



Children's Bridge

The Children's Bridge Annual Public Report

Presented at:

The Annual General Meeting

Via Teams

November 26th, 2022

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The Children's Bridge
Annual General Meeting
November 26, 2022

President's Report

To the Members of the Children's Bridge,

This past year the Children's Bridge (TCB) staff, families, and international partners, continued to navigate the lasting impacts of the COVID-19 pandemic. Despite the on-going challenges this has brought, TCB staff have continued to provide our member families with the same professional and compassionate support they always have.

Children's Bridge currently holds licenses for adoption programs in India, South Korea, Thailand, and The United States. During the 2022 fiscal year, TCB received 33 signed retainer agreements, which is more than the anticipated retainers for 2022 of 28. Given the ever-changing nature of international adoption, we have made a similar estimate of retainers for the upcoming year of 28.

Changes within the adoption agency include the Office Administrator, Emily Catton, taking on more work relating to programs, while still maintaining all office administration work. Additionally, TCB's Sr. Program Manager, Darlene Catton, began to take on more Executive Director responsibilities towards the end of the year to alleviate our Executive Director, Karyn Arnauld-Bakelaar when she was away. We are grateful to all TCB staff for being team players who are able to leverage their experts to drive the on-going success of the agency.

As for the Board of Directors, we say farewell to the following members; Andrea Thompson, Martha McLaine, Caitlin Downing, Peter Blaser and Jonathan Pribaz. On behalf of the Board, I thank all members for their service and wish them all the best in their future endeavors. The Board's Finance Committee focused on ensuring that the agency maintains a stable financial position. This year the agency earned a net surplus of \$25K and was able to invest more funds into a secured, high-interest GIC, which is in place to ensure that if unforeseen circumstances were to occur, all families in process would not have significant delays in their adoptions. Similar to last year, TCB was able to increase staff salaries and compensate our dedicated, knowledgeable, and expert staff appropriately. Looking to the year ahead, the Post Adoption Services Committee will be having discussions with TCB Foundation with regards to taking over Post Adoption Services. The first group offerings are expected to go live in the fall of 2023.

Thank you to everyone for contributing to the longevity of the Children's Bridge. May we continue to serve our community and work in the best interest of the children waiting to meet their forever families.



Raeanne Souliere
President, The Children's Bridge Board of Directors



Executive Director's Report

The Children's Bridge (TCB) - Annual General Meeting

November 26th, 2022

The past year was an exciting one for our agency, staff, and most important, for our waiting families, as we began to see the impacts of COVID-19 start to lessen as international travel slowly resumed after months/years of travel restrictions and pandemic precautions. While all of our adoption programs remained active throughout the pandemic, we were extremely pleased when, in early 2022, we began to see relaxed travel restrictions and forward movement resume in most of our adoption programs.

Due to the COVID-19 pandemic, TCB made the decision to permanently close our physical office space in November of 2020, and our team settled into the shifts in routine due to working remotely. We remain proud of our dedicated staff who made many adjustments in a very short period of time to ensure our families were guaranteed the same level of service and support regardless of where our desks were located. Many staff (and Board) hours were spent in collaboration as we worked through some of the challenges, as well as exciting opportunities, that remote working brought to our table. We are happy to report that these changes have led to an overall increased efficiency in facilitating adoptions, improved employee satisfaction, as well as a lessening of our environmental footprint.

Our staff continue to make use of Zoom and other video conferencing platforms to develop program information sessions as well as other training sessions for pre- and post-adoptive families as well as for adoption professionals. We host general Information Sessions for prospective adoptive parents (PAPs) via Zoom several times a year, as well as offer the opportunity for PAP's to attend *Country Specific Info Sessions* hosted by each Program Manager. Our team has also created and hosted an *Information Session* aimed at informing licensed Adoption Practitioners about our agency, as well as the programs, supports and services we offer. Our long-standing educational weekend workshop, AdoptTALK, is also held solely via Zoom, allowing us to reach families around the world.

The Children's Bridge (TCB) currently holds a license to facilitate intercountry adoptions from South Korea, USA, Thailand, and India (Mainstream and Special Needs). We work with adoptive families throughout Canada, aside from the province of Quebec. We also continue to maintain a program that offers families the opportunity to adopt children living with HIV via our HIV+ Kids Adoption Program. We also continue to explore new program possibilities on an ongoing basis.

The Children's Bridge is proud to state that we continue to take our ethical practice very seriously. Our organizational goal is to provide adoption services with a mission to work in the best interests of the children we serve, by creating a sustainable and ethical adoption practice. From start (intake) to "finish" we strive to ensure that every aspect of prospective applicants' values and ethics are aligned with our core beliefs, and that each family's adoption process reflects these values.



South Korea (Program Manager: Lenore Cork-Lemay):

TCB continues to work in partnership with the Korean Welfare Society, Inc. (formerly Social Welfare Society – SWS) in the Republic of South Korea to facilitate intercountry adoption for adoptive families in Ontario. The average age of a child at time of proposal is approximately 8 - 18 months, and the average age of most children at time of placement is 18 – 24 months. TCB currently has seven (7) families with dossiers in Korea that are waiting for a child proposal.

While South Korea closed its borders for a short time due to the COVID-19 pandemic, they were able to re-open for travel with careful safety measures in place May/June 2020. All adoptive families were appraised of the new travel rules and restrictions, and while adoptions took slightly longer in some cases, this allowed five of our waiting families to complete their adoptions this year despite worldwide travel restrictions. Some families have experienced delays due to the pandemic in obtaining Part Two approval in the IRCC process, or *Confirmation of Permanent Residency*, which takes place in Manila, Philippines.

At this time, our agency continues to receive child proposals, as well as news of court dates for families who have been matched with waiting children. Korea continues to enforce a 14-day mandatory quarantine at a designated facility for all families entering the country.

India (Program Manager: Karyn Arnould-Bakelaar):

Our India adoption program continues to thrive, and we are thankful to have the opportunity to work with many wonderful families in both the mainstream and special needs program. A special thanks goes out to our in-country coordinators, Karisa and Jamal, who work very hard for our families.

This adoption program saw some significant changes in August of 2022, when CARA announced the implementation of updated *Adoption Regulations*, considered to be in force as of September 1st, 2022. A copy of the *Adoption Regulations – 2022* can be viewed at:

http://cara.nic.in/PDF/adoption_regulations_2022_2709.PDF

A summary of the changes includes the following:

- Families with 2 or more children already in the home are only eligible to apply through the special needs program (previously 3 or more children in the home);
- Age Requirements: Couples with a composite age of under 85-years are eligible to adopt a child under the age of two (reduced from 90-years), and single applicants must be under age 40 to adopt a child under the age of two (reduced from 45-years);
- Adoption cases will no longer be presented and heard in Family Court, but cases will be scrutinized by the regional *District Child Protection Unit* (DCPU) and then submitted to the regional *District Magistrate* (DM) who will issue the *Adoption Order*;



- Chief Medical Officers (CMO's) will now be required to review the medical information of children designated as having special needs and must verify and sign-off of this designation before the child's file will be uploaded to the CARINGS database.

This year was a very busy one for India adoption program, as TCB currently has forty-three (43) families across Canada who are in process to adopt from India. Our agency welcomed the arrival of three children (one single, one sibling placement) this year who were placed with their families and are now home in Canada. Since November 2021, we have seen nine (9) waiting families who have been matched and accepted child proposals (8 singles, one set of siblings) and are now at various stages of completing the adoption process. The remainder of families are either waiting to be matched or working on completing their homestudy/dossier for submission to relevant authorities. Our agency also works with seven (7) families who continue to work on post placement reports, obtaining Canadian Citizenship for their children and overall file completion.

Thailand (Program Manager: Darlene Catton):

The Department of Children and Youth (DCY) advised TCB that due to the increased number of applications and fewer children in care, they would not be able to give us a quota for 2022. We were however able to send files from families open to adopting a child over the age of 4 and/or with special medical needs. To date, our agency has submitted 3 applications to the DCY in the 2022 quota year. In October we were also advised that this quota system will continue for 2023.

TCB received a quota (January 2022 – December 2022) from the Thai Red Cross Children's Home (TRCCH) of 2 file submissions in 2022. In this quota year, we have sent 3 files to the TRCCH (with their permission for the extra 1). We have not yet received our quota for 2023 but we anticipate being able to send at least 2 files. TCB has one single applicant whose file will be sent to the DCY in 2023.

This program currently has 3 families working on their home study or dossier submission, including one family that will complete a relative adoption from Thailand. We have one family with a proposed match.

We have had many families travel without incident this year.

We currently have 24 family files in Thailand waiting for child proposals. Proposals are coming in regularly but we continue to notice an increase in the timeline in some cases. We have also been advised that there are fewer young, healthy children waiting to be matched and they encourage families to be open to a wider age range and more medical needs.

There are 22 families who continue to work on post placement reports and finalization.



USA (Program Manager: Darlene Catton):

This adoption program currently has 3 families working on their dossiers to send to Heartsent, USA, and we have one relative adoption in process from the state of Michigan.

There are 6 family's files in the US waiting for a proposed match. The longest has been active and waiting since August 2020.

One family's file is on hold until December 2022.

TCB completed two adoptions via Heartsent Adoptions Inc. this year (from November 2021 to November 2022).

Staffing:

A special thanks is extended to our incredible staff, who remain a strong, committed, and dedicated team of professionals who continue to support our adoptive families throughout their adoption journey. International adoption increases in complexity on a regular basis, and this year was no exception to that. As always, our wonderful team not only weathered these challenges, but used them as opportunities to grow. Each challenge that arose was faced with grace, and resulted in increased skill-sets, as well as each of us developing a more finely-tuned capacity to problem solve and collaborate. We continue to remain extremely proud of our team as they continued to work in the best interest of the children we work for, as well as doing their utmost to support our families through each hurdle sent our way.

Each of our staff members are dedicated to well-being of *The Children's Bridge* as a whole, as well as to the families and children we work with and support. Each contributes countless hours of their time, expertise, and personal experience to ensure families are supported from the moment they commit to growing their family by adoption, until these children reach well into adulthood. This past year I was particularly in awe of the flexibility, resilience, and ongoing commitment they demonstrated to our agency, programs, and families and children. Our strong, capable, and committed team remains our greatest strength, and I continue to look forward to working with each of these amazing individuals in the years to come.

Adoption Placements (November 2021 – November 2022):

South Korea: 7

USA: 2

India: 3

Thailand: 6

Total Number of Placements: 18

During our last fiscal year spanning from August 1st, 2021 – July 31st, 2022, TCB retained a total of 33 new families.



Governance/Board of Directors

The Children's Bridge is governed by a membership-elected, volunteer Board of Directors. Directors' terms are normally held for a three-year period, and Directors can serve for a maximum of two terms. Elections take place during the Annual General Meeting (AGM) every November. Each Board member has been instrumental in lending their time and expertise to ensure that TCB is a well-governed and sustainable organization now, and well into the future.

As always, we were fortunate to be very well supported by our committed, hard-working, and entirely volunteer-based Board of Directors (BOD). We are particularly grateful for the leadership of our BOD Chair/President, Andrea Thompson, who recently stepped down from her role as of September 2022. We were very pleased to see our Treasurer, Raeanne Souliere, step into the role as Chair/President, and we look forward to her leadership and guidance in the years to come. We also are saying "see you soon" to Martha MacLaine (Vice-Chair), who has served two consecutive terms on our Board for a total of six-years of dedicated service to our agency. Thank you, Martha, for all that you have contributed to the sustainability of TCB over the past 6-years! We also are saying good-bye and thank you to Caitlin Downing (Secretary), Jonathan Pribaz, and Peter Blaser. We are genuinely grateful for all of your time and contributions to our Board meetings and agency projects. We could not function as an agency without our dedicated BOD members for their oversight, dedication, and overall guidance.

We truly appreciate all of the time, hard work and dedication it takes to serve on the Board and to ensure TCB remains viable and sustainable in the quickly shifting environment of international adoption. We look forward to welcoming several new Board members to our slate of officers in 2022/23.

I continue to remain proud of the integrity of our organization, and of each individual who remains committed to ensuring our agency operates with a high-level dedication to our principles and guiding ethics. Our agency, as always, continues to thrive due to the commitment that remains firmly in each of our minds as we tackle each new task – we are here to work in the best interests of the children we serve. We do this by continuing to maintain professional relationships with our in-country partners, strengthen our existing adoption programs, investigate new potential adoption programs and new ways of doing our work more efficient and effectively, and build on our pre and post adoption services. This ensures our work reflects our core values, which is to continue to provide ethical adoption programs that focus on serving children and maintain best practices for all families who choose to build their family through adoption.

Respectfully submitted by,

Karyn Arnault-Bakelaar

Karyn Arnault-Bakelaar

Executive Director/Program Manager - India

The Children's Bridge – International Adoption Agency

Suite #62 – 300 Greenbank Road, Ottawa, Ontario, K2H 0B6

karyn.arnault-bakelaar@childrensbridge.com | [Website](#) | [Facebook](#)

Treasurer's Report 2022

Despite the lasting impacts from the global pandemic, the Children's Bridge (TCB) remains dedicated to uniting children with their forever families. In 2022, the agency and its Board of Directors spent time on maintaining the financial health of the organization and providing a wide range of services that go above and beyond the needs of TCB's adoptive families.

For the fiscal year ending July 31, 2022, The Children's Bridge generated a surplus of \$25,056 (unaudited) compared to \$323,386 in 2021. The large decrease in surplus is mainly due to the timing of retainers, as over 65% of the year's retainers occurred in the second half of the year. Other contributing factors include the completion of clean up of revenue related to Facilitation, Post Placement, and Admin Fees that had been sitting in the trust account from prior years (\$59K in 2021 vs \$2K in 2022), as well as an increase in staff salaries, which was incorporated into the 2022 budget to ensure that TCB's dedicated staff were appropriately compensated as per market rates but especially for their commitment to creating a sustainable, ethical adoption practice.

At the end of the 2022 year, TCB had about \$1.13MM in cash, of which, a portion was put towards building the cash reserve, which is in place as a level of protection in case of an unforeseen shut down. TCB is proud to be one of the only organizations that has a contingency fund in place to ensure that if unforeseen circumstances were to occur, all families in process would not have significant delays in their adoptions. The cash and contingency fund was relatively stable year over year, with a value of \$1.11MM on July 31, 2021. The Board increased TCB's high interest GIC principal in 2022 from \$250K to \$300K. This investment diversifies the agency's revenue by generating interest income to support any unexpected deficits in future years. This is a secured 18-month GIC that earns an annual interest rate of 3.45%.

Initiatives for 2023 relate to TCB taking a proactive approach in expanding our reach to families across Canada, developing programs, and building relationships within the countries that our programs exist in. Through virtual information sessions, the agency has been able to reach a larger number of individuals in the East and West coasts of Canada, which has allowed us to help more Canadian families through the journey of adoption. For the 2023 budget, the Board continues to put emphasis on seeking licenses to expand the number of programs that we offer, as well as the need to travel to the countries in which we have programs in, as travel plans were put on hold from 2020 - 2022.

Sincerely,



Raeanne Souliere
Treasurer, The Children's Bridge Board of Directors

Governance Report 2022

This year, the Governance committee initiated a review and update of the existing Human Resources policies with a goal to present for Board review in early 2023. We are grateful that Darlene Catton and our Executive Director, Karyn Arnould-Bakelaar, dedicated significant efforts to this review in addition to their busy day-to-day activities supporting our adoptive families.

In September, our Treasurer Raeanne Souliere took over the role of President. This role was previously held by our esteemed colleague Andrea Thompson, whom we wish to thank for her leadership on the Board and her immense contributions as past Governance chair. We are grateful for our Vice President, Martha MacLaine for her sage advice and experiences in supporting adoptive families. Their long tenures as board members exemplify their commitment and dedication to the adoption community. It is their tenacity that has helped the Children's Bridge to continue to operate during the most challenging times of the pandemic.

We also appreciate the contributions made by Caitlin Downing, Peter Blaser and Jonathan Pribaz; we wish all our departing board members much success as they take on new challenges.

Moving forward, our goal is to focus on better documentation of our finance and budgeting processes. While we have been privileged to have Raeanne Souliere serve as our Treasurer and with great support from Mosher Bookkeeping, we recognize the need for a well-documented process to facilitate knowledge transfer to future board members.

In addition, we will undertake a review of our processes in the context of the new Province of Ontario Not-For-Profit Corporation Act, which took effect in October 2021. With new members joining the Board, we will have the support needed to complete the review and updates before the end of the Provincial transition period in October 2024.

We are grateful to have a dedicated and passionate team. We look forward to continuing serving children-in-waiting and those who wish to build a family through international adoption.

B Leung

Barbara Leung
Chair, Governance Committee

Post Adoption Services Report 2022

Over the past thirty years, The Children's Bridge (TCB) has reached a level of maturity and excellence in delivering a strong and supportive program for families as they proceed through the stages of adoption and bringing their children home. Our significant history has resulted in a large and growing community of both families and adoptive children/young adults who are living the unique experience of adoption. Over the past few years, and in particular with the recent challenges of the COVID health crisis, it has become increasingly evident that post adoption support would be an addition to our service portfolio that would be welcomed by both staff and clients alike. Thus, the Post-Adoption Committee was created to research, propose and subsequently develop a program of services to be offered to our existing client base.

Post-adoption programs have been on the forward agenda of the Board of Directors for a number of years, however as an addition to an already demanding portfolio of service offerings and Board priorities, the committee has had a slow start due to other challenges and the need to focus attention on more urgent demands. As anticipated, the progress on this work proceeded slowly this year and content outlines for support groups for adoptees themselves, and support for parents and families have been created.

TCB is currently in a comfortable fiscal position and we believe that families would welcome the opportunity to support a charitable endeavour. Therefore, discussions with the Children's Bridge Foundation have led us to negotiations to have the Foundation deliver the groups with all proceeds to benefit the charity. Discussions with the Foundation are planned for early 2023, with the first group offerings anticipated for the fall of 2023. As the first groups prepare to launch, we continue to welcome suggestions from Board and staff members, regarding additional offerings.

I would like to express my sincere thanks to our Executive Director, Karyn and to the members of the committee who have contributed their valuable time and expertise.

MJMacLaine

Martha MacLaine
Chair, Post-Adoption Committee

Staff Directory

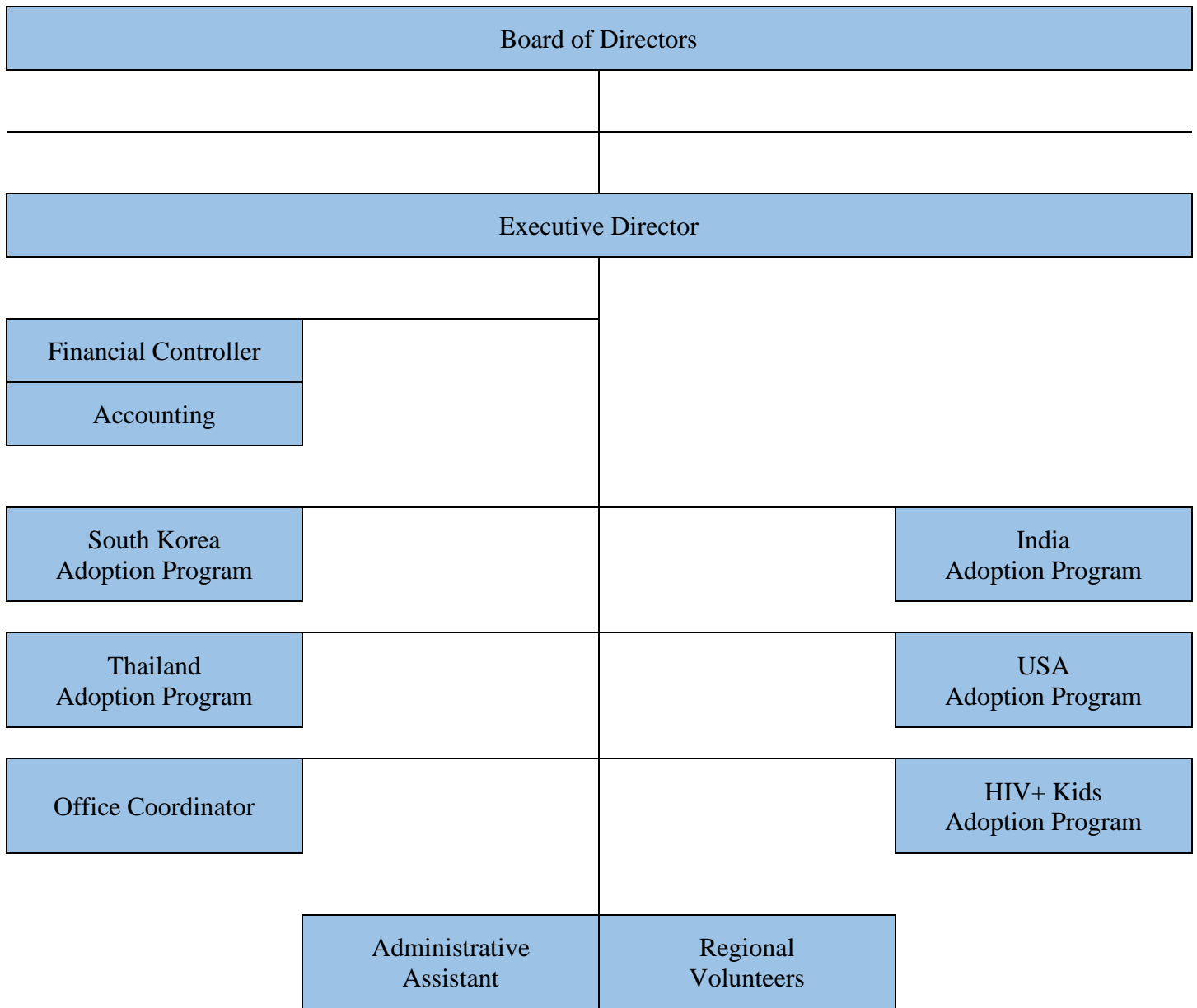
The Children's Bridge • 300 Greenbank Road, M062 • Nepean, ON • K2H 0B6

| Staff Person | Office Line & Mailing Address | Email Address | Hours |
|--|---|--|--------------------------------------|
| Karyn Arnould-Bakelaar Executive Director, Zambia, India and HIV+ Program Manager, Pre and Post Adoption Services | 613-226-2814 127 McClellan Road Nepean, ON K2H 5V7 | karyn.arnould-bakelaar@childrensbridge.com | Monday – Thursday 9:00AM – 4:30PM |
| Darlene Catton Adoption Program Manager - Thailand & USA Coordinator of Pre and Post Adoption Services | 905-836-6776 165 Bothwell Crescent Newmarket, ON L3X 2K4 | darlene.catton@childrensbridge.com | Monday – Thursday 9:00AM – 4:00PM |
| Lenore Cork-Lemay South Korea Program Manager India program Assistant, Office Coordinator and Post Adoption Services | 613-226-2112 140 McClellan Road Nepean, ON K2H 5V9 | lenore.cork-lemay@childrensbridge.com | Monday – Thursday 9:00AM – 3:30PM |
| Emily Catton Administrative Assistant and Post Adoption Services | 613-807-4238 62 Bristol Road Newmarket, ON L3Y 8B5 | emily.catton@childrensbridge.com | Monday – Friday 9:00AM – 5:00PM |

Other Contacts

| Company | Contact Name | Phone | E-Mail Address |
|--------------------------------------|---|---|--|
| Filemaker | Dan | 416-273-9011 | dan@thefilemaker.com |
| Mosher Bookkeeping Solutions | Wendi Mosher Beth Roberts | 613-293-4853 613-808-4881 | wendi.mosher@childrensbridge.com |
| Windswept | General Calls Christine Kim | 613-789-7159 | support@windsweptit.com christine.chenier@windsweptit.com |
| Lisa Trainor diNorcio Website | Lisa Trainor diNorcio Todd Shelton (Owner) | | ltrainor@gmail.com todd@perception.net |
| Contractor (China) | Esther Yeung 1-1009 Gregg Street Ottawa, ON K1V 6H1 | Home: 613-825-8335 Cell: 613-522-1284 Fax: 613-421-4389 | esthersukwah@gmail.com esther.yeung@childrensbridge.com |
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Organization Chart (2022)



The Children's Bridge Board of Directors 2022/23
Proposed Slate of Officers

Executive

Raeanne Souliere, Chair/President

Barbara Leung, Vice-Chair/Vice-President

TBD, Treasurer

Charlene Souliere, Secretary

Directors (Executive included above)

Lisa Cameron, Director

Alvin Chim, Director

Colleen Clark, Director

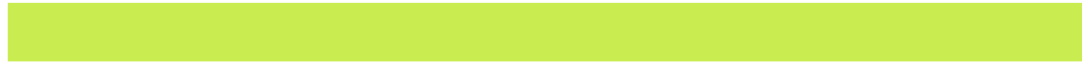
Amy Cooper, Director

Karla Policelli, Director

Savannah Quinn, Director

Karyn Arnould-Bakelaar, Executive Director, Non-voting representative

The Children's Bridge



Financial Statements

For the year ended July 31, 2022

The Children's Bridge
Financial Statements
For the year ended July 31, 2022

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Independent Auditor's Report

**To the Members of
The Children's Bridge**

Opinion

We have audited the financial statements of The Children's Bridge (the "Organization") which comprise the statement of financial position as at July 31, 2022, 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 July 31, 2022, and its 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 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Organization'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 Organization'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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
November 18, 2022
Ottawa, Ontario

The Children's Bridge Statement of Financial Position

| July 31 | 2022 | 2021 |
|--|---------------------|---------------------|
| Assets | | |
| Current | | |
| Cash (Note 1) | \$ 841,458 | \$ 854,129 |
| Funds held in trust (Note 4) | 308,345 | 272,732 |
| Prepaid expense | 924 | - |
| | <u>1,150,727</u> | <u>1,126,861</u> |
| Investment (Note 2) | 300,000 | 257,571 |
| Tangible capital assets (Note 3) | 2,697 | 7,996 |
| Intangible assets (Note 3) | 504 | - |
| | <u>\$ 1,453,928</u> | <u>\$ 1,392,428</u> |
| Liabilities and Net Assets | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 61,293 | \$ 41,299 |
| Government remittances payable | - | 21,503 |
| Deferred membership revenue | 2,340 | - |
| | <u>63,633</u> | <u>62,802</u> |
| Trust liability (Note 4) | 308,345 | 272,732 |
| | <u>371,978</u> | <u>335,534</u> |
| Net assets | | |
| Unrestricted | 1,081,950 | 1,056,894 |
| | <u>\$ 1,453,928</u> | <u>\$ 1,392,428</u> |

On behalf of the Board:

_____ Director _____ Director

The Children's Bridge
Statement of Changes in Net Assets

| <u>For the year ended July 31</u> | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| Balance , beginning of year | \$ 1,056,894 | \$ 733,508 |
| Excess of revenue over expenses for the year | <u>25,056</u> | <u>323,386</u> |
| Balance , end of year | <u>\$ 1,081,950</u> | <u>\$ 1,056,894</u> |

The Children's Bridge Statement of Operations

| For the year ended July 31 | 2022 | 2021 |
|---|------------------|-------------------|
| Revenue | | |
| General | | |
| Facilitation fees | \$ 282,000 | \$ 406,433 |
| Membership fees | 2,000 | 6,360 |
| Post placement fees | 38,250 | 56,582 |
| Travel services | 9,492 | 12,775 |
| | <u>331,742</u> | <u>482,150</u> |
| Direct | | |
| Pre/post adoption services | 82,660 | 89,011 |
| Investment income | 5,130 | 7,770 |
| Homeland trip | - | 160 |
| Administration fees | 116,029 | 152,560 |
| | <u>203,819</u> | <u>249,501</u> |
| Other revenues | <u>1,650</u> | <u>59,899</u> |
| | <u>537,211</u> | <u>791,550</u> |
| Expenses | | |
| Direct costs | | |
| Cost of product sales | 9,078 | 6,804 |
| Pre/post adoption services | 1,300 | 7,180 |
| Translation fees | 7,063 | 10,302 |
| | <u>17,441</u> | <u>24,286</u> |
| General and administrative costs | | |
| Amortization of capital assets | 5,803 | 3,290 |
| Bank and credit card charges | 4,633 | 7,935 |
| Communications and meetings | 4,430 | 5,387 |
| Donations and gifts | 2,000 | - |
| Foreign exchange | - | 8,955 |
| Insurance and licenses | 23,016 | 21,237 |
| Office and general expenses | 31,489 | 50,159 |
| Professional fees | 94,305 | 63,410 |
| Program expenses | 2,121 | 10,379 |
| Salaries and wages | 325,002 | 270,446 |
| Travel | 1,915 | 2,680 |
| | <u>494,714</u> | <u>443,878</u> |
| | <u>512,155</u> | <u>468,164</u> |
| Excess of revenue over expenses for the year | <u>\$ 25,056</u> | <u>\$ 323,386</u> |

The Children's Bridge Statement of Cash Flows

| For the year ended July 31 | 2022 | 2021 |
|--|-------------------|------------|
| Cash flows from operating activities | | |
| Excess of revenue over expenses for the year | \$ 25,056 | \$ 323,386 |
| Adjustments for | | |
| Amortization of tangible capital assets | 5,299 | 3,290 |
| Amortization of intangible assets | 504 | - |
| | <u>30,859</u> | 326,676 |
| Changes in non-cash working capital items | | |
| Prepaid expense | (924) | - |
| Accounts payable and accrued liabilities | 19,994 | (36,237) |
| Government remittances payable | (21,503) | (7,459) |
| Deferred revenue | 2,340 | - |
| | <u>30,766</u> | 282,980 |
| Cash flows from investing activities | | |
| Purchase of tangible capital assets | - | (3,037) |
| Purchase of intangible assets | (1,008) | - |
| Purchase of investment | (300,000) | (7,571) |
| Redemption of investment | 257,571 | - |
| | <u>(12,671)</u> | 272,372 |
| Increase (decrease) in cash during the year | <u>(12,671)</u> | 272,372 |
| Cash, beginning of year | <u>854,129</u> | 581,757 |
| Cash, end of year | <u>\$ 841,458</u> | \$ 854,129 |

The Children's Bridge

Summary of Significant Accounting Policies

July 31, 2022

Nature of the Organization The Children's Bridge is incorporated under the Canada Not-for-profit Corporations Act. The Organization is working to educate families on the subject of adopting a child, providing assistance to families who are interested in international adoption and to assist children who are in need in orphanages in foreign countries. The Organization is a not-for-profit organization as defined in Section 149(1)(L) of the Income Tax Act and, as such is exempt from income tax.

Basis of Presentation The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

Financial Instruments Financial instruments are financial assets or liabilities of the Organization where, in general, the Organization has the right to receive cash or another financial asset from another party or the Organization has the obligation to pay another party cash or other financial assets.

Measurement of arm's length financial instruments

The Organization initially measures its arm's length financial assets and liabilities at fair value. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets and financial liabilities measured at amortized cost include cash, funds held in trust, investment, accounts payable and accrued liabilities and trust liability.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 revenue over expenses.

Transaction costs

The Organization recognizes its transaction costs in excess in revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

The Children's Bridge

Summary of Significant Accounting Policies

July 31, 2022

| | | | |
|--------------------------------|--|--------------------|-----------------------------|
| Use of Estimates | <p>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 amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.</p> <p>Significant estimates include assumptions used in estimating the useful life and related amortization of tangible capital assets and intangible assets and provisions for accrued liabilities and certain accounts payable.</p> | | |
| Tangible Capital Assets | <p>Tangible capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives at the following annual rates:</p> <table><tr><td>Computer equipment</td><td>3 years straight-line basis</td></tr></table> <p>A half-rate is used in the year of acquisition.</p> <p>Tangible capital assets are written down to the fair value or replacement cost when conditions indicate that the assets no longer contribute to the Organization's ability to provide services.</p> | Computer equipment | 3 years straight-line basis |
| Computer equipment | 3 years straight-line basis | | |
| Intangible Assets | <p>Intangible assets consists of software, is recorded at cost and amortized on a straight-line basis over an estimated useful life of 2 years..</p> | | |
| Revenue Recognition | <p>Annual dues for membership and fees for services are recorded as revenue and receivable when earned once terms have been accepted and when collection is reasonably assured.</p> <p>Fees and sales revenues are recognized as revenue and receivable when the service has been rendered or the goods have been delivered.</p> <p>Investment and other income is recorded as revenue when earned.</p> | | |
| Volunteer Services | <p>The Organization receives the services of many volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expenditure has been included in these financial statements.</p> | | |
| Foreign Currency | <p>Transactions during the year in U.S. dollars have been converted in the accounts to Canadian dollars at the exchange rate effective on the transaction date. All monetary assets in U.S. dollars have been converted to Canadian dollars at the exchange rates in effect at the date of the statement of financial position. Gains or losses resulting therefrom are included in the determination of excess of revenue over expenses for the year.</p> | | |

The Children's Bridge

Notes to Financial Statements

July 31, 2022

1. Cash

The Organization's bank accounts are held at one chartered bank. Bank balances include \$67,188 (2021 - \$67,211) denominated in U.S. dollars.

2. Investment

Investment is held with a chartered bank and consists of a guaranteed investment certificate with effective interest rate of 3.45% (2021 - 0.5%) and matures in Jan 2024.

3. Tangible Capital Assets and Intangible Assets

| | 2022 | | | 2021 | | |
|--------------------------------|-----------|--------------------------|----------------|-----------|--------------------------|----------------|
| | Cost | Accumulated Amortization | Net Book Value | Cost | Accumulated Amortization | Net Book Value |
| Tangible Capital Assets | | | | | | |
| Computer equipment | \$ 12,668 | \$ 9,971 | \$ 2,697 | \$ 35,763 | \$ 27,767 | \$ 7,996 |
| Intangible Asset | | | | | | |
| Software | \$ 7,728 | \$ 7,224 | \$ 504 | \$ 6,720 | \$ 6,720 | \$ - |

During the year, the organization wrote off \$23,094 in fully amortized assets.

4. Assets Held in Trust

| | 2022 | 2021 |
|--|------------|------------|
| Canadian dollar trust account | \$ 162,747 | \$ 183,026 |
| US dollar trust account (U.S \$113,535 (2020 - \$72,224)) | 145,598 | 89,706 |
| Ending balance | \$ 308,345 | \$ 272,732 |

Monies held in trust on behalf of clients are recorded as Assets Held in Trust and Trust Liability. These funds are used to cover the expenses incurred on behalf of the client.

The Children's Bridge Notes to Financial Statements

July 31, 2022

5. Uncertainty Due to COVID 19

The duration and full financial impact of the COVID-19 pandemic is unknown at this time, as are any additional measures to be taken by governments, the Organization or others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of this pandemic is subject to significant uncertainty and accordingly it is unknown whether COVID-19 may materially and adversely impact the Organization's operations, financial results and condition in future periods.

6. Credit Facility

The Organization has access to \$50,000 of unsecured credit cards with a financial institution, bearing interest at 19.99% per annum. As at July 31, 2022, \$2,154 was used.

7. Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations as at July 31, 2022.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

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 Organization is mainly exposed to currency rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is exposed to this risk mainly in respect of cash held in U.S. dollars as disclosed in Note 1 and 4.

Changes in risk

There have been no significant changes in the Organization risk exposures from the previous fiscal year.
