salaries and wages	180,369	43,773	247,604	-	60,088	27,707	-	7,803	-	552,242	1,119,586	331,990
Benefits	70,772	14,275	40,606	-	13,112	5,126	-	12,933	-	94,141	250,965	83,262
Travel	5,317	869	2,345	-	4,996	189	-	-	-	5,680	19,396	9,536
Training and recruitment	-	-	807	-	-	-	-	4,769	-	-	5,576	525
Professional services:												
Client	-	-	-	-	-	-	-	125	-	-	125	30,000
Non-client	-	-	-	-	-	-	-	-	-	-	-	52,342
Purchased services:												
Client	2,370	-	-	-	-	12,437	-	-	-	-	14,807	6,546
Non-client	16,296	729	-	-	-	-	-	-	-	-	17,025	12,267
Office administration	1,176	-	-	-	150	-	579	-	-	-	1,905	3,025
Supplies	93	-	-	-	-	-	-	-	-	-	93	89
Technology	1,895	839	-	-	450	704	-	-	-	-	3,888	7,893
Client personal needs	-	6,130	4,771	-	-	14,232	425	4,273	5,264	-	35,095	30,433
Facility renewal	-	-	-	151,779	-	-	-	-	-	-	151,779	2,560
Repair and maintenance	-	-	-	-	-	-	-	-	-	-	-	8,441
Miscellaneous	997	1,720	6,377	-	-	-	-	68	-	-	9,162	8,704
	279,285	68,335	302,510	151,779	78,796	60,395	1,004	29,971	5,264	652,063	1,629,402	587,613
Excess of revenue over expenses before the undernoted	1,986	7,536	-	-	1,300	15,027	-	-	-	-	25,849	240,574
Allocation of central administration	-	-	-	-	(1,300)	(4,500)	-	-	-	-	(5,800)	(18,800)
Subsidy funding return	(1,986)	(7,536)	-	-	(1,895)	(9,594)	-	-	-	-	(21,011)	(7,620)
Excess of revenue over expenses	\$ -	\$ -	\$ -	\$ -	\$ (1,895)	\$ 933	\$ -	\$ -	\$ -	\$ -	\$ (962)	\$ 214,154



Kim Kanmacher, Board Chair