



2022 Annual Report



Schoolhouse Playcare Centres of Durham

Message from the Chair, SPC Board of Directors

I can't believe another year has gone by! This past year, our enrolment has returned to pre-COVID levels, the demand for high-quality childcare continues to grow and the attention on the importance of quality childcare has never been so great. The work done by our team is vital in building healthy communities, as it offers the reassurance families need to go to work knowing that their children are in caring, nurturing environments with responsive educators.

I would like to express thanks, admiration, and appreciation, on behalf of the Board, to the professionals of the Schoolhouse Playcare Centres of Durham.

The resiliency, dedication, and care that you have shown to the children and families across the region as we get back to "normal" from the COVID pandemic is truly appreciated and admirable. A big KUDOS to all of you!!!

I would also like to thank the Board for the dedication and commitment they have shown in this last year to Schoolhouse Playcare Centres of Durham. We have a very collaborative, strategic and relationship focused team which makes the work extremely fun and rewarding.

In last year's report I expressed my excitement for the upcoming year, one full of opportunity and potential. The year did not disappoint, the Board and the Schoolhouse Playcare Centres of Durham team embarked on developing a new Strategic Plan and our goal was to develop a plan that is

bold, innovative, and provides sustainable strategies to meet the complex and diverse needs of the communities we serve.

I would say "mission accomplished" – the Board and the Schoolhouse Playcare Centres of Durham team came together, and as outlined in this report, developed a plan that outlines a future forward vision and mission.

Lisa Rankin, Executive Director, and the Schoolhouse Playcare Centres of Durham team continue to work collaboratively across Durham region with strategic partners and stakeholders to ensure that we continue to be a respected leader in the field. I have been so impressed with the collaborative and partner-oriented approach of the team - this approach has really yielded some great results in ensuring, not only our financial sustainability, but also future opportunities to address the needs of Durham Region.

I look forward to the journey ahead with great expectations and anticipation working with this great team of passionate and dedicated professionals.

-Nelson Loureiro



Message from the Executive Director

As I look back on 2022, I continue to be amazed by the incredible contribution of our childcare professionals – at all levels of the organization. Their unwavering commitment to deliver on our mission, meet the diverse needs of the children and to support families is admirable. This past year can best be described as a year of recovery, re-building, and hope. As we emerged from the COVID-19 pandemic and adjusted to our new normal, we were reminded of how critical childcare is in the recovery of our economy, for women's participation in the workforce and for the health and well-being of our children.

Throughout 2022, we were able to increase our enrolment by 27%, and returned to 95% of our pre-COVID enrolment. This was only made possible with an intentional focus on strengthening our workforce – and to meet the province's expansion plans this will remain a critical focus over the coming years. Our focus on growth has allowed us to help address the significant demand for care we have experienced over the year. We also launched licensed home childcare and welcomed youth back into our outdoor leadership summer camp program for the first time since 2019.

Some other noteworthy accomplishments in 2022:

- We initiated a 3rd party compensation review, resulting in wage increases that better reflect the responsibilities, complexity, and scope of the work of our educators and leaders across the organization

- We successfully launched our online childcare registration system Child Care Pro®, which allows for better management of information, improved monitoring, and better reporting/analysis of key financial drivers
- We initiated our important work in Equity, Diversity, and Inclusion, and through the engagement of committees, drafted an organization action plan that will support our work moving forward
- We enrolled in the historic Canada-Wide Early Learning and Child Care program which will improve accessibility and ensure affordability for families
- We worked with our Board of Directors to update our mission, vision and values and created the framework for a new Strategic Plan that is bold, innovative, and future-focused

One of my favourite quotes is from Henry Ford who said, **“If everyone is moving forward together, then success takes care of itself.”** I am proud to be the leader of this incredible organization, and I am humbled by the capable, competent individuals who share their passion everyday to make an impact in the lives of our children and families. Our success is a direct result of their commitment.

I would like to extend a sincere thank you to our childcare professionals, our Board of Directors, our families, and our partners. I look forward to the future with excitement and hope.

-Lisa Rankin

Annual General Meeting

Tuesday, June 20th | 5:30 - 7:30 p.m.

Our Annual General Meeting will be in-person at our Head Office location – **1602 Tricont Avenue, Unit 6, Whitby, Ontario**. Copies of the 2022 year end financial audit and minutes from the 2021-2022 Annual General Meeting will be provided at the meeting.

Agenda

5:30 - 6:00 p.m.	Welcome & Reception	Refreshments by Frantastic Events
6:00 - 6:15 p.m.	Message from Board President & Executive Director, SPC Story	Nelson Loureiro & Lisa Rankin
6:15 - 7:00 p.m.	Keynote Speaker	Rosita Hall (read more below)
7:00 - 7:30 p.m.	Business Meeting & Launch of NEW Strategic Plan	

Rosita Hall inspires others to walk unapologetically in their authentic truth each day, to care deeply for their hearts and souls and to seize the opportunities with their name on it. Rosita holds a Bachelor of Social Work degree from the University of Windsor. She spent over 26 years in various leadership positions. For the past 23 years, she has been operating her own speaking and consulting business – Motivated Minds.

SHOWING UP WITH PURPOSE: Reboot and Recharge, You've Got the Power!

Childcare professionals have always risen to the occasion in the face of changes, challenges, and unpredictability – however the past two and a half years delivered a powerful sucker punch that has left many of us wobbling emotionally, mentally, physically, and spiritually, and anxious about what the future may hold. How do we dust ourselves off, re-connect with our purpose, our colleagues, and the impactful work that we do each day; embrace new beginnings, turn some of our challenges into chuckles, and courageously step into our next normal?



We would like to extend a HUGE thank you to our Board of Directors!

This team of experienced and highly engaged volunteers have gone above and beyond to help us advance our mission and support our communities in meaningful ways.

Jamie Bishop
Sharan Brar, Secretary
Poonam Dewan
Patrick Farrell, Vice-Chair

Nelson Loureiro, Chair
Sanjay Sakar, Treasurer
Damion Scott
Karen Tsang

Canada-Wide Early Learning and Child Care

On March 28, 2022, the province of Ontario signed the Canada-Wide Early Learning and Child Care Agreement (CWELCC). This historical moment signalled a commitment to an intentional approach and strategy aimed at improving the early learning and childcare system across the province. Schoolhouse Playcare Centres of Durham has long advocated for this critical work and is honoured to have enrolled in the program.

Since the announcement of the CWELCC program, the senior leaders at Schoolhouse Playcare Centres of Durham have participated in regional and provincial committees/workgroups to inform the funding model, with significant advocacy and attention to addressing the workforce pressures, better supporting inclusionary practices, and ensuring high quality early learning and childcare.



Increasing Access

To provide families with more options and address the increasing demand for quality childcare, the province has committed to 86,000 new licensed childcare spaces by the end of 2026 (this include the 33,000 spaces that have been created since 2019)

To support expansion of new licensed in geographic areas and diverse communities where they are needed most



Enhancing Quality

To ensure families have access to high-quality licensed childcare, the province will consult on measures to support the childcare workforce and improve recruitment and retention of the childcare workforce, including professional learning and development opportunities



Supporting Inclusion

To support the needs of diverse communities and populations, the province will engage with a broad range of partners to ensure expansion plans and programming support the needs of vulnerable and diverse populations (such as, Indigenous, Francophone, Black and other racialized groups, newcomers, low-income families, and children with differing abilities)



Enhancing Data & Reporting

To monitor progress and support families, the province will use evidence-based data to evaluate and improve how the childcare system supports children and families



Lowering Fees

To lower fees to an average of \$10.00/day by September 2025 (eligible families have already had their childcare fees reduced by 52.75%)

The agreement focuses on five key pillars

SPC Focus on Workforce

The success of the Canada-Wide Early Learning and Child Care system which aims to increase accessibility, ensure affordability for families, and improve quality is contingent upon a highly qualified, skilled, and stable workforce. To prioritize this work, and to ensure Schoolhouse Playcare Centres of Durham is well positioned to meet the demand for childcare, we introduced a new position focussed on recruitment, onboarding and mentoring new employees through their first six months. We know that when new employees are welcomed into our space and feel a sense of belonging from the onset, they are more likely to remain with us, and recommend Schoolhouse Playcare Centres of Durham to others.



“I’m so happy at Claremont. I love everyone there and it’s such a nice little town.”

**-Nicole,
SPC Educator**

Some of our key successes in 2022 include:

- Participating in job fairs and expos, and presenting to local colleges with Early Childhood Education programs
- Supporting our educators to participate in the Early Childhood Education Apprenticeship program. The apprenticeship program allows educators to attain their Early Childhood Education diploma, while continuing to work.
- Successfully welcoming over 100 new educators since the fall of 2022, primarily to meet the expansion of childcare spaces, and re-build to pre-COVID enrolment
- Enhancing our orientation and onboarding process with a focus on personalizing the experience for new educators
- Facilitating new hire welcome breakfasts and networking opportunities
- Facilitating network and feedback sessions with placement students
- Conducting in-centre support visits for new employees within their first 6 months

Early feedback from our teams and new educators has been positive! Educators report being happy with their work placements, and they feel welcomed and appreciated.

Licensed Home Child Care

In 2022, Schoolhouse Playcare Centres of Durham officially launched licensed home childcare with the goal of expanding licensed childcare spaces across the region, and ensuring high-quality, flexible childcare options for families. We have expanded more quickly than we had anticipated, and we are still receiving calls from potential providers each day! By mid-2023 we expect to have 12 providers in place with 72 licensed spaces, with a plan for 20 providers, and 120 licensed spaces, by year-end.

Some of our early successes include:

- Participating in a pilot project with Durham Region to test out the newly developed Quality Measures Assessment for LHCC. We were pleased with how well this was received by our LHCC provider, and the positive feedback received from our Durham Region partners.
- Participating on the planning committee for Durham Region's 1st Annual Conference for Home Child Care. It was an honour to work alongside our colleagues from other organizations to plan and facilitate professional learning and networking opportunities for providers. The feedback from providers was positive and many indicated that they would love to have more opportunities, that will support their programs, moving forward.

"I want to thank Sana. She is amazing and I sincerely thank her for being kind, friendly, caring and patient with my baby boy. She always encourages him to feel happy and comfortable with his peers. Thank you for giving my child a sense of belonging, happiness, and comfort while he stays at childcare."

-LHCC Parent



Summer Camp

“Magnificent landscapes, exciting activities, and taking healthy risks in a controlled environment allows a safe yet challenging outlet for the natural human instinct to explore. Research indicates that camp encourages young people to try new things and step out of their ordinary routines.”

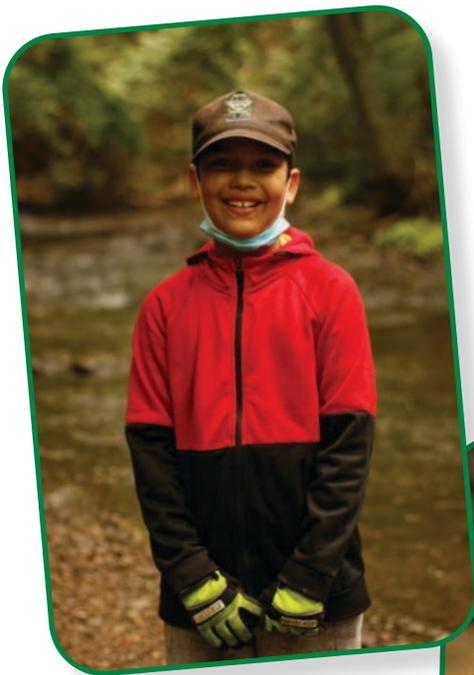
-Ontario Camping Association

In the summer of 2022, we were so excited to offer our Outdoor Leadership Camp at Claremont Nature Centre once again, and so were our families! For the first time since the summer of 2019, we welcomed back a group of 9-12 year olds and offered a fun-filled summer of traditional outdoor camp experiences.

Not only did we surpass our enrolment expectations with approximately 40 children each week (4 weeks – 160 camper weeks), the feedback received from campers and families alike was great!

At Schoolhouse Playcare Centres of Durham, we know that encouraging children to be active, get messy, discover their talents, and connect with the outdoors creates lifelong positive outcomes. These experiences help children develop lasting friendships, create meaningful memories, and learn valuable life skills that strengthen confidence and build character. These early experiences help to develop self-assured leaders of tomorrow.

As we head into the 2023 season, we have expanded to include a program for our 6-8 year olds, and will be offering the program for 7 weeks. This means we will be welcoming approximately 75 children each week (7 weeks – 525 camper weeks). We can't wait to see some familiar faces and make new friends this summer!



SPC Strategic Planning

In the fall of 2022, we invited Credence & Co. (Credence) to lead the Board of Directors and Senior Leadership team through a strategic planning process. The goal of our new Strategic Plan is to develop bold, innovative, and sustainable strategies to meet the complex and diverse needs of the communities we serve. There was also a focus on updating the organization's mission, vision, values, and strategic priorities.

As part of our planning process, we engaged both internal and external stakeholders to gain insight into our strengths and areas of excellence, emerging trends and community needs and opportunities.

The information collected from our Stakeholder Engagement process was summarized and presented to the Board of Directors and Senior Leaders for review. The report offered a high-level overview of the themes collected through this process and was subsequently used to guide our Strategic Planning discussion with the Board of Directors and Senior Leaders. To provide additional context to the discussion, a SWOT analysis was prepared by the Executive Director, Lisa Rankin, and shared with the Board of Directors and Senior Leaders.

Our Stakeholder Engagement process included:

- A SPC Employee Survey (68 responses)
- A SPC Family/Participant Survey (166 responses)
- A focus group with the Board of Directors
- Individual meetings with SPC employees and families (29 interviews)
- Individual meetings with partnering organizations including;
 - the Durham District School Board
 - the Regional Municipality of Durham
 - Resources for Exceptional Children and Youth
 - Fairy Glen Daycare

Cultivating the Leaders of Tomorrow



Introducing SPC's NEW Mission, Vision, Values and Strategic Priorities

Mission

To provide best in class, responsive, inclusive programs and services for children and families

Vision

Children will have a strong foundation to meet their full potential



People and Culture

We will continue to invest in our workforce, position our organization as an “employer of choice” and advocate for our childcare professionals to be recognized by the public, and all levels of government, for the scope and complexity of their critical work. We will do this by:

- Strengthening our attraction, recruitment, onboarding, and mentoring experience
- Improving the employee experience, and investing in our Equity, Diversity, and Inclusion Strategy
- Continued advocacy through regional and provincial committees and workgroups

Values

Belonging - We acknowledge and value the individual perspectives, thoughts, beliefs, and ideas of others and create spaces for everyone to belong

Collaboration – We foster meaningful partnerships and collaborations to meet the diverse needs of the communities we serve

Innovation – We proactively seek unique ways to create and adapt to change, to inspire the healthy growth and development of others



Program Excellence, Growth and Expansion

We will continue to maintain our areas of excellence, while expanding opportunities for children, youth, and families to actively, and meaningfully, engage in their communities. We will do this by:

- Maintaining and improving the quality of our current programs through the professional development of our educators and leaders, and re-investment in our programs
- Continuing to focus on expanding our licensed spaces in our centre-based programs, licensed home childcare, and licensed summer programs
- Developing and expanding our summer camp and outdoor education experiences for children and youth



Community Development

We will leverage our charitable position to remove barriers and improve access to programs and services that meet the diverse needs of the communities we serve. We will do this by:

- Seeking new partnership and funding opportunities to deliver relevant, responsive programs and services for families in underserved, marginalized communities
- Enhancing our community presence through a re-branding strategy, and improved social media presence
- Developing an Annual Giving Campaign that will improve access to programs and services that support the healthy growth and development of children and youth

Independent Auditor's Report

To the Members of
Schoolhouse Playcare Centre of Durham



Grant Thornton

Opinion

We have audited the financial statements of Schoolhouse Playcare Centre of Durham (the "Organization"), which comprise the statement of financial position as at December 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 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 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.

Other Matter

The financial statements of the Organization for the year ended December 31, 2020 were audited by Hurren Sinclair MacIntyre CPAs LLP who expressed an unmodified opinion on those statements on May 18, 2021. The partners and staff of Hurren Sinclair MacIntyre CPAs LLP joined Grant Thornton LLP on November 1, 2021.

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. 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.

Statement of Financial Position

	2022	2021
ASSETS		
Current		
Cash and cash equivalents	\$ 7,628,990	\$ 7,540,030
Accounts receivable	711,420	1,081,709
HST rebate receivable	218,983	111,928
Prepaid expenses	126,753	104,695
	8,686,146	8,838,362
Long-term		
Investments	2,054,199	2,094,625
Property and equipment	588,849	508,815
	2,643,048	2,603,440
	\$ 11,329,194	\$ 11,441,802
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 1,747,556	\$ 1,514,953
Deferred day care fees	108,395	124,194
Taxes withheld	140,961	121,571
Deferred government grants, wage subsidies	75,372	502,602
Current portion of capital lease obligation	4,880	13,989
	2,077,164	2,277,309
Long-term		
Deferred licensed home child care revenues	72,877	120,740
Deferred fundraising revenues	6,019	5,761
Deferred organizational fundraising revenues	1,994	1,994
Deferred CWELCC and workforce strategy	108,012	-
Capital lease obligation	-	5,180
	188,902	133,675
	2,266,066	2,410,984
NET ASSETS		
Invested in Property and Equipment - internally restricted	588,849	508,815
Internally Restricted	5,418,491	7,077,907
Unrestricted Net Assets	3,055,788	3,103,513
Deficiency	-	(1,659,417)
	9,063,128	9,030,818
	\$ 11,329,194	\$ 11,441,802

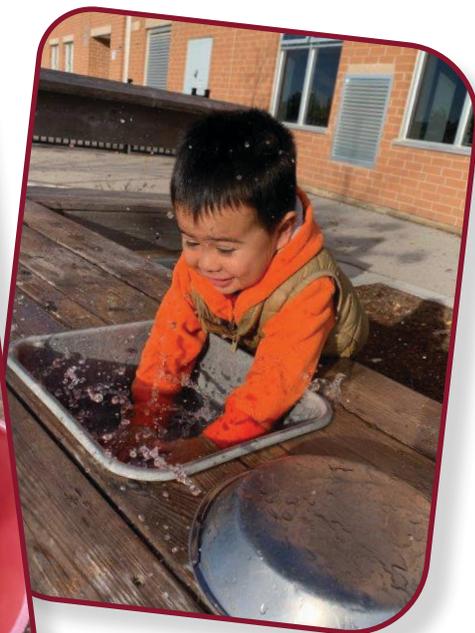
Statement of Operations

	2022	2021
REVENUE		
Day care fees	\$ 9,781,967	\$ 7,003,775
Federal grants	-	4,095,054
Government grants and wage subsidies	1,885,313	2,779,731
Wage enhancement	660,757	359,803
Interest income	151,032	45,896
CWELCC	1,982,925	-
	14,461,994	14,284,259
EXPENSES		
Wages and benefits	11,757,050	7,424,217
Rent	1,027,148	892,272
Food and supplies	758,167	546,688
Office and administration	168,658	147,252
Amortization	131,726	109,970
Equipment repairs and replacement	110,818	77,345
Insurance	85,048	83,028
Classroom supplies	67,729	48,225
Professional fees	67,695	35,931
Professional development	59,173	65,162
Telephone and utilities	28,168	25,526
Staff appreciation	28,092	8,911
Transportation	20,770	4,669
Advertising and promotion	19,375	20,491
Toys	12,843	3,607
Bad debts	3,487	6,348
Hardware supplies	320	-
Wages and benefits funded by government grants	-	2,779,731
Interest on capital leases	-	3,229
	14,346,267	12,282,602
Excess of revenue over expenses before other income	115,727	2,001,657
OTHER INCOME		
Gain on sale of property and equipment	-	335
Unrealized loss on marketable securities	(83,417)	(32,216)
Excess of revenue over expenses	\$ 32,310	\$ 1,969,776

Statement of Changes in Net Assets

	Invested in Capital Assets	Internally Restricted	Unrestricted Net Assets	Total 2022	Total 2021
Balance, beginning of year	\$ 508,816	\$ 5,418,491	\$ 3,103,511	\$ 9,030,818	\$ 7,061,042
Excess (deficiency) of revenue over expenses	(131,726)	-	164,036	32,310	1,969,776
Invested in property & equipment	211,759	-	(211,759)	-	-
Balance, end of year	\$ 588,849	\$ 5,418,491	\$ 3,055,788	\$ 9,063,128	\$ 9,030,818

A full copy of the 2022 audited financial statements are available at each centre. Please speak to your centre Supervisor to view them.



Statement of Cash Flows

	2022	2021
Increase (decrease) in cash		
Operating		
Excess of revenues over expenses	\$ 32,310	\$ 1,969,776
Items not affecting cash		
Amortization	131,726	109,970
Gain on sale of property and equipment	-	(335)
Loss (gain) on sale of marketable securities	83,417	32,216
	247,453	2,111,627
Change in non-cash working capital items		
Accounts receivable	370,289	240,105
HST rebate receivable	(107,055)	(44,901)
Prepaid expenses	(22,058)	44,146
Accounts payable and accrued liabilities	232,601	(47,245)
Deferred day care fees	(15,799)	35,997
Taxes withheld	19,390	5,231
Deferred government grants, wage subsidies	(319,217)	86,214
Deferred fundraising revenue	258	-
Deferred licensed home child care revenues	(47,863)	-
	357,999	2,431,174
Financing		
Deferred property and equipment grants	-	(7,573)
Repayment of capital lease obligation	(14,289)	(17,447)
	(14,289)	(25,020)
Investing		
Purchase of investments	(42,991)	(39,797)
Purchase of property and equipment	(211,759)	(238,488)
	(254,750)	(278,285)
Increase in cash	88,960	2,127,869
Cash		
Beginning of year	7,540,030	5,412,161
End of year	\$ 7,628,990	\$ 7,540,030



(905) 728-7740

schoolhouseplaycare.ca