

**THE JOHN HOWARD SOCIETY OF CANADA**  
**FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2024**

**THE JOHN HOWARD SOCIETY OF CANADA**  
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**AS AT MARCH 31, 2024**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
The John Howard Society of Canada

### **Qualified Opinion**

We have audited the financial statements of The John Howard Society of Canada (the Corporation), which comprise the statement of financial position as at March 31, 2024, and the statement of revenue and expenditures and fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2024, 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 Qualified Opinion**

In common with many charitable organizations, the Corporation derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we were not able to determine whether, as at and for the years ended March 31, 2024 and March 31, 2023, any adjustments might be necessary to donations revenue, excess of revenues over expenditures, assets and fund balances.

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 Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **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 these financial statements, management is responsible for assessing the Corporation'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 Corporation, or to cease operations, or has no realistic alternative but to do so.

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

**INDEPENDENT AUDITOR'S REPORT  
(CONT'D)**

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

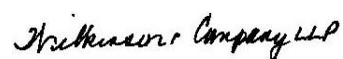
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Corporation'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 Corporation'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 Corporation 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.

KINGSTON, Canada  
September 28, 2024

  
Chartered Professional Accountants  
Licensed Public Accountants

**WILKINSON & COMPANY LLP - CHARTERED PROFESSIONAL ACCOUNTANTS**

**THE JOHN HOWARD SOCIETY OF CANADA**  
**STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024**

|   | Operating<br>Fund<br>\$ | Senator<br>Hastings<br>Fund<br>\$ | 2023<br>Total<br>\$ |
|---|-------------------------|-----------------------------------|---------------------|
| <b>ASSETS</b>   |                         |                                   |                     |
| <b>CURRENT</b>  |                         |                                   |                     |
| Cash  | 604,375                 | 997                               | 541,215             |
| Short-term investments - Note 3   | 570,900                 | 306,828                           | 838,942             |
| Accounts receivable   | 1,417,598               |                                   | 606,753             |
| Prepaid expenses  | 5,449                   |                                   | 65,449              |
|   | <b>2,598,322</b>        | <b>307,825</b>                    | <b>2,906,147</b>    |
|   | <b>11,480</b>           |                                   | <b>16,072</b>       |
| <b>TANGIBLE CAPITAL ASSETS - Note 4</b>   |                         |                                   |                     |
|   | <b>2,609,802</b>        | <b>307,825</b>                    | <b>2,917,627</b>    |
| <b>LIABILITIES</b>  |                         |                                   |                     |
| <b>CURRENT</b>  |                         |                                   |                     |
| Accounts payable and accrued liabilities  | 851,434                 |                                   | 187,056             |
| Government remittances payable  | 7,709                   |                                   | 9,834               |
| Deferred revenue - Note 5   | 250,571                 |                                   | 198,266             |
|   | <b>1,109,714</b>        |                                   | <b>395,156</b>      |
|   | <b>1,109,714</b>        |                                   | <b>395,156</b>      |
| <b>FUND BALANCES</b>  |                         |                                   |                     |
| Internally restricted   |                         | 307,825                           | 294,578             |
| Investment in capital assets  | 11,480                  |                                   | 16,072              |
| Unrestricted  | 1,488,608               |                                   | 1,362,625           |
|   | <b>1,500,088</b>        | <b>307,825</b>                    | <b>1,673,275</b>    |
| <b>APPROVED ON BEHALF OF THE BOARD</b>  |                         |                                   |                     |
|  | Director                |                                   |                     |
|  | Director                |                                   |                     |
|   | <b>2,609,802</b>        | <b>307,825</b>                    | <b>2,917,627</b>    |
|   |                         |                                   | <b>2,068,431</b>    |

The accompanying notes form an integral part of these financial statements

**THE JOHN HOWARD SOCIETY OF CANADA**  
**STATEMENT OF REVENUE AND EXPENDITURES AND FUND BALANCES**  
**FOR THE YEAR ENDED MARCH 31, 2024**

|   | 2024                                    | 2023                              |
|---|---|-----------------------------------|
|   | Operating<br>Fund<br>(Schedule A)<br>\$ | Senator<br>Hastings<br>Fund<br>\$ |
| <b>REVENUE</b>                                  |   | <b>Total<br/>\$</b>               |
| Donations                                       | 173,664                                 | 173,664                           |
| Grant - Ministry of Public Safety:              |   | 185,588                           |
| - Provincial allocations                        | 339,795                                 | 339,795                           |
| - Administration                                | 100,000                                 | 100,000                           |
| - Travel pool                                   | 70,000                                  | 70,000                            |
| - Projects                                      | 392,683                                 | 234,423                           |
| Grant - Canada Housing and Mortgage Corporation |   | 91,613                            |
| Interest  | 25,780                                  | 13,247                            |
| Contract - Canada Border Services Agency        | 3,028,159                               | 3,028,159                         |
|   | <b>4,130,081</b>                        | <b>4,143,328</b>                  |
| <b>EXPENDITURES</b>                             |   | <b>3,462,669</b>                  |
| Bank charges and interest                       | 2,132                                   | 2,132                             |
| Dues and subscriptions                          | 2,182                                   | 2,182                             |
| Miscellaneous                                   | 2,568                                   | 2,568                             |
| Grants to provincial societies - Note 6         | 339,795                                 | 339,795                           |
| Insurance                                       | 6,866                                   | 6,866                             |
| Mail campaign                                   | 30,587                                  | 30,587                            |
| Contract - Canada Border Services Agency        | 2,899,928                               | 2,899,928                         |
| Occupancy                                       | 11,907                                  | 11,907                            |
| Office supplies and expenses                    | 15,596                                  | 15,596                            |
| Project costs                                   | 145,542                                 | 145,542                           |
| Professional fees                               | 14,314                                  | 14,314                            |
| Publications                                    | 64                                      | 64                                |
| Salaries and employee benefits                  | 439,753                                 | 439,753                           |
| Telephone                                       | 6,404                                   | 6,404                             |
| Travel  | 5,650                                   | 5,650                             |
| - pool, board and AGM                           | 80,810                                  | 80,810                            |
|   | <b>4,004,098</b>                        | <b>4,004,098</b>                  |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>      |   | <b>3,316,596</b>                  |
| <b>FOR YEAR BEFORE AMORTIZATION</b>             | <b>125,983</b>                          | <b>13,247</b>                     |
| <b>AMORTIZATION OF TANGIBLE CAPITAL ASSETS</b>  | <b>4,592</b>                            | <b>4,592</b>                      |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>      |   | <b>146,073</b>                    |
| <b>FOR YEAR</b>                                 | <b>121,391</b>                          | <b>13,247</b>                     |
| <b>FUND BALANCES - BEGINNING OF YEAR</b>        | <b>1,378,697</b>                        | <b>294,578</b>                    |
|   | <b>1,500,088</b>                        | <b>1,673,275</b>                  |
| <b>FUND BALANCES - END OF YEAR</b>              | <b>1,807,913</b>                        | <b>1,673,275</b>                  |

The accompanying notes form an integral part of these financial statements

**THE JOHN HOWARD SOCIETY OF CANADA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

|  | 2024      | 2023        |
|--|-----------|-------------|
|  | \$        | \$          |
| <b>OPERATING ACTIVITIES</b>  |           |             |
| Excess of revenue over expenditures for year   | 134,638   | 141,481     |
| Adjustment for amortization of tangible capital assets<br>which does not affect cash | 4,592     | 4,592       |
|  | 139,230   | 146,073     |
| Net change in non-cash working capital<br>balances related to operations - Note 7    | (36,287)  | (135,581)   |
| <b>CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES</b>                                 | 102,943   | 10,492      |
| <b>INVESTING AND FINANCING ACTIVITIES</b>  |           |             |
| Purchase of short-term investments   | (647,216) | (1,226,677) |
| Proceeds on maturity of short-term investments                                       | 608,430   | 1,207,680   |
| <b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>                                       | (38,786)  | (18,997)    |
| <b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS<br/>FOR YEAR</b>                  | 64,157    | (8,505)     |
| <b>CASH AND EQUIVALENTS - BEGINNING OF YEAR</b>                                      | 541,215   | 549,720     |
| <b>CASH AND EQUIVALENTS - END OF YEAR</b>  | 605,372   | 541,215     |
| <b>REPRESENTED BY:</b>   |           |             |
| Cash - Operating Fund  | 604,375   | 533,231     |
| Cash - Senator Hastings Fund   | 997       | 7,984       |
| <b>Cash - Total</b>  | 605,372   | 541,215     |

**THE JOHN HOWARD SOCIETY OF CANADA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024**

**1. NATURE OF OPERATIONS**

The John Howard Society of Canada is incorporated in Canada as a not-for-profit corporation without share capital under the Canada Not-for-profit Corporations Act and is registered with the Government of Canada as a charitable organization. The Corporation is an organization of provincial and territorial societies comprised of, and governed by, people whose goal is to understand and respond to problems of crime and the criminal justice system.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Outlined below are those accounting policies adopted by the organization considered to be particularly significant:

**(a) Basis of accounting**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**(b) Accounting Estimates**

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable, and the estimated useful life of tangible capital assets. Actual results could differ from those estimates.

**(c) Donated Services**

The work of the Corporation is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Corporation and because of the difficulty of determining their fair market value, donated services are not recognized in these financial statements.

**(d) Fund Accounting**

The accompanying financial statements include the activities of the Corporation for which the Board of Directors is legally accountable. In order to properly reflect its activities, the Corporation maintains its accounts in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds in accordance with activities or objective specified.

The Operating Fund accounts for revenue and expenditures related to program delivery and administrative activities.

The Senator Hastings Fund was established by the Board of Directors as a contingency fund for any unexpected expenses or revenue shortfall in any given year.

**THE JOHN HOWARD SOCIETY OF CANADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

**2. ACCOUNTING POLICIES (Cont'd)**

**(e) Tangible Capital Assets**

Tangible capital assets are stated at cost. Gains and losses on the sale of tangible capital assets are charged to operations in the year of disposal. Amortization of tangible capital assets, which is based on estimated useful life, is calculated on the following bases and at the rates set out below:

| <b>Asset</b>            | <b>Basis</b>  | <b>Rate</b> |
|-------------------------|---------------|-------------|
| Computer equipment      | Straight-line | 3 years     |
| Computer software       | Straight-line | 2 years     |
| Building                | Straight-line | 25 years    |
| Furniture and equipment | Straight-line | 5 years     |

**(f) Financial Instruments**

**(i) Measurement of Financial Instruments**

The Corporation initially measures its financial assets and liabilities at fair value adjusted by, in the case of financial instruments that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable.

**(ii) Impairment**

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recorded in net income. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the impairment amount previously recognized.

**THE JOHN HOWARD SOCIETY OF CANADA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024**

**2. ACCOUNTING POLICIES (Cont'd)**

**(g) Revenue Recognition**

Funding from government grants and other grants is recognized as revenue in the year in which the related expenditure or service is incurred. Any undisbursed government grants at year end are deferred to the subsequent year, unless it is unrestricted in its use, in which case it is recognized when received.

Contract revenue is recognized when the related services have been provided.

Unrestricted donation and bequest revenue is recognized when received.

**(h) Cash and Equivalents**

Cash and equivalents consist of cash on deposit and bank term deposits in money market instruments with maturity dates of less than three months from the date they are acquired.

**3. SHORT-TERM INVESTMENTS**

Short-term investments consist of guaranteed investment certificates, bearing interest at rates ranging from 4.5% to 5.32% and have varying maturity dates ranging from July 15, 2024 to December 14, 2026, but may be liquidated in the short-term.

**THE JOHN HOWARD SOCIETY OF CANADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

**4. TANGIBLE CAPITAL ASSETS**

|                                    | <b>2024</b>      |                                     | <b>2023</b>      |                                     |
|------------------------------------|------------------|-------------------------------------|------------------|-------------------------------------|
|                                    | <b>Cost</b>      | <b>Accumulated<br/>amortization</b> | <b>Cost</b>      | <b>Accumulated<br/>amortization</b> |
|                                    | <b>\$</b>        | <b>\$</b>                           | <b>\$</b>        | <b>\$</b>                           |
| Computer equipment                 | 7,104            | 7,104                               | 7,104            | 7,104                               |
| Computer software                  | 5,222            | 5,222                               | 5,222            | 5,222                               |
| Building                           | 114,795          | 103,315                             | 114,795          | 98,723                              |
| Furniture and equipment            | 1,029            | 1,029                               | 1,029            | 1,029                               |
|                                    | <b>128,150</b>   | <b>116,670</b>                      | <b>128,150</b>   | <b>112,078</b>                      |
| Cost less accumulated amortization | <b>\$ 11,480</b> |                                     | <b>\$ 16,072</b> |                                     |

**5. DEFERRED REVENUE**

The details of revenue received, prior to year end, that relate to activities and expenditures to be incurred in subsequent fiscal years, are as follows:

|  | <b>2024</b>    | <b>2023</b>    |
|--|----------------|----------------|
|  | <b>\$</b>      | <b>\$</b>      |
| Funds withheld and deferred to advance the 5 Point Plan    | <b>18,502</b>  | 23,502         |
| Law Foundation of Ontario                                  | <b>8,680</b>   | 13,526         |
| Grant allocations withheld and deferred for use by Society | <b>61,965</b>  | 61,965         |
| Community Services Recovery Fund                           | <b>62,151</b>  |                |
| Canada Border Services Agency - contract services          | <b>99,273</b>  | 99,273         |
| <b>TOTAL</b>   | <b>250,571</b> | <b>198,266</b> |

**THE JOHN HOWARD SOCIETY OF CANADA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024**

**6. GRANTS TO PROVINCIAL SOCIETIES**

Details of the grants to provincial societies are as follows:

|                       | <b>2024</b>    | 2023    |
|-----------------------|----------------|---------|
|                       | \$             | \$      |
| Alberta               | <b>35,539</b>  | 35,539  |
| British Columbia      | <b>51,742</b>  | 51,742  |
| Manitoba              | <b>21,100</b>  | 21,100  |
| New Brunswick         | <b>21,590</b>  | 21,590  |
| Newfoundland          | <b>16,538</b>  | 16,538  |
| Northwest Territories | <b>15,000</b>  | 15,000  |
| Nova Scotia           | <b>19,213</b>  | 19,213  |
| Ontario               | <b>107,746</b> | 107,746 |
| Prince Edward Island  | <b>15,017</b>  | 15,017  |
| Quebec                | <b>15,000</b>  | 15,000  |
| Saskatchewan          | <b>21,310</b>  | 21,310  |
| <b>TOTAL</b>          | <b>339,795</b> | 339,795 |

**7. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS**

Cash provided from (used in) non-cash working capital is compiled as follows:

|  | <b>2024</b>      | 2023      |
|--|------------------|-----------|
|  | \$               | \$        |
| <b>(INCREASE) DECREASE IN CURRENT ASSETS</b>                                     |                  |           |
| Accounts receivable  | <b>(810,845)</b> | 341,139   |
| Prepaid expenses   | <b>60,000</b>    | (62,015)  |
|  | <b>(750,845)</b> | 279,124   |
| <b>INCREASE (DECREASE) IN CURRENT LIABILITIES</b>                                |                  |           |
| Accounts payable and accrued liabilities   | <b>664,378</b>   | (327,595) |
| Government remittances payable   | <b>(2,125)</b>   | 2,835     |
| Deferred revenue   | <b>52,305</b>    | (89,945)  |
|  | <b>714,558</b>   | (414,705) |
| <b>NET CHANGE IN NON-CASH WORKING CAPITAL<br/>BALANCES RELATED TO OPERATIONS</b> | <b>(36,287)</b>  | (135,581) |

**THE JOHN HOWARD SOCIETY OF CANADA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024**

**8. FINANCIAL RISKS AND CONCENTRATION OF RISK**

The Corporation has a comprehensive risk management framework to monitor, evaluate, and manage the principle risks assumed with financial instruments. The risks that arise from transacting financial instruments are as follows:

**(a) Interest Rate Risk:**

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Corporation is exposed to interest rate risk through its short-term investment holdings as described in Note 3 to these financial statements.

As market interest rates fluctuate, the fair value of the instruments will fluctuate. Risk is mitigated as the instruments are short-term in nature and the Corporation has the ability and intention to hold to maturity.

**(b) Liquidity Risk:**

Liquidity risk is the risk that the Corporation will not be able to meet all cash outflow obligations as they come due. The Corporation's exposure to liquidity risk is dependent on the receipt of funds from its operations. The Corporation mitigates this risk by monitoring cash activities and expected outflows. Management is of the opinion that the Corporation will be able to meet all of its cash flow obligations as they come and are not subject to significant liquidity risk.

**(c) Credit Risk:**

Credit risk is the risk of financial loss to the corporation if a debtor fails to make payments of interest and principal when due.

The Corporation is exposed to credit risk in the event of non-performance by clients in connection with its accounts receivable. The Corporation does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound B

and, accordingly, does not anticipate significant loss for non-performance.

There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure for risks.

**9. PENSION PLAN**

The Corporation is a participant in a defined contribution pension plan. The Corporation contributes, on behalf of each eligible employee, an amount of 6% of earnings. During the year the Corporation expensed \$21,155 (2023 - \$11,880) of payments under these pension plan arrangements.

**THE JOHN HOWARD SOCIETY OF CANADA**  
**STATEMENT OF OPERATING FUND REVENUE AND EXPENDITURES**  
**FOR THE YEAR ENDED MARCH 31, 2024**

|   | Total<br>\$      | General<br>Administrative<br>\$ | Mail Campaign<br>\$ | Travel<br>Pool<br>\$ | Canada<br>Mortgage Housing<br>Corporation<br>\$ | Canada<br>Border Services<br>Contract<br>\$ |
|---|------------------|---------------------------------|---------------------|----------------------|---|---|
| <b>REVENUE</b>                                      |                  |                                 |                     |                      |   |   |
| Donations   |                  |                                 |                     |                      |   |   |
| Grant - Ministry of Public Safety:                  |                  |                                 |                     |                      |   |   |
| - Provincial allocations                            | 173,664          | 1,236                           | 172,428             |                      |   |   |
| - Administration                                    | 339,795          | 339,795                         |                     |                      |   |   |
| - Travel pool                                       | 100,000          | 100,000                         |                     |                      |   |   |
| - Projects  | 70,000           |                                 |                     | 70,000               |   |   |
| Grant - Canada Housing and Mortgage Corporation     | 392,683          | 391,640                         |                     |                      | 1,043   |   |
| Interest  | 25,780           | 25,780                          |                     |                      |   |   |
| Contract - Canada Border Services Agency            | 3,028,159        |                                 |                     |                      |   | 3,028,159                                   |
|   | <b>4,130,081</b> | <b>858,451</b>                  | <b>172,428</b>      | <b>70,000</b>        | <b>1,043</b>                                    | <b>3,028,159</b>                            |
| <b>EXPENDITURES</b>                                 |                  |                                 |                     |                      |   |   |
| Amortization of property, plant and equipment       | 4,592            | 4,592                           |                     |                      |   |   |
| Bank charges and interest                           | 2,132            | 2,132                           |                     |                      |   |   |
| Dues and subscriptions                              | 2,182            | 2,182                           |                     |                      |   |   |
| Miscellaneous                                       | 2,568            | 2,568                           |                     |                      |   |   |
| Grants to provincial societies                      | 339,795          | 339,795                         |                     |                      |   |   |
| Insurance   | 6,866            | 6,866                           |                     |                      |   |   |
| Mail campaign                                       | 30,587           |                                 | 30,587              |                      |   | 2,899,928                                   |
| Contract - Canada Border Services Agency            | 2,899,928        |                                 |                     |                      |   |   |
| Occupancy   | 11,907           | 11,907                          |                     |                      |   |   |
| Office supplies and expenses                        | 15,596           | 15,596                          |                     |                      |   |   |
| Project costs                                       | 145,542          | 145,542                         |                     |                      |   |   |
| Professional fees                                   | 14,314           | 14,314                          |                     |                      |   |   |
| Publications  | 64               | 64                              |                     |                      |   |   |
| Salaries and employee benefits                      | 439,753          | 439,753                         |                     |                      |   |   |
| Telephone   | 6,404            | 6,404                           |                     |                      |   |   |
| Travel  | 5,650            | 5,650                           |                     |                      |   |   |
| - general   |                  |                                 |                     |                      |   |   |
| - pool, board and AGM                               | 80,810           |                                 |                     | 80,810               |   |   |
|   | <b>4,008,690</b> | <b>997,365</b>                  | <b>30,587</b>       | <b>80,810</b>        | <b>NIL</b>                                      | <b>2,899,928</b>                            |
| <b>EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR</b> | <b>121,391</b>   | <b>(138,914)</b>                | <b>141,841</b>      | <b>(10,810)</b>      | <b>1,043</b>                                    | <b>128,231</b>                              |

The accompanying notes form an integral part of these financial statements