

August, 2022

Dina Havkin

Manager of Financial Strategy and Planning

Re: 2023 Funding Request

Dear Mayor, Council, Town of Georgina, via Dina Havkin

I am writing on behalf of Routes Connecting Communities Inc. to request a \$55,000 grant from the Town of Georgina to support our organization as we continue to provide transportation and social services to those in need.

I would also like to thank the Town for your financial contribution in 2022. Thanks to your support, in the first 6 months of 2022, we have been able to provide 9,200 rides, provided over 400 hours of virtual connections through our friendly calls program, and served more than 1,400 through the Wednesday meal program.

Enclosed are documents outlining our services, the community benefit, populations served, strategic priorities, 2023 budget and 2021 audited financials. Please let me know if you require any additional information.

Thank you for your consideration of our request

Kind regards

Nivedita Balachandran

Executive Director

Routes Connecting Communities

2023 Budget Request

Executive Summary

Routes Connecting Communities (Routes) is requesting a grant of \$55,000 from the Town of Georgina to enable continuing 2023 programs for Georgina seniors and underserved residents.

This funding will play a critical role in continuing to deliver Routes programs that support Georgina residents, including:

- Volunteer recruitment, management and training
- Volunteer recognition
- Hosting fees for dispatch database
- Salaries for employees responsible for volunteer recruitment, dispatch and client intakes
- Rental fees
- Community events and special offerings, such as free income tax clinics
- Subsidizing rides to community meals and life-saving services for Georgina residents
- Providing fee subsidy assistance to low-income and disadvantaged Georgina residents

In 2021, Routes provided 15,900 rides to 10,738 clients. 11,448 trips were for Georgina residents. With the Town's \$55,000 investment, this is an average of \$4.80 per trip, and while the Town of Georgina's investment accounts for less than 10% of Routes' annual budget revenue, Georgina trips account for over 70% of Routes' annual rides.

In addition to our transportation and delivery services, Routes also provides the following supports to Georgina residents:

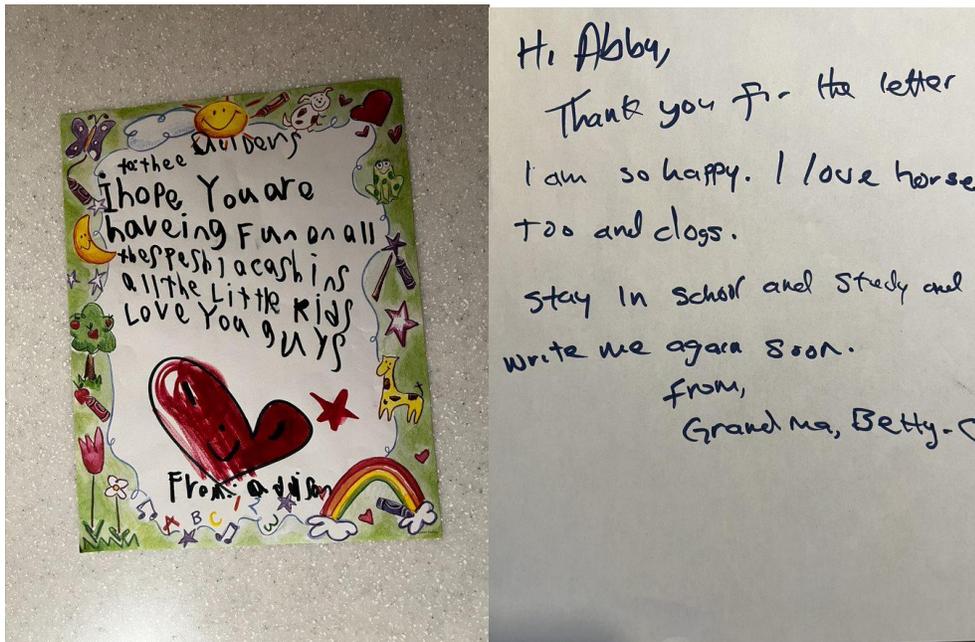
- **Friendly phone calls** and free brain game activity kits to support healthy aging at home
- **Technology support**, laptop and tech device lending
- **Income tax clinics**, serving over 80 low-income residents and seniors
- **Community cultural events**, celebrating Georgina's diversity
- **Community meals**, supporting nutrition, social enterprise, and the opportunity for residents to break bread with their neighbours
- **Bus trips** to local businesses and special destinations
- **Pen pal program**, connecting people through letters, artwork, photography

Routes is a York Region community based not-for-profit organization dedicated to helping people get to where they need to go since 1989. Routes is located at The Link and employs 5 full-time staff and relies on 130 volunteers.

Routes works with residents who experience social, physical, mental and financial limitations. Our services provide social connections, transportation to life saving appointments, peer support, community engagement and development. Our volunteers are also Georgina residents, looking for meaningful ways to engage and contribute to society.

The importance of Routes on the lives of residents is tremendous, as evidenced by their feedback:

- “The work of you and your volunteers is more than excellent and I’m sure you never get enough thanks...Hopefully this time next month, I will be out of my hole and progressing forward, but is reassuring to know I do have a back-up if/when required. THANK YOU”
- “I really look forward to these meals because I don’t cook much for myself and they’re really nice meals”
- “You don’t realize how wonderful this is for me. I gave up my car when I turned 89. I had to rely on my children for grocery shopping. This gave me back my independence”
- “It’s just me and my now 14-year old daughter in the basement apartment. I don’t know how I would get through without your help. Thanks so much”
- Volunteer: “I get satisfaction from helping in the community and getting to meet different people”
- Volunteer: I like that it’s local to me, you can really see the impact. It’s quite meaningful”



Participants in the new Pen Pal program

Mission

Routes facilitates access and transportation, enhances community engagement and improves social connections for individuals impacted by life circumstances.

Vision

A York Region that enables all community members to access the necessities of life, participate in their communities, and thrive

Location

Since October 2017, Routes has been located at The Link.

Staffing

- Executive Director (full time)
- Community Connector (full time)
- Office Administrator (full time)
- Community Engagement Lead (full time)
- Community Support Worker (full time)
- Bookkeeper (part time: 2-8 hours per week)

Board of Directors

The 2022/2023 Board of Directors has seven members.

Services

Volunteer Transportation Program

Routes volunteer transportation services are provided to residents of York Region who cannot, because of their financial, physical or mental challenges, travel by conventional transit or taxi. Eligibility for the services will be assessed during an intake; a client needs to demonstrate that transportation disadvantage prevents them from accessing important services. All rates include a return trip, a two-hour wait time and a maximum of three stops. Volunteer drivers are reimbursed for their mileage at \$0.51 per kilometre and the distance is measured from the client's pick up to the client's destination.

Full pay and Invoiced

Either a client reimburses the driver for the mileage or the office bills a third-party organization (e.g. ODSP, an insurance company or another community organization).

Fee Subsidy Assistance

Routes provides fee subsidy assistance to clients who are in financial need. Proof of income is required to determine eligibility for the program. There is a maximum of one subsidized medical ride per day and one subsidized non-medical ride per week. If people have a net subsidy income level (total income minus highest expense) of maximum \$500 per month (if family size is 1 person) or \$250 per month per person (if family size is 2+ per person), they are eligible for the program. Exceptions can be made for clients who suffer from a chronic illness.

Fully Subsidized

Rides to Food Pantries and Food Banks as well as to community meals and the Salvation Army in Jackson's Point, for financial assistance are completely subsidized.

Delivery Program

On behalf of Food Pantries and churches, Routes delivers food pantry hampers, food baskets and meals to residents. Routes also delivers groceries to seniors and others who have very limited access to food due to isolation and / or compromised immune systems.

Friendly Call Program

As part of Routes' Connecting Communities mandate, Routes matches volunteers with anyone who may be feeling lonely, isolated, mentally unwell, or would simply like to engage in friendly conversations over the phone. The Friendly Call program brings compassionate conversation into the lives of participants while giving volunteers an opportunity to listen, learn and connect.

Brain Games Booklets and Pen Pals

Building social connections, and supporting healthy aging in place, brain game booklets are created by Routes and distributed to Georgina residents. With the booklet, residents receive all the materials and art supplies required to complete the activity. Routes also created the pen pal program to build social connections between residents. Routes acts as the middle connection so that residents do not have to disclose their personal details. We receive the letters and then email them to the pen pal connection. Partners are able to share letters, artwork and photography, making the program available to those with low literacy.

Technology Support

Routes received 6-month funding from the Ministry of Seniors to provide technology support to seniors. We partnered with Jericho to train youth in the principles of cyber technology support. Routes outreached and matched seniors with youth, and facilitated the delivery of tech support sessions. We also provided technology lending, and Routes volunteers delivered tech devices to residents who did not have transportation. The sessions were very successful with many residents identifying enhanced social connections and online learning through the program.

Georgina Good Food Collective

Routes partners with Georgina Food Pantry and Community Living to train and support residents in the following: engage isolated individuals in a community kitchen program, provide life skills training and social connections, provide a community meal program that offers fresh, affordable, nutritious, and locally sourced meals at affordable prices. The program offers a meal every Wednesday, and provides an opportunity for residents to break bread with their neighbours, while exploring healthy meals from around the globe.

Free Tax Clinics

This year, we completed over 80 tax returns for low income residents, including seniors and families. We offered this free service to residents who could not afford to pay a consultant. We also completed four years of tax filings for an individual who had recently lost all their items in a house fire, and was struggling to catch up on his back filings.

QuestBus

As a social enterprise-based partnership, QuestBus is a free or subsidized charter bus services for Georgina residents and visitors to attend educational, recreational and cultural events. The QuestBus

makes it possible to facilitate fully subsidized bus trips to the Food Pantry, Walmart in Keswick, Georgina Farmers Market, as well as partly subsidized trips to special destinations in and outside York Region aiming at reducing social isolation. Local businesses can also advertise on the bus, expanding their reach and visibility.

QuestBus is also available as a charter for organizations, schools, sports teams or community groups in York Region and beyond.

This project is funded by the provincial Ministry of Transportation through the Community Transportation Program until March 2023 and is a partnership of the Town of Georgina, Routes Connecting Communities Inc., Georgina Trades Training Inc. and the Georgina Chamber of Commerce.

Community Benefit

The community benefit can be divided into the following categories:

- **Peer Mentorship:** When providing compassionate transportation, the volunteer driver has been trained, screened and supported by Routes to offer friendship, social connections, opportunity to assist with other aspects of life through system navigation, and peer support through challenging life circumstances
- **Leadership Development, Volunteering, and Civic Engagement:** Routes provides leadership development and volunteer skills. Routes volunteers not only benefit and build capacity, but they are also able to support others in their lives, learn more about community programs/services and share information. Volunteers also have a deeper sense of purpose, pride and greater connection to the Town of Georgina by helping their neighbours.
- **Social Connections:** through the pandemic we have learned the deep value of social connections. For 31 years, Routes has known this value, and our programs are designed to enhance community connections through transportation, phone calls, and peer support. These not only address social isolation, but also support residents to feel connected and as part of a community.
- **Economic Support:** For some volunteers who have disengaged from the labour market, volunteering with Routes is an opportunity to continue to stay connected, build social service skills, continue to have a meaning and purpose to their day. Volunteers also continue to build a reference through Routes that can be utilized to re-enter the labour market. Some Routes participants have also used our transportation services to access employment, education and training opportunities.
- **Social Inclusion:** for many of the most vulnerable residents, transportation and meeting life's challenges can be so overwhelming that people make the difficult decision to isolate and socially disconnect. This leads to a vicious cycle of deteriorating mental and physical health, and a reduced quality of life. Routes provides peer support and social inclusion opportunities, supporting overall health, well-being and civic engagement.
- **Community Building and Resiliency:** Through ongoing work with the Town and partner agencies, Routes has been successful in collaboratively building stronger community connections and resiliency in Georgina. This is also being achieved by building our network of volunteers of all ages.

Strategic Priorities

Routes strategic plan (2021-2025) describes strategies to increase access to our programs and services and services in the region, striving for organizational excellence, and strengthening community

partnerships and communication with internal and external stakeholders. We will also continue to navigate the impacts of coronavirus, both on the Organization and residents of Georgina. This includes responding to residents needs by creating new or adapting our programming, and finding new ways to reach marginalized residents

Funding

Third Party Funding

Town of Georgina

Since 2006, Routes has been receiving a grant from the Town of Georgina (2006: \$30,000, 2007: \$40,000, 2008 – 2013: \$50,000, 2014 – present: \$55,000). The funds have been used to run Routes' programs in Georgina

CHATS - Community and Home Assistance to Seniors

Since 2015, CHATS pays Routes a fee to cover administrative costs for every trip (to a maximum of 7,000 trips per year). Criteria for eligibility include: 55+ years of age or an adult over the age of 18 with a physical or cognitive condition needing a non-medical escort; requiring assistance when travelling and find it physically or financially difficult to use taxis, or cannot use municipally provided accessible transit.

Ministry of Transportation

Routes received funds from the Ministry of Transportation for the QuestBus transportation program

Other

In 2022, Routes received a grant from the Whitchurch-Stouffville Legacy Fund, the Town of East Gwillimbury and Magna International.

Grant Monies

Routes has received funding for specific programming:

- New Horizons for Seniors – Volunteer recruitment (2022- 1 year grant)
- United Way Community Grants- providing resident and community grants
- York Region- to develop Georgina's Community Action Table
- Ministry of Seniors and Accessibility- 6 month grant funding to provide intergenerational technology support to Georgina residents, in partnership with Jericho Youth Services

Fundraising

• Routes partnered with Elpida café in 2021 to pilot fundraising. We also participated in the Magna hoedown in 2021 and 2022. Routes is also a charity recipient of funds raised through Bingo sessions held at Bingo World in Newmarket

Grant Request from Town of Georgina

The \$55k grant we are requesting this year will be used for the following:
including:

- Volunteer recruitment, management and training
- Volunteer recognition

- Hosting fees for dispatch database
- Salaries for employees responsible for volunteer recruitment, dispatch and client intakes
- Rental fees
- Community events and special offerings, such as free income tax clinics
- Subsidizing rides to community meals and life-saving services for Georgina residents
- Providing fee subsidy assistance to low-income and disadvantaged Georgina residents

ROUTES CONNECTING COMMUNITIES INC.
Financial Statements
Year Ended December 31, 2021

ROUTES CONNECTING COMMUNITIES INC.
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Year Ended December 31, 2021

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Chaggares & Bonhomme
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Routes Connecting Communities Inc.

Qualified Opinion

We have audited the financial statements of Routes Connecting Communities Inc. (the Organization), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, changes in 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 Organization as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2021, current assets and net assets as at December 31, 2021. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

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 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 audit 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 ASNPO, 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.

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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.

Chagnon & Bonhomme

(continues)

Independent Auditor's Report to the Members of Routes Connecting Communities Inc. *(continued)*

Newmarket, Ontario
March 23, 2022

Chaggares & Bonhomme
Chartered Professional Accountants
Licensed Public Accountants

ROUTES CONNECTING COMMUNITIES INC.
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash (Note 4)	\$ 217,037	\$ 127,858
Term deposits (Note 5)	330,586	329,045
Accounts receivable (Note 6)	78,994	61,352
Prepaid expenses	4,971	4,936
	631,588	523,191
EQUIPMENT (Note 7)	82,304	90,873
	\$ 713,892	\$ 614,064
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 64,890	\$ 32,954
Deferred income (Note 8)	138,086	88,347
	202,976	121,301
CEBA LOAN (Note 9)	-	30,000
	202,976	151,301
FUND BALANCES		
General fund	180,916	438,763
Restricted fund	330,000	24,000
	510,916	462,763
	\$ 713,892	\$ 614,064

LEASE COMMITMENTS (Note 11)

ON BEHALF OF THE BOARD


 _____ Director
 _____ Director

See notes to financial statements

ROUTES CONNECTING COMMUNITIES INC.

Statement of Revenues and Expenditures

Year Ended December 31, 2021

	2021	2020
REVENUES		
Administrative fees	\$ 34,913	\$ 36,097
CHATS ride program	75,645	76,782
Donations	13,299	10,274
Grants received (<i>Note 10</i>)	269,947	146,786
Interest income	2,536	2,963
Miscellaneous	20	869
MTO CT project	121,713	67,110
Nevada	-	3,875
Revenue from services	106,221	83,448
	624,294	428,204
EXPENSES		
Advertising and promotion	1,951	3,236
Amortization	22,276	26,317
Bad debts	473	378
Driver expense reimbursements	92,667	89,408
Fundraising expenses	84,826	-
Insurance	5,437	3,749
Interest and bank charges	3,086	1,488
Nevada expenses	-	784
New Horizons expenses	1,560	6,350
MTO CT project expenses	124,551	67,247
Office	32,092	22,694
Ontario Trillium Funding expenses	24,928	-
Professional fees	20,828	17,357
Rainy Day Grocery program expenses	21,433	9,261
Rental	13,866	13,866
Salaries and wages	137,770	184,795
Senior Response Fund expenses	-	5,146
Sub-contracts	-	276
Telephone	3,593	4,027
Telus grant expenses	9,381	-
Travel	495	150
United Way CAT grant expenses	14,136	-
	615,349	456,529
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	8,945	(28,325)
OTHER INCOME		
Canada Emergency Business Account (CEBA) loan forgiveness (<i>Note 9</i>)	10,000	10,000
Canadian Emergency Wage Subsidy (CEWS) (<i>Note 12</i>)	29,208	52,130
	39,208	62,130
EXCESS OF REVENUES OVER EXPENSES	\$ 48,153	\$ 33,805

See notes to financial statements

ROUTES CONNECTING COMMUNITIES INC.
Statement of Changes in Fund Balances
Year Ended December 31, 2021

	General Fund	Restricted Fund	2021	2020
FUND BALANCES - BEGINNING OF YEAR	\$ 438,763	\$ 24,000	\$ 462,763	\$ 428,958
EXCESS OF REVENUES OVER EXPENSES	48,153	-	48,153	33,805
Transfer of Funds	(306,000)	306,000	-	-
FUND BALANCES - END OF YEAR	\$ 180,916	\$ 330,000	\$ 510,916	\$ 462,763

See notes to financial statements

ROUTES CONNECTING COMMUNITIES INC.
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 48,153	\$ 33,805
Item not affecting cash:		
Amortization of equipment	22,276	26,317
	70,429	60,122
Changes in non-cash working capital:		
Accounts receivable	(17,642)	62,255
Accounts payable and accrued liabilities	31,934	(17,647)
Deferred income	49,739	(30,382)
Prepaid expenses	(35)	(430)
	63,996	13,796
Cash flow from operating activities	134,425	73,918
INVESTING ACTIVITIES		
Purchase of equipment	(13,705)	(1,109)
Long-term debt issued	10,000	30,000
Long-term debt repayment	(40,000)	-
Cash flow from (used by) investing activities	(43,705)	28,891
INCREASE IN CASH FLOW	90,720	102,809
Cash - beginning of year	456,903	354,094
CASH - END OF YEAR	\$ 547,623	\$ 456,903
CASH CONSISTS OF:		
Cash	\$ 217,037	\$ 127,858
Term deposits	330,586	329,045
	\$ 547,623	\$ 456,903

See notes to financial statements

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

Routes Connecting Communities Inc. follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Restricted Fund are funds internally restricted by the Board for Special Projects in the future.

Transfers are made into the Restricted Funds from the Operating Fund at the discretion of the board.

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment (before 2012)	30%	declining balance method
Computer software & equipment	55%	declining balance method
Furniture and fixtures	20%	declining balance method
Leasehold improvements	8 years	straight-line method
Signs	35%	declining balance method

The Organization regularly reviews its equipment to eliminate obsolete items.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Government grants received for the purchase of capital assets are deferred and recognized on the same basis the capital asset is amortized.

(continues)

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Routes Connecting Communities Inc. follows the deferral method of accounting for contributions. The Organization recognizes revenues when they are earned, the amount to be received can be reasonably estimated and collection is reasonably assured.

Service revenues are considered earned once the service has been provided.

Grant revenues are considered earned when the corresponding expenses are incurred.

Break open ticket revenues are considered earned once the break open tickets have been sold.

Administrative fees are considered earned once they are received.

Interest revenues are recorded on an accrual basis, as the revenue is earned.

Contribution revenues are considered earned once they are received.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in GICs and are valued at cost plus accrued interest.

Donated services

A number of volunteers have donated significant amounts of time to the Organization. No amount has been recorded in the financial statements for these donated services because no objectives basis is available to measure their value.

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

2. PURPOSE OF THE ORGANIZATION

Routes Connecting Communities Inc. (the "Organization") is a not-for-profit organization of Ontario. As a registered charity the Organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The Organization was incorporated as Georgina Mobility Transit Inc. as a not-for-profit corporation under the Ontario Business Corporations Act on November 22, 1989, and amalgamated with Transit Georgina Association on July 7, 2006. The Organization changed its name to Routes Connecting Communities Inc. on August 21, 2013.

The Organization provides and coordinates transportation support services to persons restricted by their circumstance or condition, including, persons restricted by disabilities, aging, illness, financial hardship, language barriers, or who are otherwise in need of assistance.

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of December 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is indirectly exposed to credit risk since the Organization's drivers collect funds on behalf of the Organization from the riders and then owe the Organization. The Organization reduces its credit risk by screening potential drivers before being hired.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable. The Organization has minimized its liquidity risk by generating adequate monthly cash flow to ensure they can repay their current liabilities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.

4. RESTRICTED CASH

As at December 31, 2021, the restricted cash balance was \$10,156 (2020 - \$9,368) and consisted of a bingo trust account externally restricted by the Town of Newmarket. Disbursements above and beyond the approved use of bingo proceeds requires approval from the Town of Newmarket Gaming Services.

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

5. TERM DEPOSITS

Term deposits consist of:

	Average Annual Interest Rate	Maturity Date	2021	2020
BMO GIC	0.20 %	Jan 27, 2022	\$ 100,185	\$ 128,604
BMO GIC	0.45 %	Jan 28, 2022	129,320	100,441
BMO GIC	0.20 %	Aug 5, 2022	101,081	100,000
			\$ 330,586	\$ 329,045

6. ACCOUNTS RECEIVABLE

Included in Accounts Receivable are government and grant receivables. Government receivables include HST PSB rebates receivable of \$7,705 (2020 - \$5,269). Grant receivables include Canada Summer Jobs of \$6,265 (2020 - \$6,265), York Region Transit of \$6,510 (2020 - \$21,177), Ontario Ministry of Seniors of \$2,004 (2020 - \$0), and Ontario Trillium Foundation of \$2,500 (2020 - \$0).

7. EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 6,610	\$ 6,548	\$ 62	\$ 87
Computer software	93,525	77,151	16,374	7,484
Furniture and fixtures	20,631	12,828	7,803	9,754
Leasehold improvements	123,855	65,792	58,063	73,545
Signs	994	992	2	3
	\$ 245,615	\$ 163,311	\$ 82,304	\$ 90,873

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

8. DEFERRED INCOME

Deferred income consists of:

	2021	2020
Ontario Trillium Foundation and Ministry of Transportation of Ontario grant funds received for the purchase of capital assets that have been deferred and are being recognized in proportion to the amortization of the purchased capital assets.	\$ 50,565	\$ 64,910
Customer prepaids	743	334
CHATS ride revenue	294	4,360
United Way grant revenues received for services to be provided in 2022	16,812	9,375
Ontario Ministry of Seniors grant revenues received for services to be provided in 2022.	12,016	-
York Region grant revenues received for services to be provided in 2022	47,500	-
Restricted bingo funds	10,156	9,368
	\$ 138,086	\$ 88,347

9. CANADA EMERGENCY BUSINESS ACCOUNT (CEBA) LOAN PAYABLE

In 2020, the Organization applied for and received the COVID-19 Canada Emergency Business Account \$40,000 loan. In 2021, the Organization applied for and received an additional \$20,000. Of the \$60,000 total loan received, 33.33% (\$20,000) is eligible for loan forgiveness if 66.66% (\$40,000) has been fully repaid on or before December 31, 2023. This loan is interest free until December 31, 2023. If the loan is not repaid by December 31, 2023, it can be converted into a 3-year term loan, and will be charged an interest rate of 5%, payable monthly. As per the loan terms, the \$20,000 loan forgiveness is recorded in the year that the loan is taken. In this case, \$10,000 was recorded as loan forgiveness income in 2020 when the initial loan was received and \$10,000 was recorded as loan forgiveness income in 2021 when the additional \$20,000 loan was received. The Organization repaid the \$40,000 non-forgivable portion of the CEBA loan in 2021; and thus, the long-term debt outstanding in 2021 is \$0 (2020 - \$30,000).

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

10. GRANTS RECEIVED

The Organization received grants from the following government organizations:

	2021	2020
Employment and Social Development Canada – Canada Summer Jobs Program	\$ 23,722	\$ 6,265
Ministry of Transportation of Ontario – Community Transportation Grant Program	455	1,012
Employment and Social Development Canada – New Horizons for Seniors Program	1,367	6,204
Ontario Trillium Foundation – Grow Grant Program	40,407	28,554
Town of Georgina – Community Organizations Program	55,000	58,000
United Way Greater Toronto – Neighbourhood Development Grants Program	-	15,000
United Way - Rainy Day Grocery Grant Program	9,375	15,625
United Way - Senior Response Fund Grant Program	-	6,125
United Way - COVID-19 grant	5,925	-
United Way - Emergency Community Support Fund (ECSF) grant	2,623	-
United Way - CAT grant	15,150	-
Whitchurch-Stouffville Legacy Fund Grant	5,000	5,000
Town of East Gwillimbury Grant	2,500	5,000
Ontario Ministry for Seniors and Accessibility - Seniors Community grant	13,164	-
York Region - CAT grant	19,433	-
York Region - Good Food Collective grant	65,100	-
Telus Friendly Future Foundation grant	9,726	-
Eli Lilly Canada Inc. - Subsidized Patient Ride Program	1,000	-
	\$ 269,947	\$ 146,785

11. LEASE COMMITMENTS

The Organization leases premises under a long term lease that expires on August 31, 2025. Under the lease, the Organization is required to pay a base rent of \$1,075 plus applicable taxes per month. In addition to the above base rent, the Organization must pay for its proportionate share of utilities, maintenance and other related costs for the leased premises. There is an option to renew for a period of five years.

Future minimum lease payments as at year end are as follows:

2022	\$ 14,577
2023	14,577
2024	14,577
2025	<u>7,289</u>
	<u>\$ 51,020</u>

ROUTES CONNECTING COMMUNITIES INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2021

12. CANADA EMERGENCY WAGE SUBSIDY (CEWS)

The government launched the Canada Emergency Wage Subsidy (CEWS) to assist Canadian employers whose businesses have been affected by COVID-19 in order to enable businesses to re-hire workers, help prevent further job losses, and resume normal operations following the crisis.

The Organization was approved for CEWS for the following qualifying periods in the fiscal year:

	2021
Period from December 20, 2020 to January 16, 2021	\$ 1,932
Period from January 17, 2021 to February 13, 2021	6,940
Period from February 14, 2021 to March 13, 2021	2,420
Period from March 14, 2021 to April 10, 2021	437
Period from April 11, 2021 to May 8, 2021	3,003
Period from May 9, 2021 to June 5, 2021	3,731
Period from June 6, 2021 to July 3, 2021	3,819
Period from July 4, 2021 to July 31, 2021	3,918
Period from August 1, 2021 to August 28, 2021	3,008
	<hr/>
	\$ 29,208

13. SUBSEQUENT EVENTS

Since December 31, 2019, the outbreak of the novel strain of Coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operations in future periods.

ROUTES CONNECTING COMMUNITIES INC.
Statement of MTO Revenues and Expenditures
Year Ended December 31, 2021

(Schedule 1)

	2021		2020
REVENUES			
Grants received	\$ 455	\$	1,012
EXPENDITURES			
Amortization	455		1,012
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$	-

See notes to financial statements

ROUTES CONNECTING COMMUNITIES INC.
Statement of Trillium Revenues and Expenditures
Year Ended December 31, 2021

(Schedule 2)

	2021	2020
REVENUES		
Grants received	\$ 40,407	\$ 28,554
EXPENDITURES		
Ontario Trillium Funding expenses	13,028	-
Salaries and wages	11,900	-
Amortization	15,307	28,554
	40,235	28,554
EXCESS OF REVENUE OVER EXPENDITURES	\$ 172	\$ -

See notes to financial statements

as of July 2022

2022 FORECAST

2023 budget

Income

4050 Bus Trip Revenue	\$1,000.00	
4100 Dispatch Services (Administration Fees)	\$50,000.00	\$ 50,000.00
4200 Fundraising Income	\$20,000.00	
4680 Newmarket Bingo Revenue	\$54,000.00	\$ 55,000.00
4690 Fundraising Revenue Other	\$0.00	
Total 4200 Fundraising Income	\$74,000.00	\$ 55,000.00
4300 CHATS Partnership		
4310 CHATS - medical	\$80,000.00	\$ 80,000.00
Total 4300 CHATS Partnership	\$80,000.00	\$ 80,000.00
4400 Grants		
4412 Ministry of Seniors Grant	\$18,950.00	
4413 united way css	\$28,125.00	\$ 50,000.00
4414 United Way CAT	\$85,000.00	\$ 30,000.00
4417 York Region CAT	\$150,000.00	
4430 Grant - Canada Summer Jobs	\$14,520.00	\$ 14,520.00
4440 Grant - Ontario Trillium Foundation	\$61,500.00	\$ 21,000.00
4450 Grant - Town of Georgina	\$55,000.00	\$ 55,000.00
4455 Grant - Town of W-S	\$7,500.00	\$ 7,500.00
4458 Grant - Town of EG	\$5,000.00	\$ 7,500.00
4466 Grant - Rainy Day Grocery Program	\$5,000.00	
4470 Grant - Canada (CSJ)	\$0.00	
4490 Grant - New Horizons	\$16,000.00	
4495 Grant - Misc.	\$0.00	
Total 4400 Grants	\$446,595.00	\$ 185,520.00
4600 Other Income	\$0.00	
4611 Donations	\$50,100.00	
4612 Donations - No Tax Receipts	\$1,000.00	
4613 Interest Income	\$400.00	
Total 4600 Other Income	\$51,500.00	\$ 10,000.00
4700 Invoiced Rides Income	\$95,000.00	\$ 95,000.00
5000 MTO CT Project	\$0.00	
5010 MTO Funding	\$119,000.00	\$ 100,000.00
5020 Charter Fares	\$20,000.00	\$ 20,000.00
Total 5000 MTO CT Project	\$139,000.00	\$ 120,000.00
Total Income	\$937,095.00	\$ 595,520.00

Gross Profit

Expenses

5400 Bad Debts	\$200.00	
5500 Staff Salaries	\$207,000.00	\$229,721.00
5520 Staff Benefits	\$8,000.00	
5540 Retirement Allowances	\$3,000.00	
Total 5500 Staff Salaries	\$218,200.00	\$229,721.00

5600 Program Costs		
5050 Bus Trip Expenses	\$1,000.00	
5610 Volunteer Management		
5611 Driver Supplies	\$40.00	
5612 Driver Recruitment	\$500.00	\$ 500.00
5613 Driver Recognition	\$8,000.00	\$ 5,000.00
Total 5610 Volunteer Management	\$9,540.00	\$ 5,500.00
5700 Driver Reimbursements- Invoiced	\$75,000.00	\$ 75,000.00
5900 Driver Reimbursements - Client Subsidy	\$5,000.00	\$ 5,000.00
5922 Supper		
Total 5900 Driver Reimbursements - Client Subsidy	\$5,000.00	\$ 5,000.00
5928 Driver Subsidy	\$32,000.00	\$ 30,000.00
Total 5600 Program Costs	\$136,080.00	\$ 126,000.00
5800 Operating Expenses		
5650 Advertising and Promotion	\$420.00	\$ -
5801 Recruitment	\$900.00	\$ 1,000.00
5802 Donations	\$500.00	\$ -
5803 Payroll Processing Fees	\$500.00	\$ 500.00
5804 Professional & Consulting Fees	\$5,800.00	\$ 4,000.00
5805 Website	\$60.00	\$ 500.00
5807 Insurance Expense	\$0.00	\$ -
5808 Staff/Board Training	\$400.00	\$ -
5809 Travel	\$21.00	
5810 Computer support	\$0.00	
5811 Community Meetings/Workshops	\$80.00	
5830 Depreciation Expense	\$24,000.00	
5840 Office Supplies	\$1,020.00	\$ 1,000.00
5850 Telephone/Fax/Internet	\$4,000.00	\$ 5,000.00
5860 Rent	\$14,000.00	\$ 14,000.00
5870 Office Cleaning	\$150.00	\$ 300.00
5890 Bank Charges	\$4,000.00	\$ 5,000.00
5990 Cloud Applications	\$9,000.00	\$ 6,000.00
5993 Office/General Administrative Expenses	\$7,000.00	\$ 2,000.00
5995 Nonreclaimable Tax Expense	\$0.00	
7285 Memberships	\$200.00	\$ 200.00
Total 5800 Operating Expenses	\$72,051.00	\$ 39,500.00
PROJECT EXPENSES		
5640 Rainy Day Grocery Program Expenses	\$5,000.00	
6014 United Way CAT	\$85,000.00	
6015 Resident Grants		
Total 6014 United Way CAT		\$ 30,000.00
CSJ	\$14,520.00	\$ 14,520.00
6017 YR CAT Expenses 2021-22	\$125,000.00	
6412 Ministry of Seniors	\$18,950.00	
6413 united way css	\$28,125.00	\$ 50,000.00
6418 YR 2021 Distribution	\$0.00	

6440 OTF 2022	\$82,000.00	\$	21,000.00
6600 New Horizons Expenses	\$16,000.00		
7000 MTO Project Expenses	\$0.00	\$	100,000.00
Total 9000 MTO Project Expenses	\$120,000.00	\$	100,000.00
Total PROJECT EXPENSES	\$494,595.00	\$	215,520.00
Total Expenses	\$920,926.00	\$	610,741.00
Net Operating Income			
Net Income	\$16,169.00	\$	(15,221.00)

* reserved for questbus post MTO grant