



THE
CHILDREN'S
BOOK BANK



2023

ANNUAL REPORT

LETTER FROM THE EXECUTIVE DIRECTOR



Sometimes, realizing a vision for the future requires acting decisively in the present moment. This last year at The Children's Book Bank was nothing less than breathlessly action-oriented as the long-imagined dream of expanding the number of Book Bank spaces began to unfold. Anchored by the tremendous financial support from our many corporate, foundation and individual donors and coupled with a transformational gift from a generous benefactor, major steps were taken in 2023 to secure our first new location in the Morningside/Malvern neighbourhood of East Scarborough, which opened in 2024. This unprecedented organizational growth to five total book bank spaces, to be completed in 2025, has translated into hiring more staff, delivering more programming for children ages 0-18 and finding more warehouse space for more and more books! Alongside the significant financial support we've received, 'scaling up' wouldn't have been possible without the inspiring dedication of our volunteers who keep our already busy spaces in Regent Park and St. James Town going, who work to support our Books Across the City program (which continues to connect hundreds of community partners with much-needed books), and who serve on our board and committees. Thank you one and all.

The future dreamed of by the founders of the Book Bank more than a decade ago is here now and moving forward at a confident pace. The next new location to open will be in the Jane and Finch neighbourhood in the fall of 2024, and sometime in 2025 we'll open a fifth space in the Thorncliffe/Flemingdon community. Sustaining this growth beyond the current period of expansion will naturally bring its own challenges—growth and positive change does that—and we are ready to navigate these challenges together.

As an organization, we are committed to succeeding across this vibrant and evolving city in our mission to improve educational and socio-economic outcomes for *all* of Toronto's children. I invite each of you to join our determined efforts to create a joyful connection to reading by supporting the delivery of our free and engaging literacy programming and by ensuring books in the home is a reality for all our young residents.

The exciting present moment we find ourselves in is, above all, an opportunity to create the hopeful, literacy-rich future to which we all aspire.

Mary Ladky, Executive Director

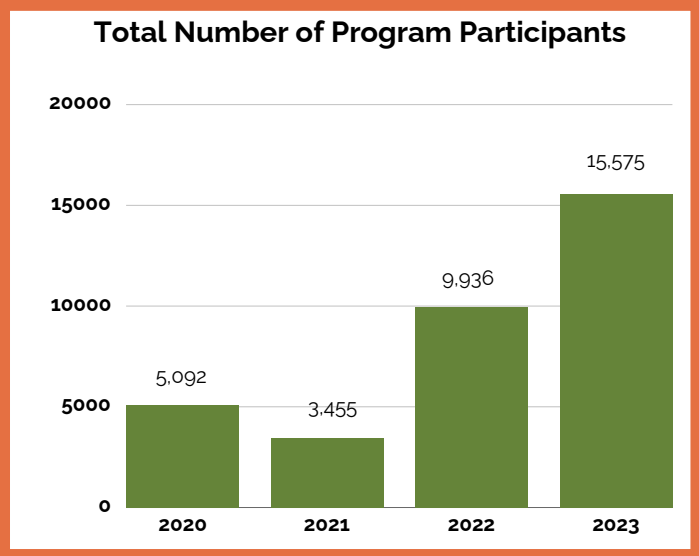


2023 HIGHLIGHTS

2023 saw a year of tremendous growth as the first full year with two Book Bank locations. We gave away more books than ever before! With the expansion of existing programs—like our Storytimes for Students and Summer Reading Program—across two sites, as well as the introduction of exciting new programming, we saw a major increase in the number of program participants.

123,993
books given
away

15,575
program
participants



“My family is so thankful for The Children’s Book Bank. It’s our favourite place to visit! It has unlocked such a love of reading in my daughter and allowed us to provide her with so many different books to enjoy together as a family, whether reading them at the Book Bank on the comfy couches, or before bedtime to wind down from the day. My daughter didn’t want to leave after the storytime! She feels at home here!”



RAISING READERS



400
participants in
our Baby Time
programs

In 2023 we introduced new programming for infants at both of our Book Bank locations and have already welcomed over 400 participants. Designed for children aged 0-18 months and their caregivers, this program focuses on language development and fostering a love of reading from the very beginning.

“ *This was my toddler’s first winter in Canada and luckily we found The Children’s Book Bank. We visit almost every day. As a first time mother, I now have a safe place to go to read, to play, to make friends, and to share joys and struggles. I believe that the Book Bank truly makes the community a better place for families like mine.* ”

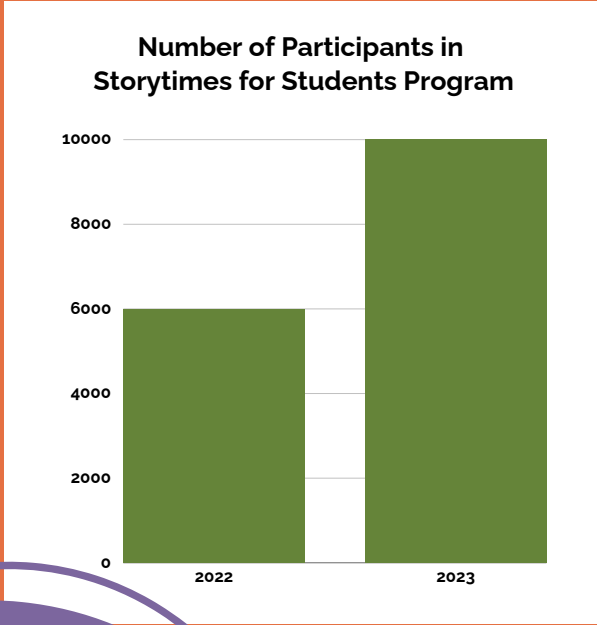




SUPPORTING STUDENTS

In 2023 we expanded our popular Storytimes for Students program, offering free visits for schools, daycares, and summer camps at both our Regent Park and Sherbourne locations.

To keep students reading year round, we also expanded our Saturday Storytimes, Summer Reading Program, and school holiday programming during PA Days, March Break, and the Winter Holiday to support students beyond the classroom.



523
trips for 10,000
participants through
our Storytimes for
Students program

“The Book Bank has been helping me read for ten years! It is the best place. On my birthday I pick going to the Book Bank before anything else. The Summer Reading Program is my favourite!”



CELEBRATING OUR COMMUNITIES

Having access to books that celebrate children's identities, cultural celebrations, and personal values is essential to nurturing young, enthusiastic readers.

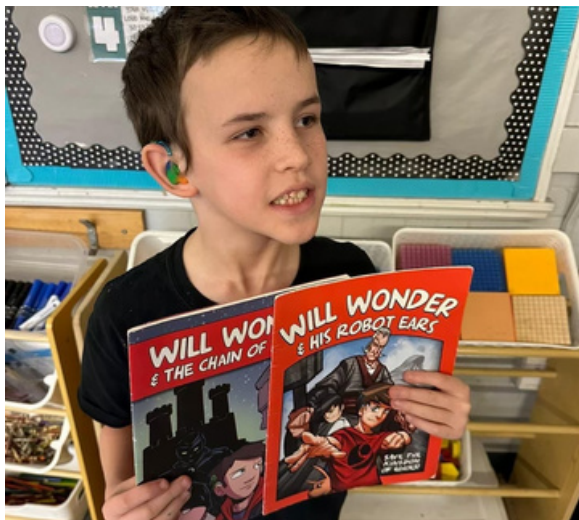
In 2023 we established a Diverse Books Fund and Inclusion Project to expand our culturally relevant books and programming with storytime events for Sikh Heritage Month, Indigenous Heritage Month, Pride Month, and Diwali. Thanks to a generous project grant we were able to supplement our book donations by purchasing books that reflect the diversity of the communities we serve.

The Book Bank also purchases new dictionaries with a discount from Scholastic Publishers and with help from donors. Many families that visit us are newcomers to Canada and it is important that they are able to access a physical dictionary when learning a new language.



600

dictionaries given away through our Dictionaries for Newcomers program



“ Thank you for all of the books! We have so many happy students, but none more than Will - who found himself a superhero just like him!! A comic about the first superhero with a Cochlear Implant! I wanted you to see how much of an impact The Children's Book Bank donation is having! ”



EMPOWERING YOUTH

The Teen Book Bank provides youth an opportunity to access appropriate books for their interests and reading level both within and outside of Book Bank hours. It is located outside our Regent Park space and is accessible anytime Daniels Spectrum is open. This ensures that youth are able to access books without the supervision or approval of Book Bank staff, giving teens the confidence to choose books with sensitive topics without hesitation. In 2023, The Teen Book Bank gave away 5,000 books and was our fastest growing program.

The Book Bank also provides quality, paid experiences to local high school students each year through our Readers to Leaders Program. These youth encounter fewer opportunities for meaningful employment due to their socio-economic status. Through this program, we are able to provide youth with valuable transferable skills.



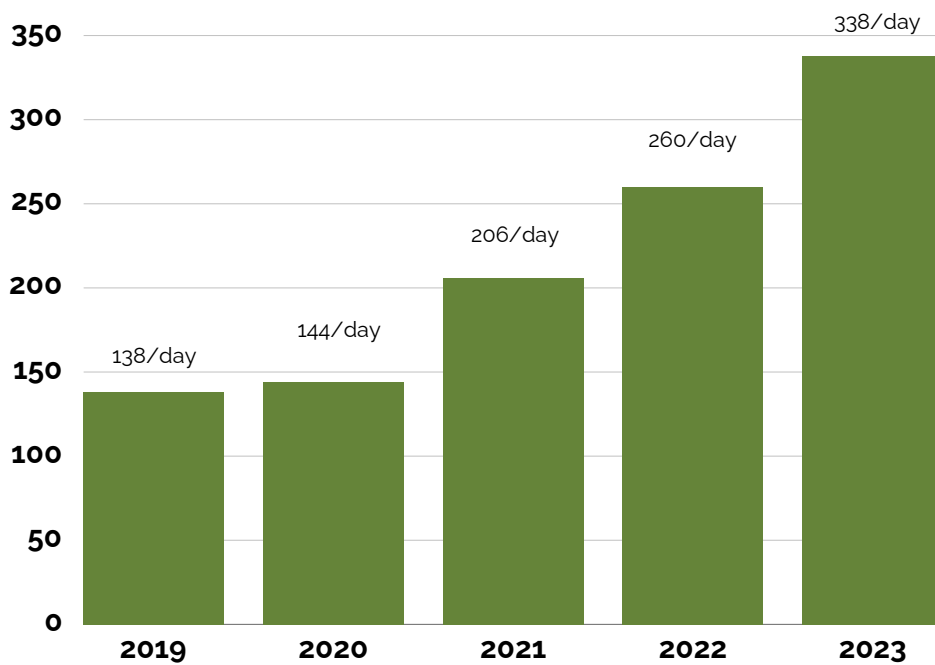
“The Readers to Leaders program taught me so many valuable skills but having that hands-on experience of working with kids made me realize this was something I wanted to do for the rest of my life. This year I will be taking another big step towards that goal by starting university. I can't wait! I have confidence about the career path laid out in front of me.”





OUR IMPACT

Number of Books Given Away at Book Bank Locations Per Day



“ Our family loves The Children's Book Bank. It is such a magical experience for our daughter to come in and be able to select any book for herself without us worrying about the cost. Growing up, my family didn't have a lot of money so buying a book was a huge treat.

Our daughter loves books. She flips through them or plays with them more than her toys. We can tell that the Book Bank has fostered her love of books already at one year old.

”



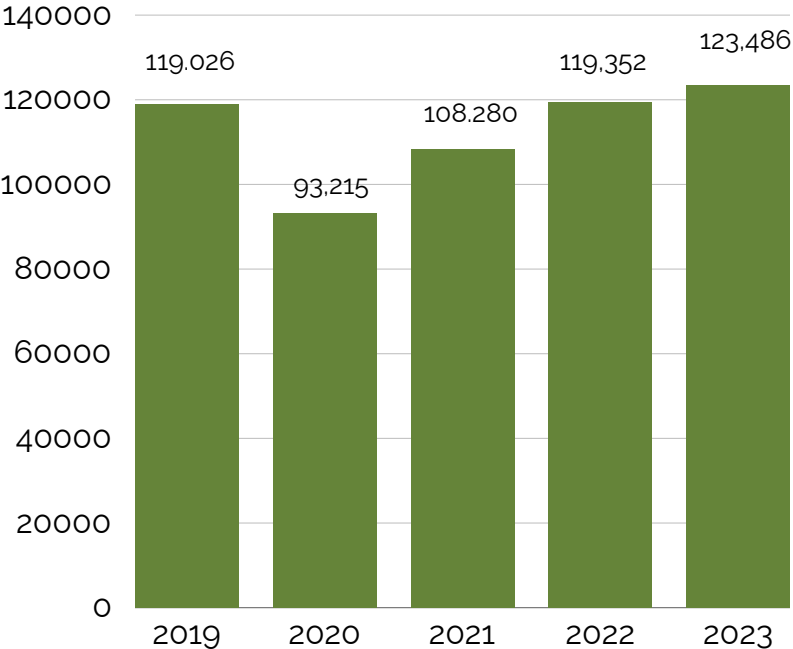


OUR IMPACT

In 2023 The Children's Book Bank gave away nearly 124,000 books: 59,587 books were distributed through two Book Bank locations and an additional 63,899 books were distributed to families across the city through 132 community partners. In total, our rate of distribution continued to grow, exceeding all previous years.



Total Number of Books Distributed



“ Thank you for the 200+ books you donated to our Blacksmith School community. As Torontonians are facing increasing prices on everyday items, the books will be a welcome gift to students on their last day of school. It signals to students the importance of reading and they can enjoy them for years to come. ”



OUR DONORS

The Arthur and Audrey Cutten Foundation

The Azrieli Foundation

Balfour Bowen Family Foundation

Bank of Montreal

Betty Averbach Foundation

Burgundy Legacy Foundation

The Catherine and Maxwell Meighen Foundation

Dawn Tattle Family Foundation

East York-Scarborough Reading Association

Employment and Social Development Canada

Han & Sun Family Foundation

Havergal College

The Hylcan Foundation

iA Financial Group

Jackman Foundation

The Janice Lewis and Mitchell Cohen
Foundation

John & Marian Taylor Family Fund at Toronto
Foundation

Kiwanis Club of Toronto Foundation

The KPMG Foundation

The Lawrence Schafer Foundation

Lewitt Family Foundation

MacDonald Griffin Charitable Foundation

Manitou Investment Management Ltd.

The Mariano Elia Foundation

The McCarthy Tetrault Foundation

MEH Foundation

The Meredith Rounthwaite Memorial Fund

Ontario Trillium Foundation

Power Corporation of Canada

R. Howard Webster Foundation

Robert Kerr Foundation

The Rotary Club of Toronto Charitable
Foundation

St. Andrew's Charitable Foundation

Taylor Taliesin Foundation

TD Ready Commitment

Tippet Foundation

Toronto Metropolitan University

Traquair Family Foundation

The Waltons Trust

Wanilah Foundation

The Weppler Family Foundation

Word-Play

Special thanks to our numerous individual donors and to those who donated books in 2023. Your crucial support helps fulfill our mission every day.



**THE CHILDREN'S BOOK BANK AND
LITERACY FOUNDATION**

FINANCIAL STATEMENTS

MARCH 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of The Children's Book Bank and Literacy Foundation,

Opinion

We have audited the financial statements of The Children's Book Bank and Literacy Foundation, (the organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Children's Book Bank and Literacy Foundation as at March 31, 2024 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.

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.

INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your 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.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

June 27, 2024
Toronto, Ontario

THE CHILDREN'S BOOK BANK AND LITERACY FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	2024	2023
ASSETS		
Current assets		
Cash	\$ 415,253	\$ 297,814
Guaranteed investment certificates (note 3)	253,652	103,652
Accounts receivable	-	10,500
HST rebate recoverable	5,237	5,658
Prepaid expenses	<u>6,556</u>	<u>6,479</u>
	<u>\$ 680,698</u>	<u>\$ 424,103</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 10,579	\$ 6,798
Deferred contributions (note 4)	<u>241,054</u>	<u>5,529</u>
	<u>251,633</u>	<u>12,327</u>
Net assets		
Designated (note 5)	100,000	100,000
Unrestricted	<u>329,065</u>	<u>311,776</u>
	<u>429,065</u>	<u>411,776</u>
	<u>\$ 680,698</u>	<u>\$ 424,103</u>

see accompanying notes

THE CHILDREN'S BOOK BANK AND LITERACY FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
REVENUE		
Contributions		
Foundations	\$ 381,963	\$ 271,062
Individual	148,039	164,335
Corporate	23,243	42,000
Government	3,936	8,047
Interest and other	<u>4,000</u>	<u>3,035</u>
	<u>561,181</u>	<u>488,479</u>
EXPENSES		
Personnel	418,063	314,919
Facility	43,312	27,657
Office and general	29,275	26,517
Programming	22,163	20,778
Communications	15,543	7,196
Fundraising	8,699	7,382
Professional fees	<u>6,837</u>	<u>7,227</u>
	<u>543,892</u>	<u>411,676</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	17,289	76,803
Net assets, beginning of year	<u>411,776</u>	<u>334,973</u>
NET ASSETS, END OF YEAR	<u>\$ 429,065</u>	<u>\$ 411,776</u>

see accompanying notes

THE CHILDREN'S BOOK BANK AND LITERACY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 17,289	\$ 76,803
Net change in non-cash working capital items (see below)	<u>250,150</u>	<u>(22,410)</u>
Net cash generated from operating activities	<u>267,439</u>	<u>54,393</u>
INVESTING ACTIVITIES		
Guaranteed investment certificates redeemed (purchased)	<u>(150,000)</u>	<u>65,699</u>
FINANCING ACTIVITIES		
Repayment of CEBA loan	<u>-</u>	<u>(40,000)</u>
NET INCREASE IN CASH FOR THE YEAR	117,439	80,092
Cash, beginning of year	<u>297,814</u>	<u>217,722</u>
CASH, END OF YEAR	<u><u>\$ 415,253</u></u>	<u><u>\$ 297,814</u></u>
Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
Accounts receivable	\$ 10,500	\$ (10,500)
HST rebate recoverable	421	873
Prepaid expenses	(77)	(4,991)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	3,781	(13,321)
Deferred contributions	<u>235,525</u>	<u>5,529</u>
	<u><u>\$ 250,150</u></u>	<u><u>\$ (22,410)</u></u>

see accompanying notes

THE CHILDREN'S BOOK BANK AND LITERACY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

The Children's Book Bank and Literacy Foundation (the organization) is incorporated in the Province of Ontario without share capital. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The organization collects, recycles and distributes free books to children who need them across Toronto.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions. Unrestricted contributions, including donations and amounts received from fundraising, are recorded when received.

Contributed materials and services

Contributed materials and services, including books, which are normally purchased by the organization are not recorded in the accounts.

Interest income

Interest income is recognized as revenue when earned.

2. FINANCIAL INSTRUMENTS

The organization's financial instruments include cash, guaranteed investment certificates, accounts payable and accrued liabilities. Accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value. Guaranteed investment certificates are recorded at cost, which approximates fair market value.

3. GUARANTEED INVESTMENT CERTIFICATES

Guaranteed investment certificates are issued by a major Canadian chartered bank, bear interest rate of 4.0% and mature between August 2024 and October 2024.

THE CHILDREN'S BOOK BANK AND LITERACY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

4. DEFERRED CONTRIBUTIONS

Continuity of deferred contributions for the year is as follows:

	2024	2023
Deferred contributions, beginning of year	\$ 5,529	\$ -
Add cash received from contributions	792,706	490,973
Less contribution revenue recognized	<u>(557,181)</u>	<u>(485,444)</u>
Deferred contributions, end of year	<u>\$ 241,054</u>	<u>\$ 5,529</u>

5. DESIGNATED NET ASSETS

The Board of Directors of the organization has designated net assets of \$100,000 as at March 31, 2024 for future strategic initiatives and to provide for unexpected financial contingencies (\$100,000 designated as at March 31, 2023). Use of these funds requires prior approval by the Board of Directors.

6. LEASE COMMITMENT

The organization leases programming and office space in Toronto, Canada. Minimum annual payments over the term of the lease, which expires on December 31, 2028, are as follows:

2025	\$ 32,631
2026	33,936
2027	35,293
2028	36,705