

**THE LEARNING ENRICHMENT FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2022**

THE LEARNING ENRICHMENT FOUNDATION
Financial Statements
December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Learning Enrichment Foundation

Opinion

We have audited the financial statements of The Learning Enrichment Foundation, which comprise the statement of financial position as at December 31, 2022, and the statements of operations and 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 Learning Enrichment Foundation as at December 31, 2022 and the results of its 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 Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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:

INDEPENDENT AUDITOR'S REPORT, continued

- ◆ 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 Foundation'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 Foundation'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 Foundation 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.

Akler Browning LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
April 18, 2023

THE LEARNING ENRICHMENT FOUNDATION

Statement of Financial Position

December 31, 2022

	2022	2021
Assets		
Current		
Cash and cash equivalents	\$ 9,876,971	\$ 7,056,901
Accounts receivable (note 2)	586,594	448,804
Grants and subsidies receivable (note 3)	-	2,612,859
HST rebate receivable	123,194	67,786
Prepays and deposits	134,021	134,457
Total Current	10,720,780	10,320,807
Property and equipment (note 4)	9,403,112	9,768,570
Property under development (note 5)	791,978	130,296
Total Assets	\$ 20,915,870	\$ 20,219,673
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 2,669,929	\$ 1,830,983
Deferred contributions (note 6)	6,603,314	6,539,594
Current portion of mortgage payable (note 7)	4,676,314	136,046
Total Current	13,949,557	8,506,623
Mortgage payable (note 7)	-	4,676,314
Deferred contributions related to property and equipment (note 8)	4,825,150	4,929,421
Total Liabilities	18,774,707	18,112,358
Fund Balances		
Net assets	2,141,163	2,107,315
Total Liabilities and Fund Balances	\$ 20,915,870	\$ 20,219,673

Approved on behalf of the Board:



April 18, 2023

Date

Director



Director

THE LEARNING ENRICHMENT FOUNDATION
Statement of Operations and Changes in Net Assets
Year ended December 31, 2022

	2022	2021
Revenues		
Grants and contribution agreements (notes 9 and 10)	\$ 17,377,343	\$ 18,573,901
Subsidy fees	6,199,764	4,225,170
Client fees	5,002,126	3,152,613
Fundraising, donations and other	809,098	111,575
Rental and interest	583,237	458,732
Fee for service	234,128	40,570
Enterprise	56,448	86,848
Total revenues	30,262,144	26,649,409
Expenditures		
Wages and benefits (note 11)	22,653,312	20,622,752
Program related	1,540,232	1,498,942
Consulting	1,393,380	755,329
Food	987,154	545,814
Rent	845,581	522,072
Technology supplies	555,664	414,151
Amortization	365,458	351,626
Repairs and maintenance	264,281	267,518
Professional fees	220,308	176,133
Telephone	212,700	161,896
Utilities	212,144	215,649
Insurance	191,708	180,986
Food delivery	183,912	162,005
Office and general	160,202	104,046
Mortgage interest	156,752	183,534
Training and development	103,647	36,729
Legal fees	68,086	91,627
Property taxes	64,111	96,727
Business travel	35,924	14,410
Conference	6,656	563
Advertising and promotion	3,600	11,250
Bad debts	3,484	15,528
Total expenditures	30,228,296	26,429,287
Excess of revenues over expenditures for the year	33,848	220,122
Net assets, beginning of year	2,107,315	1,887,193
Net assets, end of year	\$ 2,141,163	\$ 2,107,315

THE LEARNING ENRICHMENT FOUNDATION
Schedule of Administrative
Year ended December 31, 2022

	2022	2021
Revenue		
Fundraising, donations, and other	\$ 104,831	\$ 44,288
Rental and interest	99,884	2,345
Grants and contribution agreements	73,662	1,201,819
Client fees	-	15,598
	278,377	1,264,050
Expenditures		
Wages and benefits	2,342,500	2,314,889
Consulting	450,286	356,182
Technology supplies	447,853	295,315
Insurance	132,002	132,996
Professional fees	111,776	101,198
Telephone	98,374	50,875
Training and development	81,932	24,005
Office and general	48,771	62,459
Legal fees	47,060	51,790
Business travel	32,972	11,172
Program related	9,480	6,223
Conference	4,214	563
Advertising	3,600	10,500
Bad debts	1,498	3,528
	3,812,318	3,421,695
Deficiency of revenues over expenditures before allocation of expenditures	(3,533,941)	(2,157,645)
Allocation of expenditures		
Childcare	3,677,280	2,529,559
Other projects	715,086	462,259
Food services	84,649	73,685
Building	(263,312)	(264,052)
	4,213,703	2,801,451
Excess of revenues over expenditures	\$ 679,762	\$ 643,806

THE LEARNING ENRICHMENT FOUNDATION
Schedule of Childcare
Year ended December 31, 2022

	2022	2021
Revenue		
Grants and contribution agreements	\$ 12,112,762	\$ 12,597,685
Subsidy fees	6,199,764	4,225,170
Client fees	5,002,126	3,137,015
	23,314,652	19,959,870
Expenditures		
Wages and benefits	15,825,800	14,508,688
Program related	1,092,545	1,115,383
Rent	405,028	63,573
Professional fees	108,532	71,955
Consulting	82,604	4,865
Telephone	81,896	86,233
Food	72,096	60,229
Repairs and maintenance	42,140	54,532
Technology supplies	33,919	87,664
Amortization	24,760	29,522
Office and general	24,145	26,268
Legal Fees	21,026	17,804
Food delivery	19,310	-
Training and development	15,633	11,488
Utilities	6,704	6,210
Conference	2,442	-
Bad debts	1,986	12,000
	17,860,566	16,156,414
Excess of revenues over expenditures before allocation of expenditures	5,454,086	3,803,456
Allocation of expenditures		
Building	(291,708)	(265,900)
Food services	(1,529,854)	(823,974)
Administration	(3,677,280)	(2,529,559)
	(5,498,842)	(3,619,433)
(Deficiency) excess of revenues over expenditures	\$ (44,756)	\$ 184,023

THE LEARNING ENRICHMENT FOUNDATION
Schedule of Building
Year ended December 31, 2022

	2022	2021
Revenue		
Rental and interest income	\$ 483,353	\$ 456,387
Grants and contribution agreements	253,471	327,245
Fundraising, donations, and other	1,635	2,787
	738,459	786,419
Expenditures		
Rent	431,193	450,877
Wages and benefits	368,154	235,214
Amortization	337,658	317,402
Repairs and maintenance	218,201	212,986
Utilities	205,440	209,439
Mortgage Interest	156,752	183,534
Office and general	74,782	8,974
Property taxes	64,111	96,727
Insurance	59,706	47,990
Telephone	19,727	11,246
Program related	11,909	62,052
Consulting	3,100	131,299
Business travel	2,952	3,238
Training and development	1,849	-
Technology supplies	1,766	-
Legal fees	-	22,033
	1,957,300	1,993,011
Deficiency of revenues over expenditures before allocation of expenditures	(1,218,841)	(1,206,592)
Allocation of expenditures		
Other projects	312,554	281,261
Childcare	291,708	265,900
Administration	263,312	264,052
Food services	111,136	111,136
	978,710	922,349
Deficiency of revenues over expenditures	\$ (240,131)	\$ (284,243)

THE LEARNING ENRICHMENT FOUNDATION
Schedule of Food Services
Year ended December 31, 2022

	2022	2021
Revenue		
Grants and contribution agreements	\$ -	\$ 184,875
Expenditures		
Food	915,059	485,584
Wages and benefits	590,480	450,523
Food delivery	164,602	162,005
Program related	35,671	15,586
Repairs and maintenance	3,940	-
Amortization	3,040	4,702
	1,712,792	1,118,400
Deficiency of revenues over expenditures before allocation of expenditures	(1,712,792)	(933,525)
Allocation of expenditures		
Childcare	1,529,854	823,974
Other projects	20,000	-
Administration	(84,649)	(73,685)
Building	(111,136)	(111,136)
	1,354,069	639,153
Deficiency of revenues over expenditures	\$ (358,723)	\$ (294,372)

THE LEARNING ENRICHMENT FOUNDATION
Schedule of Other Projects
Year ended December 31, 2022

	2022	2021
Revenue		
Grants and contribution agreements	\$ 4,937,448	\$ 4,262,277
Fundraising	702,632	64,500
Fee for service	234,128	40,570
Enterprise	56,448	86,848
	5,930,656	4,454,195
Expenditures		
Wages and benefits	3,526,376	3,113,440
Consulting	857,390	262,983
Program related	390,627	299,698
Technology supplies	72,126	31,172
Telephone	12,703	13,542
Office and general	12,504	6,345
Rent	9,361	7,621
Training and development	4,233	1,236
Professional fees	-	2,980
Advertising	-	750
	4,885,320	3,739,767
Excess of revenues over expenditures before allocation of expenditures	1,045,336	714,428
Allocation of expenditures		
Food services	(20,000)	-
Building	(312,554)	(281,261)
Administration	(715,086)	(462,259)
	(1,047,640)	(743,520)
Deficiency of revenues over expenditures	\$ (2,304)	\$ (29,092)

THE LEARNING ENRICHMENT FOUNDATION**Statement of Cash Flows**

Year ended December 31, 2022

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenditures for the year	\$ 33,848	\$ 220,122
Adjustments for non-cash items		
Amortization	365,458	351,626
Amortization of deferred contributions related to property and equipment	(246,471)	(259,443)
	152,835	312,305
Net change in non-cash working capital items		
Accounts receivable	(137,790)	(89,021)
Grants and subsidies receivable	2,612,859	290,715
HST rebate receivable	(55,408)	37,602
Prepays and deposits	436	193,550
Accounts payable and accrued liabilities	838,947	(186,630)
Deferred contributions	63,720	3,074,541
	3,322,764	3,320,757
Cash Provided by Operating Activities	3,475,599	3,633,062
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(2,087,832)
Property under development	(661,683)	(130,296)
Cash Used in Investing Activities	(661,683)	(2,218,128)
CASH FLOWS FROM FINANCING ACTIVITIES		
Mortgage payable	(136,046)	(122,186)
Deferred contributions related to property and equipment (net)	142,200	3,500,000
Cash Provided by Financing Activities	6,154	3,377,814
Net increase in cash and cash equivalents	2,820,070	4,792,748
Cash and cash equivalents, beginning of year	7,056,901	2,264,153
Cash and cash equivalents, end of year	\$ 9,876,971	\$ 7,056,901

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

NATURE OF OPERATIONS

The Learning Enrichment Foundation ("the Foundation") is a non-profit organization incorporated without share capital and is registered with the Canada Revenue Agency as a charity, within the meaning of the Income Tax Act. The objects of the Foundation include educational programs, such as the operation of child care centres, before and after school programs, employment training and counselling services and other employment development projects, as well as operating non-profit residential accommodation for seniors, the disabled or anyone with low income.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Cash and cash equivalents

Bank balances, including bank overdrafts with balances that fluctuate from positive to overdrawn, are presented under cash and cash equivalents. Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

(b) Property and equipment

Property and equipment are accounted for at cost and amortized over their estimated useful life using the following methods and rates or duration.

Costs related to property under development are not being amortized. Amortization will commence once the property has been fully developed and is available for use.

Building	5% Declining balance
Equipment and fixtures	5 years Straight-line

(c) Impairment of long-lived assets

Property and equipment subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

(d) Revenue recognition

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

Client fees, fee for service, vocational training, rental and investment income and enterprise revenues are recognized on the accrual basis as earned.

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Deferred contributions related to property and equipment

Deferred contributions related to property and equipment represent restricted contributions for the purchase of building, equipment and fixtures. Deferred capital contributions are recognized as revenue on the same basis as the related property and equipment is being amortized. Deferred contributions related to property under development are not being amortized. Amortization will commence once the property has been fully developed and is available for use.

(f) Government assistance

The Foundation is entitled to the Canada Emergency Wage Subsidy, Hardest-Hit Business Recovery Program and the Canada Emergency Rent Subsidy, which are accounted for using the income approach. Under this approach, government subsidies are recognized as revenue in the period in which those expenses are incurred. The subsidy is also subject to a review by the tax authorities. Any differences between the subsidies granted and the subsidies recognized will be recorded in net income in the period in which new information will be known.

(g) Contributed materials and services

Volunteers contribute time and the use of their vehicles in support of programs. The organization would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty of compiling these hours, contributed services are not recognized in the financial statements. The fair market value of donated property and equipment is recognized as donation revenue in the year the property and equipment are donated, if the fair market value can be reasonably estimated.

Rent not charged for certain facilities used by the Foundation has not been recognized in the financial statements as it is impractical to determine the fair market value of these amounts.

(h) Allocation of expenditures

The Foundation engages in various programs and services. The costs of each program includes the cost of personnel and other expenditures that are directly related to providing the services. The Foundation also incurs other expenditures that are common to the management and operations of the Foundation and each of its programs.

The Foundation allocates certain of its administration expenditures, wages and benefits, professional fees, legal fees, insurance, rent, telephone, food costs, office and general and advertising by identifying the appropriate basis of allocating each component expenditure, and applies the basis consistently each year according to contracts with the Federal, Provincial and Municipal governments. These costs are included in the expenditures and/or recoveries between programs per the schedules attached to the financial statements.

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Financial instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair value.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenditures in the period incurred.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, grants and subsidies receivable and HST rebate receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The mortgage payable is measured at amortized cost net of finance fees.

The Foundation has not designated any financial asset or financial liability to be measured at fair value.

Impairment

For financial assets measured at amortized cost, the Foundation determines whether there are indications of possible impairment. When there is an indication of impairment, and the association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

(j) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenditures for the period covered. The main estimates relate to the impairment of financial assets, the useful life of property and equipment and allowance for doubtful accounts.

2. ACCOUNTS RECEIVABLE

	2022	2021
Other receivables	\$ 415,290	\$ 337,155
Accounts receivable	189,043	132,131
Allowance for doubtful accounts	(17,739)	(20,482)
	\$ 586,594	\$ 448,804

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

3. GRANTS AND SUBSIDIES RECEIVABLE

	2022	2021
Canada Emergency Wage Subsidy and Hardest-Hit Business Recovery receivable	\$ -	\$ 2,612,859

4. PROPERTY AND EQUIPMENT

	2022		2021	
	Cost	Accumulated amortization	Net	Net
1240 Weston Road, York, Ontario				
Land	\$ 1,632,148	\$ -	\$ 1,632,148	\$ 1,632,148
Building	4,196,951	594,567	3,602,384	3,812,231
	5,829,099	594,567	5,234,532	5,444,379
1246 Weston Road, York, Ontario				
Land	643,341	-	643,341	643,341
Building	1,736,930	246,066	1,490,864	1,577,711
	2,380,271	246,066	2,134,205	2,221,052
1250 Weston Road, York, Ontario				
Land	1,096,971	-	1,096,971	1,096,971
Building	990,861	74,315	916,546	966,089
	2,087,832	74,315	2,013,517	2,063,060
Equipment and fixtures	255,109	234,251	20,858	40,079
	\$ 10,552,311	\$ 1,149,199	\$ 9,403,112	\$ 9,768,570

5. PROPERTY UNDER DEVELOPMENT

The Foundation is working with the City of Toronto to redevelop the land and buildings located at 1240, 1246 and 1250 Weston Road. The project is called The Mount Dennis Quilt. The redevelopment project will include a multi-use building, including both the ground level and the first few floors as community space. The remaining floors will consist of affordable residential units.

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources externally restricted by funding agencies plus restricted operation funding received in the current or a prior period that are related to a period subsequent to the year end.

Included in the year end balance is \$Nil (2021 - \$4,748,297) in wage grants received from the City of Toronto, Children's Services Division to be spent in a subsequent period. The analysis of the combined wage grants for the year is as follows:

	General Operating Grant	Pay Equity 1999-2005	Provincial Wage Enhancement	Safe Restart Funding
Deferred from prior years	\$ -	\$ -	\$ -	\$ 4,748,297
Received in this fiscal year	3,769,566	268,058	1,044,000	679,776
Wage grants expensed in this fiscal year according to Day Nurseries act, Regulation 262, amended to Ontario Regulation 277/98 section 1	(2,899,229)	(268,058)	(642,228)	(5,428,073)
Wage grants returned to Children's services this fiscal year	(870,337)	-	(401,772)	-
Wage grants deferred to future years	\$ -	\$ -	\$ -	\$ -
				CWELCC - Affordability (Revenue replacement)
Received in this fiscal year				\$ 5,937,410
Used in this fiscal year according to guidelines				(2,867,730)
Deferred to future years				(3,069,680)
Unused balance				\$ -

The Foundation enrolled and participated in the Canada-Wide Early Learning and Child Care ("CWELCC") system in which the Federal government provided funding to licensed child care providers to directly reduce fees paid by parents.

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

7. MORTGAGE PAYABLE

	2022	2021
3.6% mortgage, repayable in blended monthly installments of \$25,481, maturing February 27, 2023	\$ 4,676,314	\$ 4,812,360
Less current portion	4,676,314	136,046
Due beyond one year	\$ -	\$ 4,676,314

The mortgage is secured by land and building (Note 4), a general security agreement and an assignment of rents from 1240 Weston Road, York, Ontario and 1246 Weston Road, York, Ontario.

Subsequent to the end of the year, on February 6, 2023, the outstanding mortgage balance including any accrued interest and administrative fees was repaid in full.

8. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT

	2022	2021
Opening balance	\$ 4,929,421	\$ 1,688,864
Add: Contributions spent on property and equipment	142,200	3,500,000
Less: Amounts amortized to revenue (note 9)	(246,471)	(259,443)
Closing balance	\$ 4,825,150	\$ 4,929,421

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

9. GRANT AND CONTRIBUTION AGREEMENTS

	2022	2021
Federal		
Citizenship and Immigration Canada	\$ 2,014,068	\$ 1,878,127
Service Canada	1,243,106	814,589
Canada Emergency Wage Subsidy	-	4,592,725
	3,257,174	7,285,441
Provincial		
Ministry of Labour Training and Skill Development	1,488,204	1,074,242
Ministry of Community and Social Services	76,662	76,665
	1,564,866	1,150,907
Municipal - City of Toronto		
Safe Restart Fund	5,428,073	4,242,066
General Operating Grant	3,167,287	3,181,553
Canada-Wide Early Learning and Child Care	2,867,730	-
Provincial Wage Enhancement	642,228	425,934
Investment in Neighbourhood	192,069	207,327
Other Grants	7,445	48,328
One Time Stability Grant	-	1,624,902
	12,304,832	9,730,110
Amortization of deferred contributions related to property and equipment	246,471	259,443
Other	4,000	148,000
Total	\$ 17,377,343	\$ 18,573,901

10. GOVERNMENT ASSISTANCE

Included in grants and contribution agreements and deferred contributions respectively, is \$nil (2021 - \$4,620,678) and \$1,262,767 (2021 - \$3,516,151) of government assistance related to subsidies received under the Canada Emergency Wage Subsidy and the Hardest-Hit Business Recovery program. To meet the program requirements, the Foundation must show a reduction in revenues based on calculation methods as required by the Government of Canada. The revenue and subsidy calculations are subject to a review by the Canada Revenue Agency.

THE LEARNING ENRICHMENT FOUNDATION

Notes to the Financial Statements

December 31, 2022

11. PENSION PLAN

The Foundation switched from a defined contribution plan to a multi-employer defined benefit pension plan, administered by OPTrust in the current year. The current pension plan membership includes 338 of its employees as of December 31, 2022.

In accordance with Generally Accepted Accounting Principles, the Foundation has accounted for their multi-employer pension plan as a defined contribution plan even though the plan is a defined benefit plan as sufficient information is not available to use defined benefit plan accounting.

Every three years, the plan is required to have an actuarial valuation prepared. The last valuation was dated December 31, 2022 at which time it was determined the plan was in a surplus position. Payments to the organization's pension plan for the year ended December 31, 2022 were \$511,924 (2021 - \$494,663).

12. CONTRACTUAL OBLIGATION

The Foundation's total obligation, under various operating leases and a property lease agreement, exclusive of occupancy costs, is as follows:

2023	\$	384,300
2024		393,450
2025		402,600
2026		201,300
		<hr/>
		\$ 1,381,650

13. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk

Credit risk is the risk that one party to a financial transaction will cause a financial loss for the other party by failing to discharge an obligation. The Foundation's main credit risk relates to its accounts receivable, grants and subsidies receivable and HST rebate receivable.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its trade accounts payable. The Foundation expects to meet these obligations as they come due by generating sufficient cash flow from operations combined with the receipt of subsidies and grants from its funders.

13. FINANCIAL INSTRUMENTS, continued

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Foundation does not have significant exposure to any of these types of risk.
