

**Compass Early Learning and Care**  
**Board of Directors Meeting**  
Monday, April 1<sup>st</sup>, 2019 6:30 p.m.

Administration Office  
Peterborough, Ontario



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**AGENDA**

**I/D/A**

**TIME**

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- |     |  |   |    |         |
|-----|--|---|----|---------|
| 1.  | <b>Call to Order by Chairperson</b> ( <i>Kathy</i> )                     | A | 1  | minute  |
| 2.  | <b>Welcome and Introductions</b> ( <i>Kathy</i> )                        | A | 1  | minute  |
| 3.  | <b>Review and Approval of Agenda</b> ( <i>Kathy</i> )                    | D | 1  | minute  |
| 4.  | <b>Declaration of Conflict of Interest</b> ( <i>Kathy</i> )              | A | 1  | minute  |
| 5.  | <b>Review and Approval of Minutes</b> ( <i>Kathy</i> )                   | D | 5  | minutes |
|     | 5.1 Approve January 28 <sup>th</sup> , 2018 Minutes                      |   |    |         |
| 6.  | <b>Business Arising</b>  |   |    |         |
|     | 6.1 Draft 2018 Audited Financial Statements ( <i>Jason Becker BDO</i> )  | I | 15 | minutes |
| 7.  | <b>Finance Report</b>  |   |    |         |
|     | 7.1 Finance 101 Presentation ( <i>Ashley and James</i> )                 | I | 30 | minutes |
|     | 7.2 Director of Finance & Administration Report ( <i>Ashley</i> )        | I | 5  | minutes |
| 8.  | <b>Reports</b>   |   |    |         |
|     | 8.1 CEO Report ( <i>Sheila</i> )   | I | 15 | minutes |
|     | 8.2 President's Report ( <i>Kathy</i> )                                  | I | 5  | minutes |
|     | 8.3 Vice-President's Report: <i>Nominations for AGM</i>                  | I | 5  | minutes |
| 9.  | <b>Announcements and New Business</b>                                    |   |    |         |
|     | 9.1 Review and Approve Back-up Care Policy HCC                           | A | 1  | minute  |
|     | 9.2 Website Development Contribution                                     | A | 5  | minutes |
| 10. | <b>Date and Time of Next Meeting</b>                                     |   |    |         |
|     | 10.1 April 30 <sup>th</sup> , 2019 @ Materials Initiative Building (AGM) |   |    |         |
| 11. | <b>Adjournment</b>   | D | 1  | minute  |

# Compass Early Learning & Care Board of Directors Meeting Minutes

Monday January 28<sup>th</sup>, 2019 6:30 p.m.

Administration Office  
Peterborough, Ontario



## Present

Board Members: Kathy Warner – President  
Sarah Stokes – Vice President  
Doug Lytle – Treasurer  
Jon Gillan – Secretary  
Karla Kielec – Director  
James Brandon – Director  
Stephanie Mazzocca – Director

Regrets: Rachael Terrion – Director

Staff: Sheila Olan-MacLean - CEO  
Ashley Collins – Director of Finance & Administration  
Rachel Heathcock – Administrative Assistant

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- 1.0 **Call to Order:** Kathy Warner called the meeting to order at 6:30 p.m.
  - 2.0 **Welcome and Introductions:** Kathy welcomed everyone to the meeting and made introductions.
  - 3.0 **Review and Approval of Agenda:**  
**MOTION: To defer the December projection until the following meeting. CARRIED.**  
**MOTION: To approve the amended agenda. CARRIED.**
  - 4.0 **Declaration of Conflict of Interest**
  - 5.0 **Review and Approval of Minutes**
    - 5.1 *November 26<sup>th</sup> Board Meeting Minutes* **MOTION: To accept the amended minutes of the November 26<sup>th</sup>, 2019 board meeting as presented. CARRIED.**
  - 6.0 **Finance Report**
    - 6.1 *Director of Finance & Administration Report:* Ashley presented her Financial Report.
    - 6.2 *Financial Statements:* October & November finals.  
**MOTION: To approve the October and November finals. CARRIED.**
    - 6.3 Pay Equity is explained and signatures will be required at the following meeting.
  - 7.0 **Reports**
    - 7.1 *CEO Report:* Sheila presented her CEO report. Kathy and Jon volunteered to support with location suggestions for the AGM.
    - 7.2 *President's Report:* Kathy presented her President's Report.
    - 7.3 Kathy's Reflection Questions:
      - A. *What can I contribute of myself as a board member to help enhance the guiding values of Compass? (Committee work, initiative inspiration, volunteer, etc.)*  
Sarah – a Google-certified instructor that could help facilitate Educational Technology, a new conferencing system, ELearning, etc.

Jon and Kathy – Volunteer time and committee work in reference to finance experiences

*B. What would you like Compass to invest in and facilitate to help you grow and develop as life-long learners?*

– Could we have Ashley and Doug help briefly teach how to read financial statements and their Purpose? (First April meeting?)

Stephanie – Could Angela share about her initiative and bring context to the deeper thinking we instill in our programs? (Hands-on activities?)

Kathy – Could we have a Board trip to Timbernook in the spring?

## **8.0 Announcements and New Business**

8.1 Directors' Self-Evaluations will be done at a later date.

8.2 Review and Approve the Health and Safety Compliance Policy HCC and the Program Health and Safety Compliance Policy. **MOTION: To accept and approve both policy revisions. CARRIED.**

8.3 CEO Job Description in camera. **MOTION: To go in camera. CARRIED.**

## **9.0 Date and Time of Next Meeting**

9.1 April 1<sup>st</sup>, 2018 6:30pm @ Compass ELC Administration office.

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Kathy Warner, President

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Date

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Jon Gillan, Secretary

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Date

**Compass Early Learning and Care**  
**Financial Statements**  
For the year ended December 31, 2018

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## Independent Auditor's Report

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**To the Board of Directors of  
Compass Early Learning and Care**

### **Opinion**

We have audited the financial statements of Compass Early Learning and Care (the Organization), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, and the results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Opinion**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations'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 Organizations's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants  
Peterborough, Ontario  
April 29, 2019

## Compass Early Learning and Care Statement of Financial Position

December 31 2018 2017

### Assets

#### Current

Cash and bank (Note 2)	\$ 1,308,686	\$ 713,221
Temporary investments (Note 3)	872,021	560,907
Accounts receivable	570,080	668,825
Prepaid expenses	43,397	79,954
Due from government agencies	173,723	298,962

2,967,907 2,321,869

#### Capital assets (Note 4)

391,382 395,195

\$ 3,359,289 \$ 2,717,064

### Liabilities and Net Assets

#### Current

Accounts payable and accrued liabilities (Note 5)	\$ 723,475	\$ 608,572
Deferred revenue	279,268	302,403
Parent fee deposits	361,092	328,608

1,363,835 1,239,583

#### Deferred contributions related to capital assets (Note 6)

192,680 194,344

1,556,515 1,433,927

#### Commitments (Note 7)

#### Net Assets

Net assets invested in capital assets	198,703	200,852
Internally restricted reserves (Note 8)	1,604,071	1,082,285

1,802,774 1,283,137

\$ 3,359,289 \$ 2,717,064

Approved on behalf of the Board

\_\_\_\_\_ Director \_\_\_\_\_ Director

The accompanying notes are an integral part of these financial statements

## Compass Early Learning and Care Statement of Changes in Net Assets

For the year ended December 31	Invested in capital assets	Internally restricted reserves	Unrestricted	Total 2018	Total 2017
Balance, beginning of year	\$ 200,852	\$1,082,285	\$ -	\$1,283,137	\$ 978,534
Excess of revenue over expense	(45,973)	-	565,610	519,637	304,603
Net investment in capital assets	85,427	-	(85,427)	-	-
Funding received in the year related to capital assets	(41,603)	-	41,603	-	-
Internal transfers (Note 8)	-	521,786	(521,786)	-	-
<b>Balance, end of year</b>	<b>\$ 198,703</b>	<b>\$1,604,071</b>	<b>\$ -</b>	<b>\$1,802,774</b>	<b>\$ 1,283,137</b>

The accompanying notes are an integral part of these financial statements



For the year ended December 31	2018	2017
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Parent fees	\$ 7,688,388	\$ 6,521,259
Government grants and subsidy (Note 11)	5,668,710	4,298,058
Wage enhancement (Note 12)	857,500	718,107
DNRFP	640,609	497,523
Other income and management fees	62,521	34,355
Professional development	281,875	154,906
Amortization of deferred contributions (Note 6)	43,267	44,214
	<u>15,242,870</u>	<u>12,268,422</u>

Amortization	89,240	88,565
Bad debts	96,862	23,563
Bank and processing charges	216,896	113,921
Food	427,032	381,106
Insurance	44,988	43,809
Minor equipment and leasehold improvements	25,803	11,557
Miscellaneous and management fees	82,342	53,206
Office expenses	186,383	151,534
Other initiatives	474,212	-
Professional development	209,485	171,193
Professional fees	23,713	16,408
Program	36,910	28,518
Provider fees	914,594	722,915
Rent and maintenance	330,073	245,536
Salaries and benefits	10,377,565	8,932,686
Salaries and benefits - wage enhancement (Note 12)	857,500	718,107
Telephone	66,914	66,567
Toys	86,837	36,447
Travel and education	56,681	58,188
Utilities	105,034	97,341
Waterworks	14,169	2,652
	<b>14,723,233</b>	<b>11,963,819</b>

Excess of revenue over expenses for the year	\$ 519,637	\$ 304,603
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## Compass Early Learning and Care Statement of Cash Flows

For the year ended December 31	2018	2017
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	\$ 519,637	\$ 304,603
Items not involving cash		
Amortization of capital assets	89,240	88,565
Amortization of deferred contributions (Note 6)	(43,267)	(44,214)
	565,610	348,954
Changes in non-cash working capital balances		
Accounts receivable	98,745	(31,432)
Deferred revenue	(23,135)	54,250
Prepaid expenses	36,557	24,223
Due from government agencies	125,239	(112,903)
Accounts payable and accrued liabilities	114,903	5,665
Parent fee deposits	32,484	11,579
	950,403	300,336
<b>Investing activities</b>		
Purchases of capital assets	(85,427)	(111,260)
Change in temporary investments	(311,114)	(9,773)
	(396,541)	(121,033)
<b>Financing activities</b>		
Capital contributions	41,603	81,919
<b>Increase in cash during the year</b>	595,465	261,222
<b>Cash and bank, beginning of year</b>	713,221	451,999
<b>Cash and bank, end of year</b>	\$ 1,308,686	\$ 713,221

The accompanying notes are an integral part of these financial statements

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# Compass Early Learning and Care

## Notes to Financial Statements

December 31, 2018

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### 1. Significant Accounting Policies

#### a) Nature and Purpose of Organization

Compass Early Learning and Care is a non-profit organization incorporated without share capital under the laws of Ontario. The purpose of the organization is to promote and support the well being of children and their families through the provision of quality child care options. The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

#### b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

#### c) Revenue Recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### d) Contributed Services

Volunteers contribute their time to assist the organization in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### e) Capital assets

Capital assets are recorded at cost. Assets with a cost of less than \$1,000 are written off in the year acquired. Amortization is provided on the declining balance basis at the following rates:

Computer equipment	33 1/3%
Leasehold improvements	20%
Other equipment	20%

#### f) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the determination of the allowance for doubtful accounts and estimated useful life of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

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## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

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### 1. Significant Accounting Policies (continued)

#### g) Financial Instruments

The organization's financial assets consisting of cash, temporary investments, accounts receivable, and due from government agencies are recorded at fair value when acquired or issued. In subsequent periods they are reported at cost or amortized cost less impairment, if applicable.

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### 2. Cash and Bank

The organization's bank accounts are held at one chartered bank. The bank accounts earn nominal rates of interest.

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### 3. Temporary Investments

Temporary investments consist of the following:

	2018	2017
Cash held with investment company	\$ 2,370	\$ 5,313
Guaranteed Investment Certificates (GICs)	787,705	486,723
Money market funds	81,946	68,871
	<u>\$ 872,021</u>	<u>\$ 560,907</u>

The balances held in investments are held with one investment company. The guaranteed investment certificates bear stated fixed interest rates ranging from 1.50% to 3.11% which is paid annually, and have maturity dates ranging from July 2019 to September 2022.

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## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

### 4. Capital assets

	2018				2017			
	Accumulated							
Accumulated	Cost		Amortization		Cost		Amortization	
Computer equipment	\$	136,782	\$	106,189	\$	122,123	\$	94,876
Other equipment		547,577		352,592		495,028		310,451
Leasehold improvements		721,119		555,315		702,900		519,529
	\$	1,405,478	\$	1,014,096	\$	1,320,051	\$	924,856
Net book value			\$	391,382			\$	395,195

### 5. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$19,575 (2017 - \$19,259).

### 6. Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets include the unamortized portions of restricted contributions with which various capital assets have been purchased. The changes for the year in the deferred contributions balance reported are as follows:

	2018	2017
Balance, beginning of year	\$ 194,344	\$ 156,639
Capital contributions	41,603	81,919
Revenue recognized in the year related to capital assets	(43,267)	(44,214)
Balance, end of year	<b>\$ 192,680</b>	<b>\$ 194,344</b>

### 7. Commitments

The organization has entered into various leases for premises and office equipment. At December 31, 2018 the committed payments for the next three years on the premises and office equipment are as follows:

2019	\$ 47,246
2020	9,496
2021	521

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## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

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### 8. Internally Restricted Reserves

During the year, the board approved the creation of an internally restricted program improvement fund to cover the costs of major capital or other essential program improvement items, when municipal funding is not available.

The board has also established an internal reserve for the purpose of establishing a new child care centre and a contingency fund to build a reserve adequate to cover three months worth of operating expenditures.

	Program Improvement Reserve	New Centre Reserve	Contingency Reserve	2018 Total	2017 Total
Beginning balance \$	-	\$ 250,000	\$ 832,285	\$ 1,082,285	\$ 762,672
Transfers	250,000	100,000	171,786	521,786	319,613
Ending balance	\$ 250,000	\$ 350,000	\$ 1,004,071	\$ 1,604,071	\$ 1,082,285

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### 9. Economic Dependence

The organization receives a significant amount of support from the City of Peterborough, Durham Region and the City of Kawartha Lakes and as such, is economically dependent upon these sources of revenue. Amounts received from these funders and their associated purposes are as noted in Notes 11 and 12.

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### 10. Financial Instrument Risk

#### Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk resulting from the possibility that a parent or counterpart to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterpart; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to the accounts receivable from parents.

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## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

### 11. Government Grants and Subsidy

The organization receives the support of several funders through various grants and subsidies. These grants and subsidies are recorded as income when the criteria for earning them have been met and are otherwise deferred. The following represents grants and subsidies received in the current year.

	2018	2017
City of Peterborough		
Childcare subsidy	\$ 1,134,454	\$ 991,436
General operating grants	746,624	675,939
Affordable for All grants	164,706	-
Licensed Home Child Care base funding	174,271	-
Fee stabilization	85,897	-
Pay equity	25,288	25,288
Other grants	33,677	38,932
	<b>2,364,917</b>	<b>1,731,595</b>
City of Kawartha Lakes		
Childcare subsidy	1,074,259	1,053,607
General operating grants	1,367,858	748,937
Fee stabilization	36,890	-
Other grants	16,609	9,966
	<b>2,495,616</b>	<b>1,812,510</b>
Durham Region		
Childcare subsidy	352,933	341,958
General operating grants	318,114	220,849
Pay equity	11,253	11,302
Other grants	10,048	10,445
	<b>692,348</b>	<b>584,554</b>
Various other grants and subsidies	60,749	58,084
Five Counties Children's Centre	55,080	111,315
	<b>115,829</b>	<b>169,399</b>
	<b>\$ 5,668,710</b>	<b>\$ 4,298,058</b>

## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

### 12. Provincial Wage Enhancement Grant

In January 2015, the Ministry of Education implemented a new initiative to provide a wage enhancement grant up to \$2/hour plus 17.5% benefits to eligible staff working in licensed child programs, and up to \$20/day to home child care providers providing care through a licensed home child care agency. Compass Early Learning and Care, as the operator of child care programs, received and disbursed the Wage/Home Child Care Enhancement funds to eligible employees/home child care providers, as follows:

	2018		
	Funding Received	Unspent Funds Repayable	Disbursed Funds
City of Peterborough	\$ 387,836	\$ (4,320)	\$ 383,516
City of Kawartha Lakes	307,940	(10,284)	297,656
Durham Region	180,032	(3,704)	176,328
	<u>\$ 875,808</u>	<u>\$ (18,308)</u>	<u>\$ 857,500</u>
	2017		
	Funding Received	Unspent Funds Repayable	Disbursed Funds
City of Peterborough	\$ 316,912	\$ (25,804)	\$ 291,108
City of Kawartha Lakes	285,347	(27,615)	257,732
Durham Region	175,804	(6,537)	169,267
	<u>\$ 778,063</u>	<u>\$ (59,956)</u>	<u>\$ 718,107</u>



## Compass Early Learning and Care Notes to Financial Statements

December 31, 2018

### 12. Provincial Wage Enhancement Grant (continued)

The organization received and disbursed the Wage Enhancement grant to eligible employees/home child care providers in the City of Peterborough, by site, as follows:

	2018		
	Funding Received	Unspent Funds Repayable	Disbursed Funds
Peterborough	\$ 67,261	\$ -	\$ 67,261
Apsley	19,558	-	19,558
Shamrock	24,343	-	24,343
Queen Mary	5,141	-	5,141
R.F. Downey	9,588	-	9,588
North Cavan	2,742	-	2,742
Prince of Wales	12,607	-	12,607
Queen Elizabeth	5,141	-	5,141
St. Anne's	11,882	-	11,882
St. Joseph's	5,141	-	5,141
St. Teresa's	7,312	-	7,312
Kawartha Heights	6,015	-	6,015
Millbrook	48,240	-	48,240
Roger Neilson	5,141	-	5,141
St. Martin's	9,355	-	9,355
Licensed Home Child Care - Home Visitors	11,189	-	11,189
Licensed Home Child Care - Providers	137,180	(4,320)	132,860
<b>City of Peterborough - all sites</b>	<b>\$ 387,836</b>	<b>\$ (4,320)</b>	<b>\$ 383,516</b>

### 13. Comparative Amounts

Comparative amounts presented in the financial statements have been restated to conform to the current years presentation.

**Compass Early Learning and Care  
Financial Statement Supplementary Information  
Operations by Program**

	City of Peterborough		City of Kawartha Lakes	Municipality of Durham	Investing in Quality	Admin and Program Support	Total 2018
	Centre Based	Home Care					
<b>Revenue</b>							
Parent fees	\$ 2,697,437	\$ 291,320	\$ 2,246,046	\$ 2,453,585	\$ -	\$ -	\$ 7,688,388
Government grants	1,569,567	826,905	2,489,917	699,637	55,080	27,604	5,668,710
Wage enhancement grant	250,656	132,860	297,656	176,328	-	-	857,500
DNFRP	387,009	-	225,250	28,350	-	-	640,609
Other income / management fee	12,782	7,405	1,799	3,779	13,795	22,961	62,521
Amortization of deferred contributions	-	-	-	-	-	43,267	43,267
Professional development	-	-	-	-	13,625	268,250	281,875
	4,917,451	1,258,490	5,260,668	3,361,679	82,500	362,082	15,242,870
<b>Expenses</b>							
Amortization	-	-	-	-	-	89,240	89,240
Bad debts	28,047	5,947	18,960	8,567	-	35,341	96,862
Bank and processing charges	76,587	8,338	60,644	66,023	-	5,304	216,896
Food	157,590	-	146,275	122,970	-	197	427,032
Insurance	14,522	-	20,977	6,174	-	3,315	44,988
Minor equipment and improvements	9,714	-	12,572	3,105	-	412	25,803
Miscellaneous and management fees	7,800	120	2,831	1,171	5,400	65,020	82,342
Office expenses	45,264	2,039	51,835	30,239	588	56,418	186,383
Other initiatives	113,084	232,468	128,660	-	-	-	474,212
Professional development	18,872	427	149	-	1,775	188,262	209,485
Professional fees	-	-	424	-	-	23,289	23,713
Program	13,388	5	8,860	14,657	-	-	36,910
Provider fees	-	629,800	284,794	-	-	-	914,594
Rent and maintenance	119,044	2,722	76,129	85,485	-	46,693	330,073
Salaries and benefits	3,644,211	138,861	3,420,740	2,279,990	57,487	836,276	10,377,565
Salaries and benefits - wage enhancement	250,656	132,860	297,656	176,328	-	-	857,500
Telephone	20,754	1,395	21,907	10,003	-	12,855	66,914
Toys	34,194	11,788	29,382	11,473	-	-	86,837
Travel and education	1,964	2,668	8,068	8,233	17,250	18,498	56,681
Utilities	16,193	-	66,941	21,900	-	-	105,034
Waterworks	13,977	-	192	-	-	-	14,169
	4,585,861	1,169,438	4,657,996	2,846,318	82,500	1,381,120	14,723,233
Admin and program support allocation	(294,448)	(68,688)	(395,693)	(260,209)	-	1,019,038	-
<b>Excess of revenue over expense</b>	\$ 37,142	\$ 20,364	\$ 206,979	\$ 255,152	\$ -	\$ -	\$ 519,637

Compass Early Learning and Care  
Profit & Loss vs Prior Year  
January 2019

	Jan 19	Jan 18	\$ Change	% Change	
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
DNFRP	38,895.63	41,834.76	-2,939.13	-7.03%	Varies depending on needs from year to year
General Operating Funding	171,793.96	127,501.17	44,292.79	34.74%	Increase due to adding new programs (Min & Cob)
Management Fee	0.00	900.00	-900.00	-100.0%	IIQ moved to Five Counties after Q2 of 2018
Other Funding	19,111.24	13,253.45	5,857.79	44.2%	IIQ is not applicable for 2019
Other Income	1,200.35	1,831.33	-630.98	-34.46%	Similar year over year
Parent/Admin Fees	993,152.94	863,899.25	129,253.69	14.96%	Increase due to new programs and growth (Cobourg, Minden)
PD Commission	13,183.46	0.00	13,183.46	100.0%	Timing difference on PD consulting work
PD Income	2,215.65	1,160.00	1,055.65	91.0%	New initiative funding related to Leadership coach series
Wage Enhancement Income	86,598.94	67,946.52	18,652.42	27.45%	New program and providers
Wage Subsidy/Pay Equity	5,462.00	3,044.75	2,417.25	79.39%	Cobourg added this year
<b>Total Income</b>	<b>1,331,614.17</b>	<b>1,121,371.23</b>	<b>210,242.94</b>	<b>18.75%</b>	
<b>Gross Profit</b>	<b>1,331,614.17</b>	<b>1,121,371.23</b>	<b>210,242.94</b>	<b>18.75%</b>	
<b>Expense</b>					
Marketing/Advertising	529.91	896.82	-366.91	-40.91%	Similar year over year Cleaning in PY was being booked to Wages - now it is broken up to R&M plus Addition of COB
Minor Improvements/Repairs	14,621.37	12,101.71	2,519.66	20.82%	\$801
Office	5,876.83	7,756.91	-1,880.08	-24.24%	Timing of expenses
Other Expenses/Misc	7,535.06	7,019.20	515.86	7.35%	Similar year over year
PD Consulting	1,263.97	1,492.95	-228.98	-15.34%	Similar year over year
PD Expenses	6,834.09	10,410.85	-3,576.76	-34.36%	Timing of PD invoices
Processing Fees	20,527.25	14,191.72	6,335.53	44.64%	Increase in processing amounts for ADP & Stripe due to new programs
Professional Development	0.00	1,038.35	-1,038.35	-100.0%	Timing of expenses
Professional Fees	1,250.00	1,250.00	0.00	0.0%	Similar year over year
Technology/Communications	12,766.63	9,870.97	2,895.66	29.34%	Increase in Onswitch support due to new additions Jan-18 related to purchases from Exp funding for CKL (no purchases made yet in 2019 due to uncertainty of funding)
Toys/Materials	7,231.44	15,980.31	-8,748.87	-54.75%	
6-1020 - Bad Debts	286.40	0.00	286.40	100.0%	Timing
6-1075 - Food	41,230.26	38,403.36	2,826.90	7.36%	Increase due to new programs
6-1092 - Wage Enhancement	75,702.94	59,265.81	16,437.13	27.74%	Increase due to higher number of employees
6-1093 - Wage Enhancement - Benefits	10,896.01	8,681.02	2,214.99	25.52%	Increase due to higher number of employees
6-1095 - Insurance	3,922.32	3,327.59	594.73	17.87%	Increase due to new programs and growth (Cobourg, Minden)
6-1147 - Prov of Ontario - Water	262.73	374.51	-111.78	-29.85%	Similar year over year
6-1175 - Rent	23,088.18	14,167.21	8,920.97	62.97%	New programs Cobourg & HCC CKL office
6-1215 - Travel	2,192.04	2,139.65	52.39	2.45%	Similar year over year
6-1220 - Trips & Activities	38.55	27.67	10.88	39.32%	Similar year over year
6-1225 - Utilities	9,804.51	8,189.09	1,615.42	19.73%	Increase due to new programs and growth (Cobourg, Minden)
6-5100 - Wages & Benefits	979,175.46	849,308.20	129,867.26	15.29%	Increase related to new programs and new providers
6-5200 - DNRFP	46,948.60	45,400.59	1,548.01	3.41%	Offsets with rev above
<b>Total Expense</b>	<b>1,271,984.55</b>	<b>1,111,294.49</b>	<b>160,690.06</b>	<b>14.46%</b>	
<b>Net Ordinary Income</b>	<b>59,629.62</b>	<b>10,076.74</b>	<b>49,552.88</b>	<b>491.76%</b>	
<b>Net Other Income</b>	<b>0.00</b>	<b>-900.00</b>	<b>900.00</b>	<b>100.0%</b>	IIQ Admin Expense in 2018 / Off set with Rev
	<b>59,629.62</b>	<b>9,176.74</b>	<b>50,452.88</b>	<b>549.79%</b>	

Compass Early Learning and Care  
Profit & Loss vs Prior Year  
February 2019

	Feb 19	Feb 18	\$ Change	% Change	
Ordinary Income/Expense					
Income					
DNFRP	34,572.05	41,442.76	-6,870.71	-16.6%	Varies depending on needs from year to year
General Operating Funding	171,793.96	124,435.40	47,358.56	38.1%	Increase due to adding new programs (Min & Cob)
Management Fee	0.00	900.00	-900.00	-100.0%	IIQ moved to Five Counties after Q2 of 2018
Other Funding	18,666.94	23,994.97	-5,328.03	-22.2%	Diff due to Shamrock Insurance claim & IIQ is not applicable for :
Other Income	1,104.40	1,236.29	-131.89	-10.7%	Similar year over year
Parent/Admin Fees	925,137.85	790,133.93	135,003.92	17.1%	Increase due to new programs and growth (Cobourg, Minden)
PD Commission	8,000.00	2,631.95	5,368.05	204.0%	Timing difference on PD consulting work
PD Income	2,241.66	3,435.00	-1,193.34	-34.7%	Final invoice for K. Sjolín PD Series/ PY Inspiring Early Learning C
Wage Enhancement Income	75,364.97	60,816.13	14,548.84	23.9%	New program and providers
Wage Subsidy/Pay Equity	5,462.00	3,044.75	2,417.25	79.4%	Cobourg added this year
Tot. .	1,242,343.83	1,052,071.18	190,272.65	18.1%	
Gross Profit	1,242,343.83	1,052,071.18	190,272.65	18.1%	
Expense					
Marketing/Advertising	1,397.73	60.00	1,337.73	2229.6%	Cooks catelogs for all programs & gift cards for Homeward boun
Minor Improvements/Repairs	13,827.90	12,311.86	1,516.04	12.3%	Cleaning in PY was being booked to Wages
Office	8,329.01	7,467.43	861.58	11.5%	Timing of expenses
Other Expenses/Misc	7,594.69	13,687.45	-6,092.76	-44.5%	Diff due to Together in Excellence Collaborative - RFP Response I
PD Consulting	3,330.62	677.78	2,652.84	391.4%	Timing of PD invoices
PD Expenses	6,800.88	8,554.13	-1,753.25	-20.5%	Timing of PD invoices
Processing Fees	22,460.94	14,689.29	7,771.65	52.9%	Increase in processing amouts for ADP & Stripe due to new prog
Professional Development	0.00	1,469.40	-1,469.40	-100.0%	Timing of expenses
Professional Fees	1,250.00	1,250.00	0.00	0.0%	Similar year over year
Technology/Communications	12,219.85	11,324.31	895.54	7.9%	Similar year over year
Toys/Materials	4,899.50	10,057.76	-5,158.26	-51.3%	Feb-18 related to purchases for Shamrock (\$5.7K)
6-1020 - Bad Debts	15.57	459.22	-443.65	-96.6%	Timing
6-1075 - Food	33,766.89	29,984.75	3,782.14	12.6%	Increase due to new programs
6-1089 - Funding	0.00	1,247.16	-1,247.16	-100.0%	HCC CKL Expansion funds
6-1092 - Wage Enhancement	65,826.36	53,101.81	12,724.55	24.0%	Increase due to higher number of employees
6-1093 - Wage Enhancement - Benefits	9,538.61	7,714.32	1,824.29	23.6%	Increase due to higher number of employees
6-1095 - Insurance	3,794.61	5,827.59	-2,032.98	-34.9%	\$2.5 insurance deductible for Shamrock in 2018
6-1147 - Prov of Ontario - Water	88.43	156.05	-67.62	-43.3%	Similar year over year
6-1175 - Rent	24,055.32	12,707.21	11,348.11	89.3%	New programs Cobourg & HCC CKL office
6-1215 - Travel	3,581.09	2,399.73	1,181.36	49.2%	Similar year over year
6-1225 - Utilities	11,485.59	8,123.94	3,361.65	41.4%	Increase due to add of new programs
6-5100 - Wages & Benefits	957,879.52	800,892.47	156,987.05	19.6%	Increase related to new programs and new providers
6-5200 - DNRFP	41,339.05	44,711.59	-3,372.54	-7.5%	Offsets with rev above
Total Expense	1,233,482.16	1,048,875.25	184,606.91	17.6%	
Net Other Income	0.00	-900.00	900.00	100.0%	IIQ Admin Expense in 2018 / Off set with Rev
	8,861.67	2,295.93	6,565.74	286.0%	

Compass Early Learning and Care  
Profit & Loss vs Prior Year  
February 2019

Ordinary Income/Expense	
Income	
DNFRP	
General Operating Funding	
Management Fee	
Other Funding	2019
Other Income	
Parent/Admin Fees	
PD Commission	
PD Income	Conference
Wage Enhancement Income	
Wage Subsidy/Pay Equity	
Total	
Gross Profit	
Expense	
Marketing/Advertising	d
Minor Improvements/Repairs	
Office	
Other Expenses/Misc	Preparation
PD Consulting	
PD Expenses	
Processing Fees	rams
Professional Development	
Professional Fees	
Technology/Communications	
Toys/Materials	
6-1020 - Bad Debts	
6-1075 - Food	
6-1089 - Funding	
6-1092 - Wage Enhancement	
6-1093 - Wage Enhancement - Benefits	
6-1095 - Insurance	
6-1147 - Prov of Ontario - Water	
6-1175 - Rent	
6-1215 - Travel	
6-1225 - Utilities	
6-5100 - Wages & Benefits	
6-5200 - DNRFP	
Total Expense	
Net Other Income	

Compass Early Learning and Care  
Profit & Loss vs Budget  
January 2019

	Jan 19	Budget	\$ Over Budget	Annual Budget	
Ordinary Income/Expense					
Income					
DNFRP	38,895.63	0.00	38,895.63	0.00	Not budgeted for, offsets with expense below
General Operating Funding	171,793.96	181,536.82	-9,742.86	2,390,744.80	Booked conservative waiting on allocation for exp funds
Other Funding	19,111.24	15,643.41	3,467.83	187,732.00	DCC amort. Offsets with amort (budgeted for in capital) / HCC CKL funding
Other Income	1,200.35	1,333.34	-132.99	16,000.00	In line with budget
Parent/Admin Fees	993,152.94	986,627.13	6,525.81	11,878,794.21	In line with budget
PD Commission	13,183.46	10,416.66	2,766.80	125,000.00	Timing of PD
PD Income	2,215.65	708.34	1,507.31	8,500.00	Timing of PD
Wage Enhancement Income	86,598.94				Offset with expenses below / Not budgeted for
Wage Subsidy/Pay Equity	5,462.00	5,462.00	0.00	65,543.98	In line with budget
Total Income	1,331,614.17	1,201,727.70	129,886.47	14,672,314.99	
Gross Profit	1,331,614.17	1,201,727.70	129,886.47	14,672,314.99	
Expense					
Marketing/Advertising	529.91	1,666.66	-1,136.75	20,000.00	Under budget due to timing of expenses
Minor Improvements/Repairs	14,621.37	13,963.50	657.87	167,292.00	Difference due to timing of expenses
Office	5,876.83	7,801.48	-1,924.65	92,789.50	Difference due to timing of expenses
Other Expenses/Misc	7,535.06	5,549.00	1,986.06	66,472.87	Mthly Amortization expense - partially offset by DCC in rev above
PD Consulting	1,263.97	0.00	1,263.97	0.00	Timing of PD
PD Expenses	6,834.09	9,847.50	-3,013.41	118,180.00	Timing of PD
Processing Fees	20,527.25	19,460.73	1,066.52	233,528.76	In line with budget
Professional Fees	1,250.00	2,083.34	-833.34	25,000.00	Allowance for legal not utilized this month
Technology/Communications	12,766.63	13,189.54	-422.91	158,147.21	In line with budget
Toys/Materials	7,231.44	11,971.77	-4,740.33	141,461.00	Under budget due to timing and receiving of funding
6-1020 - Bad Debts	286.40	943.70	-657.30	11,133.56	Under due to timing
6-1075 - Food	41,230.26	41,541.03	-310.77	499,505.93	In line with budget
6-1092 - Wage Enhancement	75,702.94	0.00	75,702.94	0.00	Offset with income booked above
6-1093 - Wage Enhancement - Benefits	10,896.01	0.00	10,896.01	0.00	Offset with income booked above
6-1095 - Insurance	3,922.32	3,628.23	294.09	43,498.40	In line with budget
6-1147 - Prov of Ontario - Water	262.73	0.00	262.73	0.00	In and out with funding, not budgeted for
6-1175 - Rent	23,088.18	27,686.01	-4,597.83	326,885.96	Budgeted to start HCC Durham rent in Jan - won't start until Jun-19
6-1215 - Travel	2,192.04	3,687.98	-1,495.94	79,442.83	Due to timing
6-1220 - Trips & Activities	38.55	3,250.00	-3,211.45	3,000.00	Due to majority of trips occurring in the summer mths
6-1225 - Utilities	9,804.51	9,002.51	802.00	108,030.12	Increased Lindsay accrual this year
6-5100 - Wages & Benefits	979,175.46	983,118.27	-3,942.81	11,805,086.33	In line with budget
6-5200 - DNRFP	46,948.60				Offsets with revenue rec'd (with the exception with \$2 Prem which is being funded internally)
Total Expense	1,271,984.55	1,158,391.25	113,593.30	13,899,454.47	
Net Ordinary Income	59,629.62	43,336.45	16,293.17	772,860.52	
Net Income	59,629.62	43,336.45	16,293.17	772,860.52	

Compass Early Learning and Care  
Profit & Loss vs Budget  
February 2019

	Feb 19	Budget	\$ Over Budget	Jan - Feb 19	YTD Budget	\$ Over Budget	Annual Budget	
<b>Ordinary Income/Expense</b>								
<b>Income</b>								
DNFRP	34,572.05	0.00	34,572.05	73,467.68	0.00	73,467.68	0.00	Not budgeted for, offsets with expense below
General Operating Funding	171,793.96	181,536.82	-9,742.86	343,587.92	363,073.64	-19,485.72	2,390,744.80	Booked conservative waiting on allocation for exp funds
Other Funding	18,666.94	15,644.41	3,022.53	37,778.18	31,287.82	6,490.36	187,732.00	DCC amort. Offsets with amort (budgeted for in capital)
Other Income	1,104.40	1,333.34	-228.94	2,304.75	2,666.68	-361.93	16,000.00	In line with budget
Parent/Admin Fees	925,137.85	1,000,803.82	-75,665.97	1,918,290.79	1,987,430.95	-69,140.16	11,878,794.21	less operating days in Feb & timing with new providers for HCC
PD Commission	8,000.00	10,416.66	-2,416.66	21,183.46	20,833.32	350.14	125,000.00	Timing of PD
PD Income	2,241.66	708.34	1,533.32	4,457.31	1,416.68	3,040.63	8,500.00	Timing of PD
Wage Enhancement Income	75,364.97			161,963.91				Offset with expenses below / Not budgeted for
Wage Subsidy/Pay Equity	5,462.00	5,462.00	0.00	10,924.00	10,924.00	0.00	65,543.98	In line with budget
<b>Total Income</b>	<b>1,242,343.83</b>	<b>1,215,905.39</b>	<b>26,438.44</b>	<b>2,573,958.00</b>	<b>2,417,633.09</b>	<b>156,324.91</b>	<b>14,672,314.99</b>	
<b>Gross Profit</b>	<b>1,242,343.83</b>	<b>1,215,905.39</b>	<b>26,438.44</b>	<b>2,573,958.00</b>	<b>2,417,633.09</b>	<b>156,324.91</b>	<b>14,672,314.99</b>	
<b>Expense</b>								
Marketing/Advertising	1,397.73	1,666.66	-268.93	1,927.64	3,333.32	-1,405.68	20,000.00	Under budget due to timing of expenses
Minor Improvements/Repairs	13,827.90	13,963.50	-135.60	28,449.27	27,927.00	522.27	167,292.00	In line with budget
Office	8,329.01	7,801.48	527.53	14,205.84	15,602.96	-1,397.12	92,789.50	Difference due to timing of expenses
Other Expenses/Misc	7,594.69	5,549.00	2,045.69	15,129.75	11,098.00	4,031.75	66,596.00	Mthly Amortization expense
PD Consulting	3,330.62	0.00	3,330.62	4,594.59	0.00	4,594.59	0.00	Timing of PD
PD Expenses	6,800.88	9,847.50	-3,046.62	13,634.97	19,695.00	-6,060.03	118,180.00	Timing of PD
Processing Fees	22,460.94	19,460.73	3,000.21	42,988.19	38,921.46	4,066.73	233,405.63	Timing differences
Professional Fees	1,250.00	2,083.34	-833.34	2,500.00	4,166.68	-1,666.68	25,000.00	Allowance for legal not utilized this month
Technology/Communications	12,219.85	13,189.54	-969.69	24,986.48	26,379.08	-1,392.60	158,147.21	Less due to timing of expenses
Toys/Materials	4,899.50	11,971.77	-7,072.27	12,130.94	23,943.54	-11,812.60	141,461.00	Under budget due to timing and receiving of funding
6-1020 - Bad Debts	15.57	943.70	-928.13	301.97	1,887.40	-1,585.43	11,133.56	Under due to timing
6-1075 - Food	33,766.89	42,000.68	-8,233.79	74,997.15	83,541.71	-8,544.56	499,505.93	under budget due to operating days
6-1092 - Wage Enhancement	65,826.36	0.00	65,826.36	141,529.30	0.00	141,529.30	0.00	Offset with income booked above
6-1093 - Wage Enhancement - Benefits	9,538.61	0.00	9,538.61	20,434.62	0.00	20,434.62	0.00	Offset with income booked above
6-1095 - Insurance	3,794.61	3,628.23	166.38	7,716.93	7,256.46	460.47	43,498.40	In line with budget
6-1147 - Prov of Ontario - Water	88.43	0.00	88.43	351.16	0.00	351.16	0.00	In and out with funding, not budgeted for
6-1175 - Rent	24,055.32	27,686.01	-3,630.69	47,143.50	55,372.02	-8,228.52	326,885.96	Budgeted to start HCC Durham rent in Jan - won't start until Jun-1'
6-1215 - Travel	3,581.09	3,687.98	-106.89	5,773.13	7,375.96	-1,602.83	79,442.83	In line with budget MTD, under budget YTD due to timing
6-1220 - Trips & Activities	0.00	3,250.00	-3,250.00	38.55	6,500.00	-6,461.45	3,000.00	Due to majority of trips occurring in the summer mths
6-1225 - Utilities	11,485.59	9,002.51	2,483.08	21,290.10	18,005.02	3,285.08	108,030.12	Timing of when invoices were received
6-5100 - Wages & Benefits	957,879.52	992,368.79	-34,489.27	1,975,854.98	1,975,487.06	367.92	11,805,086.33	Under budget, in line with less parent fees
6-5200 - DNRFP	41,339.05			49,487.65				Offsets with revenue rec'd (with the exception with \$2 Prem which
<b>Total Expense</b>	<b>1,233,482.16</b>	<b>1,168,101.42</b>	<b>65,380.74</b>	<b>2,505,466.71</b>	<b>2,326,492.67</b>	<b>178,974.04</b>	<b>13,899,454.47</b>	
<b>Net Ordinary Income</b>	<b>8,861.67</b>	<b>47,803.97</b>	<b>-38,942.30</b>	<b>68,491.29</b>	<b>91,140.42</b>	<b>-22,649.13</b>	<b>772,860.52</b>	
	<b>8,861.67</b>	<b>47,803.97</b>	<b>-38,942.30</b>	<b>68,491.29</b>	<b>91,140.42</b>	<b>-22,649.13</b>	<b>772,860.52</b>	

Compass Early Learning and Care  
**Profit & Loss vs Budget**  
February 2019

Ordinary Income/Expense

Income

DNFRP

General Operating Funding

Other Funding

Other Income

Parent/Admin Fees

PD Commission

PD Income

Wage Enhancement Income

Wage Subsidy/Pay Equity

Total Income

Gross Profit

Expense

Marketing/Advertising

Minor Improvements/Repairs

Office

Other Expenses/Misc

PD Consulting

PD Expenses

Processing Fees

Professional Fees

Technology/Communications

Toys/Materials

6-1020 - Bad Debts

6-1075 - Food

6-1092 - Wage Enhancement

6-1093 - Wage Enhancement - Benefits

6-1095 - Insurance

6-1147 - Prov of Ontario - Water

6-1175 - Rent

9

6-1215 - Travel

6-1220 - Trips & Activities

6-1225 - Utilities

6-5100 - Wages & Benefits

6-5200 - DNRFP h is being funded internally)

Total Expense

Net Ordinary Income



Compass Early Learning and Care  
Balance Sheet  
As of January 31, 2019

	Jan 31, 19	Jan 31, 18	\$ Change	% Change	
ASSETS					
Current Assets					
Chequing/Savings					
Cash and bank	990,508.51	346,732.64	643,775.87	185.7%	Increase due to operating surplus and receiving Q1 funds early
Temporary investments	872,021.42	560,906.75	311,114.67	55.5%	Transfer of \$300K into investments in Jul-18
Total Chequing/Savings	1,862,620.27	907,639.39	954,980.88	105.2%	
Accounts Receivable					
Accounts Receivable - Grants	28,149.42	149,183.83	-121,034.41	-81.1%	\$123K was received last April for 2017 CKL top up In relation to timing of pymts received, increase to AFDA & PD for closer AR follow up
1-1160 - Accounts Receivable - Parents	584,883.85	695,534.93	-110,651.08	-15.9%	Timing difference
1-1280 - PD Receivable	53,455.58	5,146.00	48,309.58	938.8%	Timing of payments received by providers
1-1285 - Provider Admin Fee Receivable	-300.00	1,900.00	-2,200.00	-115.8%	
Total Accounts Receivable	666,188.85	851,764.76	-185,575.91	-21.8%	
Other Current Assets					
Accounts Receivable Fee Subsidy	226,624.78	214,038.94	12,585.84	5.9%	In line with parent fee growth
1-1220 - Accounts Receivable - Other	12,621.45	16,649.32	-4,027.87	-24.2%	Reducing in account due to wage garnishment
1-1252 - Employee Computer Advances	-242.78	0.00	-242.78	-100.0%	Similar YOY
1-1274 - Extraordinary Needs Donation	0.00	-18.98	18.98	100.0%	Similar YOY
1-1275 - Interest	1,000.00	750.00	250.00	33.3%	Increase in interest correlates to increase in Investment
1-2000 - Undeposited Funds	100.00	128.10	-28.10	-21.9%	Similar YOY
1-2200 - Prepaid Expenses	77,349.68	82,265.38	-4,915.70	-6.0%	Decrease due to recognizing Reggio expenses in 2018 partially offset increases due to HCC Durham & Lindsay rent deposits
Total Other Current Assets	317,453.13	313,812.76	3,640.37	1.2%	
Total Current Assets	2,846,262.25	2,073,216.91	773,045.34	37.3%	
Total Fixed Assets	381,788.86	400,291.63	-18,502.77	-4.6%	
TOTAL ASSETS	3,228,051.11	2,473,508.54	754,542.57	30.5%	
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Total Accounts Payable	97,305.27	96,731.17	574.10	0.6%	Similar YOY
Total Credit Cards	-2,775.06	18,501.17	-21,276.23	-115.0%	Timing of pymts
Other Current Liabilities					
Accounts Payable - Other	27,368.73	105,446.32	-78,077.59	-74.0%	Providers were paid separate via AP for PY, currently being paid through ADP
Deferred Revenue	778,802.57	547,410.78	231,391.79	42.3%	CK Expansion funding received
2-1203 - Deposits - Parents	395,135.16	333,255.65	61,879.51	18.6%	Increase due to new families
2-1325 - Accrued Liabilities	68,469.86	59,216.18	9,253.68	15.6%	Accrue for WEG that was paid in Feb
2-2061 - Quality Child Care Petrborough	442.00	442.00	0.00	0.0%	Same year over year
2-2062 - Coalition for Better Child Care	2,489.69	4,979.73	-2,490.04	-50.0%	Difference due to expenses associated with govt advocacy
25500 - GST/HST Payable	0.00	-5,461.77	5,461.77	100.0%	Difference due to timing of re-allocation and increase in expenses
Total Other Current Liabilities	1,272,708.01	1,045,288.89	227,419.12	21.8%	
Total Current Liabilities	1,367,238.22	1,160,521.23	206,716.99	17.8%	
Total Equity	1,860,812.89	1,312,987.31	547,825.58	41.7%	
TOTAL LIABILITIES & EQUITY	3,228,051.11	2,473,508.54	754,542.57	30.5%	

Compass Early Learning and Care  
Balance Sheet  
As of February 28, 2019

	Feb 28, 19	Feb 28, 18	\$ Change	% Change	
ASSETS					
Current Assets					
Chequing/Savings					
Cash and bank	1,140,565.47	324,332.80	816,232.67	251.67%	Increase due to operating surplus and receiving Q1 funds early
Temporary investments	872,021.42	560,906.75	311,114.67	55.47%	Transfer of \$300K into investments in Jul-18
Total Chequing/Savings	2,012,586.89	885,239.55	1,127,347.34	127.35%	
Accounts Receivable					
Accounts Receivable - Grants	64,582.10	163,403.76	-98,821.66	-60.48%	\$123K was received last April for 2017 CKL top up
1-1160 · Accounts Receivable - Parents	522,442.90	710,627.71	-188,184.81	-26.48%	In relation to timing of pymts received, increase to AFDA & PD for closer AR follow up
1-1280 · PD Receivable	61,455.58	5,036.55	56,419.03	1,120.19%	Timing difference
1-1285 · Provider Admin Fee Receivable	-600.00	700.00	-1,300.00	-185.71%	Timing of payments received by providers
Total Accounts Receivable	647,880.58	879,768.02	-231,887.44	-26.36%	
Other Current Assets					
Accounts Receivable Fee Subsidy	201,357.97	187,496.82	13,861.15	7.39%	In line with parent fee growth
1-1220 · Accounts Receivable - Other	12,621.45	16,239.32	-3,617.87	-22.28%	Reducing in account due to wage garnishment
1-1252 · Employee Computer Advances	-242.78	0.00	-242.78	-100.0%	Similar YOY
1-1274 · Extraordinary Needs Donation	0.00	-18.98	18.98	100.0%	Similar YOY
1-1275 · Interest	2,000.00	1,500.00	500.00	33.33%	Increase in interest correlates to increase in Investment
1-2000 · Undeposited Funds	0.00	128.10	-128.10	-100.0%	Similar YoY - timing of bank deposits
					Decrease due to recognizing Reggio expenses in 2018 partially offset increases due to HCC
1-2200 · Prepaid Expenses	69,110.57	75,336.28	-6,225.71	-8.26%	Durham & Lindsay rent deposits
Total Other Current Assets	284,847.21	280,681.54	4,165.67	1.48%	
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Total Accounts Payable	72,803.43	91,719.93	-18,916.50	-20.62%	Relates to timing of expenses billed
Total Credit Cards	-5,102.57	20,397.94	-25,500.51	-125.02%	Timing of pymts
Other Current Liabilities					
Accounts Payable - Other	27,403.94	122,774.79	-95,370.85	-77.68%	Providers are now being paid via ADP
Deferred Revenue	886,297.77	489,770.77	396,527.00	80.96%	CK Expansion funding received and Received HCC Durham (\$250K)
2-1203 · Deposits - Parents	394,008.14	339,091.18	54,916.96	16.2%	Increase due to new families
2-1325 · Accrued Liabilities	71,641.86	64,821.18	6,820.68	10.52%	Accrue for WEG that was paid in Mar
2-2061 · Quality Child Care Petrborough	442.00	442.00	0.00	0.0%	Same year over year
2-2062 · Coalition for Better Child Care	2,489.69	4,979.73	-2,490.04	-50.0%	Difference due to expenses associated with govt advocacy
25500 · GST/HST Payable	0.00	-10,138.30	10,138.30	100.0%	Difference due to timing of re-allocation and increase in expenses
Total Other Current Liabilities	1,382,283.40	1,011,741.35	370,542.05	36.62%	
Total Current Liabilities	1,449,984.26	1,123,859.22	326,125.04	29.02%	
Total Liabilities	1,449,984.26	1,123,859.22	326,125.04	29.02%	
Total Equity	1,869,584.22	1,315,283.24	554,300.98	42.14%	
TOTAL LIABILITIES & EQUITY	3,319,568.48	2,439,142.46	880,426.02	36.1%	

# Board of Directors

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## CEO Report

March, 2019

Happy Spring, everyone. A group of us, (12) including Kathy Warner and Karen Sjolín, just returned from the WorkHuman Conference in Nashville. It was an inspiring conference filled with thought provoking systems, research and theory about human relations in the workplace. We always find that these conferences catapult us forward in our work. This was no exception. Self-Management is a new and developing way of doing business. Research is demonstrating that it is the most effective way to manage in today's world. But we did not grow up in a system that gave such accountability to individuals and learning about the systems and structures to be successful and productive is crucial. This year we took Amy Starmans, Human Resources Assistant, Loretta Shaunessey, Program Lead for School Age, Angela Baker, Site Supervisor for School Age, Jess Lowes, Educator, Victoria Graduate, Norma Curtis, Program and Pedagogical Lead, Millbrook, Sam Monteith, Program and Administrative Lead for Peterborough, Kathy Warner, President of the board, myself, Jill, Jenny and Lorrie.

My great Ah-hah moment was when Cy Wakeman talked about employee engagement. Her research showed that when your goal is employee engagement, you get entitlement. When your goal is accountability, you get engagement. Work with the willing, stop paying attention to those employees who are unwilling to put the work in to further our strategic plan. So much to think about and so incredibly powerful. Already having different conversations.

Government Relations: The big news is that we are awaiting the Provincial budget, to be revealed April 11. There are lots of rumors, but little real info about the plans that the government has for early learning and care. Fingers crossed that they leave us alone.

I think that there are compelling reasons to do so. The impact on parent fees would be substantial if they remove funding from the present system. The conservatives have put forth a platform of a rebate to parents for child care fees. They will try to pay for this citing that the parents will have more choice and more money in their pockets.

1. More choice - cutting child care funding will further destabilize a system that is already under great financial pressure. We can cite the number of program closures, inability to attract and retain staff and the lack of adequate funding for capital

expansion to meet the growing demand for licensed child care. Cuts to child care funding will indeed narrow the choices for parents and limit them to unlicensed care with no accountability or health and safety oversight.

2. More money in parent's pockets - parents in the licensed system could see 10 to 30 per cent hikes in their fees, depending on the type of cuts the government chooses to make. The cut of the wage enhancement grant alone would result in more than a 10% increase in fees. Reallocating funds may seem like a good idea but in the long run, parents will see their fees increase and less money in their pocket and no choice for the type of care they can access for their child.

In the near future, we will need to discuss the impact of the budget and make decisions on how we can respond. Here are some main points to consider:

1. 80 % of our revenue comes from parent fees and 80% of expenses is for wages. This means that making up shortfalls in funding must come from these areas.
2. Wage enhancement funding was 857,500 last year. This is approximately 9% of our total wages and benefits.
3. It is extremely difficult to attract and retain educators to the child care field. The school board pays \$5 to \$10 more per hour and a pension plan. Cutting wages by \$2 would see many educators leaving the field or going to the school board. We would lose many educators and we would find it difficult to keep our doors open and meet licensing standards.
4. Families are extremely stretched to pay their child care invoices now. With a 10 to 30 % increase depending on where and how much is cut, we will lose families.

Now, as many of you know, I am not normally pessimistic. However, there are many drawbacks to the proposed cuts. As is expected, there are many rumors about subsidies being cut or the wage enhancement or that the kindergarten program would have 2 ECE's instead of 1, leaving us with even fewer ECE's to attract and retain. Until the budget is announced, we will not know how it will affect us.

I would like to propose that, at our board meeting on May 20<sup>th</sup>, we discuss the facts, its impact, our response and our next steps.

# BACK-UP CARE



## Policy Statement

Compass Early Learning and Care makes every effort to support the arrangement of back-up care for parents who request it.

## Policy Guidelines

1. **Replacement (back-up) Home Child Care Providers meet all applicable regulatory requirements.**
2. Compass Early Learning and Care makes every attempt to provide back-up care.
3. Scheduled back-up care is subject to the same protocols as regular care.

## Procedure

1. **Before providing care for children replacement Home Child Care Providers:**
  - a) **Are 18 years of age or older.**
  - b) **Have an acceptable police vulnerable sector check.**
  - c) **Complete a satisfactory Health Assessment.**
  - d) **Complete Standard First Aid and Level C CPR.**
  - e) **Review all HCC policies and applicable Individual Support Plans.**

## **Emergency Back-up Care**

1. If an HCC Provider is unable to provide care:
  - a) The Provider notifies the Home Child Care Consultant and parents as soon as possible.
  - b) During business hours, parents will contact the Home Child Care Consultant at the administrative office.
  - c) Outside of regular office hours, parents contact the on-call HCC Consultant.
  - d) The HCC Consultant ensures the back-up Provider has all the children's emergency information.

## **Appointment Back-up Care**

1. The HCC Provider gives prior notice to parents and the HCC Consultant if Compass ELC back-up providers are used.
2. The HCC Consultant may support with back-up care if available.