

**TEEN CHALLENGE OF CENTRAL  
CANADA INC.**

**Non-consolidated Financial Statements**  
For the year ended December 31, 2022  
(Unaudited)

# **TEEN CHALLENGE OF CENTRAL CANADA INC.**

## **Non-consolidated Financial Statements**

For the year ended December 31, 2022

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## Independent Practitioner's Review Engagement Report

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To the Members of Teen Challenge of Central Canada Inc.

We have reviewed the accompanying non-consolidated financial statements of Teen Challenge of Central Canada Inc. (the "Organization") that comprise the non-consolidated statement of financial position as at December 31, 2022, and the non-consolidated statement of operations, non-consolidated changes in net assets and non-consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines it is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying non-consolidated financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of non-consolidated financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the Organization, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these non-consolidated financial statements.

### Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained 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 years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and net assets as at January 1 and December 31 for both the 2022 and 2021 years. Our conclusion on the financial statements for the year ended December 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.



#### Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the non-consolidated financial statements do not present fairly, in all material respects, the financial position of Teen Challenge of Central Canada Inc. 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.

*BDO Canada LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
November 20, 2023

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Statement of Financial Position**  
**(Unaudited)**

**December 31** **2022** 2021

**Assets**

**Current Assets**

Cash and bank (Note 2)	\$ 2,441,610	\$ 1,538,249
Accounts receivable	178,378	93,162
Inventories (Note 3)	776,336	333,558
Prepaid expenses	163,301	107,405
	3,559,625	2,072,374

**Capital assets (Note 4)** **7,079,607** 6,238,162

**\$ 10,639,232** **\$ 8,310,536**

**Liabilities and Net Assets**

**Current Liabilities**

Accounts payable and accrued liabilities (Note 5)	\$ 351,894	\$ 201,891
Current portion of long-term debt (Note 6)	389,802	176,929
Deferred revenue	371,611	62,540
Deposits	13,348	4,585
	1,126,655	445,945

**Long-term debt (Note 6)** **1,909,087** 1,966,264

**Deferred contributions (Note 7)** **2,684,528** 2,530,514

**Long-term deferred revenue** **221,060** 221,060

**5,941,330** **5,163,783**

**Net Assets**

Invested in capital assets (Note 9)	2,096,190	1,564,455
Unrestricted	2,601,712	1,582,298

**4,697,902** **3,146,753**

**\$ 10,639,232** **\$ 8,310,536**

Approved on behalf of the Board of Directors:

  
Jonathan Boettcher (Nov 9, 2023 14:11 CST) Director

  
Herb Buller (Nov 9, 2023 14:18 CST) Director

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Statement of Changes in Net Assets**  
**(Unaudited)**

**For the year ended December 31**

	<b>Investment in Capital Assets</b>	<b>Unrestricted</b>	<b>Total</b>
Balance as at December 31, 2020	\$ 1,095,902	\$ 997,526	\$ 2,093,428
(Deficiency) excess of revenue over expenditures for the year	(347,248)	1,400,573	1,053,325
Net change in investment in capital assets (Note 9)	815,801	(815,801)	-
Balance as at December 31, 2021	1,564,455	1,582,298	3,146,753
<b>(Deficiency) excess of revenue over expenditures for the year</b>	<b>(343,311)</b>	<b>1,894,460</b>	<b>1,551,149</b>
<b>Net change in investment in capital assets (Note 9)</b>	<b>875,046</b>	<b>(875,046)</b>	<b>-</b>
<b>Balance as at December 31, 2022</b>	<b>\$ 2,096,190</b>	<b>\$ 2,601,712</b>	<b>\$ 4,697,902</b>

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Statement of Operations**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Donations		
Canvassing	\$ 69,899	\$ 77,953
Gift in kind	445,699	181,997
Mail	2,001,859	1,047,320
Online	423,788	479,387
Other	5,175	16,900
Administration and induction fees	157,644	178,367
Amortization of deferred contributions	241,327	211,766
Canada Emergency Wages Subsidy	-	30,803
Candy and missions	105,810	131,601
Church meeting and support	348,222	192,593
Contract work	176,175	119,762
Fundraising and special projects	1,901,117	1,214,103
Golf tournament	313,097	371,028
Other	602,649	131,294
Rental income	134,346	65,555
Sponsor pre-approved	144,892	149,859
Thrift store and sales	4,120,789	3,671,869
Vehicle donation program, net (Page 19)	1,106,908	1,389,414
	<b>12,299,396</b>	<b>9,661,571</b>
Deferred revenue, beginning of year	<b>283,600</b>	246,499
Deferred revenue, end of year	<b>(592,671)</b>	(283,600)
	<b>11,990,325</b>	<b>9,624,470</b>
<b>Expenditures (see schedule)</b>	<b>10,485,592</b>	<b>8,577,116</b>
<b>Excess of revenue over expenditures before other item</b>	<b>1,504,733</b>	<b>1,047,354</b>
<b>Other Item</b>		
Gain on sale of capital assets	<b>46,416</b>	5,971
<b>Excess of revenue over expenditures for the year</b>	<b>\$ 1,551,149</b>	<b>\$ 1,053,325</b>

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Statement of Cash Flows**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2022</b>	<b>2021</b>
<b>Cash Flows from Operating Activities</b>		
Excess of revenue over expenditures for the year	\$ 1,551,149	\$ 1,053,325
Adjustments for items not affecting cash		
Amortization of capital assets	631,054	564,985
Amortization of deferred contributions	(241,327)	(211,766)
Gain on sale of capital assets	(46,416)	(5,971)
	<u>1,894,460</u>	<u>1,400,573</u>
Changes in non-cash operating working capital balances		
Accounts receivable	(85,216)	(11,604)
Prepaid expenses	(55,896)	(31,946)
Inventories	(442,778)	(80,010)
Accounts payable and accrued liabilities	150,003	7,596
Deferred revenue	309,071	37,101
Deposits	8,763	4,549
	<u>1,778,407</u>	<u>1,326,259</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds on disposal of capital assets	61,885	51,491
Purchase of capital assets	(1,487,967)	(2,846,136)
	<u>(1,426,082)</u>	<u>(2,794,645)</u>
<b>Cash Flows from Financing Activities</b>		
Issuance of long-term debt	155,695	1,282,602
Contributions received to fund capital assets	395,341	728,429
Recognition of contributions related to assets sold	-	(32,187)
	<u>551,036</u>	<u>1,978,844</u>
<b>Net increase in cash and cash equivalents during the year</b>	<b>903,361</b>	<b>510,458</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,538,249</b>	<b>1,027,791</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,441,610</b>	<b>\$ 1,538,249</b>



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# TEEN CHALLENGE OF CENTRAL CANADA INC.

## Notes to Non-consolidated Financial Statements

(Unaudited)

**For the year ended December 31, 2022**

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### 1. Nature of Operations and Summary of Significant Accounting Policies

#### Nature and Purpose of Organization

Teen Challenge of Central Canada Inc. (the "Organization") is a Manitoba company registered with Canada Revenue Agency as a not-for-profit charitable organization, registration No. 14078 4406 RR0001. The Organization has partnered with the provincial government for the successful living program, which offers various training programs. The Organization also provides drug and alcohol rehabilitation through spiritual, vocational and academic training.

#### Basis of Accounting

These non-consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

#### Basis of Accounting for controlled Entity

The Organization has not consolidated the financial statements of its controlled entity, The Lighthouse Evangelistic Association Inc. The summary financial statements of the controlled entity is disclosed in note 11.

#### Revenue Recognition

The Organization follows the deferral method of accounting for contributions which include donations.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations, grants, administration and induction fees, other fundraising revenue, contract work and interest are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from thrift stores is recognized when all significant risks and rewards are transferred and collection is reasonably assured.

Rental income is recognized as per the lease terms.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Deferred revenue represents the funds collected for which services have not yet been provided.

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# TEEN CHALLENGE OF CENTRAL CANADA INC.

## Notes to Non-consolidated Financial Statements (Unaudited)

**For the year ended December 31, 2022**

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### 1. Nature of Operations and Summary of Significant Accounting Policies (continued)

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

#### Inventories

Inventories are stated at the lower of cost (as determined by purchase or donation-in-kind valuation) and replacement cost. Cost is generally determined on the first-in, first-out basis.

#### Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Donated capital assets are recorded at fair market value at the date of the contribution.

Amortization is provided for using the following rates and methods:

Buildings	20 years straight-line basis
Furniture and equipment	5 - 10 years straight-line basis
Vehicles	8 years straight-line basis
Leasehold improvements	over the term of the lease

#### Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

#### Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

**2. Cash and Bank**

The Organization has an approved line of credit with TD Bank for a maximum of \$250,000 with an interest rate of prime plus 1.35% per annum (7.80% as at December 31, 2022) payable monthly and is secured by the property at 260 Jean Marc road. The line of credit was unutilized as at December 31, 2022 and 2021.

**3. Inventories**

	<u>2022</u>	<u>2021</u>
Building supplies	\$ 90,253	\$ -
Prizes	130,974	77,393
Trade dollars	34,623	40,661
Vehicles	473,181	183,870
Other	47,305	31,634
	<u>\$ 776,336</u>	<u>\$ 333,558</u>

**4. Capital Assets**

	<u>2022</u>		<u>2021</u>	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 119,343	\$ -	\$ 119,343	\$ -
Buildings	8,436,133	2,420,859	7,326,087	2,041,888
Furniture and equipment	1,320,868	1,041,461	1,237,015	894,719
Vehicles	848,696	365,392	733,252	270,034
Leasehold improvements	73,451	47,297	73,451	44,345
Construction in progress	156,125	-	-	-
	<u>\$ 10,954,616</u>	<u>\$ 3,875,009</u>	<u>\$ 9,489,148</u>	<u>\$ 3,250,986</u>
Net book value		<u>\$ 7,079,607</u>		<u>\$ 6,238,162</u>

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**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

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**4. Capital Assets (continued)**

In 1998, the Organization received land and a building at 414 Edmonton Street, Winnipeg, Manitoba from the City of Winnipeg as a donation. Pursuant to the terms of the agreement, the property must be used for the purpose of a faith-based residential treatment program for substance abusers. Should the property be no longer utilized for the above stated purpose, the property will revert back to the ownership of the City of Winnipeg.

Included in capital assets is \$4,880,535 (\$4,485,194 in 2021) in buildings, furniture and equipment, and vehicles that have been donated or were purchased with donated funds. Accumulated amortization relating to these assets amounted to \$2,196,008 as at December 31, 2022 (\$1,954,681 in 2021).

**5. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities is \$11,116 (\$10,764 in 2021) in government remittances payable.

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

**6. Long-term Debt**

	<b>2022</b>	<b>2021</b>
Mortgage payable to Royal Bank of Canada at 2.39%, repayable in monthly instalments of \$7,050, principal and interest, maturing on May 26, 2026. The mortgage is secured by property in Winnipeg (83, Kate Street, Winnipeg, MB).	<b>\$ 642,662</b>	\$ 711,069
Mortgage payable to Royal Bank of Canada at 2.24%, repayable in monthly instalments of \$5,212, principal and interest, maturing on July 5, 2024. The mortgage is secured by property in Brandon (127 7th Street, Brandon, MB).	<b>488,134</b>	539,154
Mortgage payable to Royal Bank of Canada at 3.59%, repayable in monthly instalments of \$1,425, principal and interest, maturing on April 23, 2023. The mortgage is secured by property in Dryden (684 McGogny, Dryden, Ontario).	<b>180,862</b>	191,875
Toyota Credit Loan at 1.99% interest, due February 02, 2023, monthly principal and interest payments of \$729, maturing on February 2, 2023. The loan is secured by the respective vehicle.	<b>1,077</b>	10,230
Mortgage payable at 3.75%, variable and open, repayable in monthly instalments of \$2,341, principal and interest, maturing on March 1, 2037. The loan is secured by property in Thunder Bay, Ontario and a general assignment of rents and leases.	<b>204,629</b>	221,891
Mortgage payable to CERS Investment with no interest, repayable over 15 years in annual instalment of \$23,333 on or before December 31 of each year, maturing on December 31, 2037. In event of default payment interest will be accrued at the rate of RBC prime plus 4%. The mortgage is secured by the Dryden property (34 King Street, Dryden, Ontario).	<b>326,667</b>	-
Mortgage payable to Assiniboine Credit Union at 7.45%, repayable in monthly instalments of \$3,015, principal and interest, maturing on October 1, 2040. The mortgage is secured by property in Winkler (324 Cargill Drive, Winkler, MB, R6W 0K4) and assignment of fire insurance policy over the property.	<b>454,858</b>	468,974
	<b>2,298,889</b>	2,143,193
Current portion of long-term debt	<b>389,802</b>	176,929
	<b>\$ 1,909,087</b>	\$ 1,966,264

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

**6. Long-term Debt (continued)**

Principal repayments for the next five years and thereafter are as follows:

2023	\$ 389,802
2024	189,617
2025	195,037
2026	200,571
2027	206,339
Thereafter	<u>1,117,523</u>
	<u>\$ 2,298,889</u>

**7. Deferred Contributions**

Deferred capital contributions related to capital assets represent the unamortized amount of donated capital assets, or funds received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations at rates which match the amortization of the related capital asset purchased with the donations.

	<u>2022</u>	<u>2021</u>
Balance, beginning of the year	\$ 2,530,514	\$ 2,046,038
Additional contributions received	395,341	712,990
Less amounts amortized to revenue	(241,327)	(211,766)
Transferred from deferred revenue	-	15,439
Recognition of contributions related to assets sold during year	-	(32,187)
Balance, end of year	<u>\$ 2,684,528</u>	<u>\$ 2,530,514</u>

**8. Lease Commitments**

The Organization leases equipment, vehicles and building space. The minimum aggregate lease payments for the next three years are as follows:

2023	\$ 133,594
2024	140,501
2025	105,376

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

**9. Investment in Capital Assets**

Investment in capital assets is calculated as follows:

	<u>2022</u>	<u>2021</u>
Capital assets	\$ 7,079,607	\$ 6,238,162
Amounts financed by		
Deferred contributions	(2,684,528)	(2,530,514)
Long-term debt	(2,298,889)	(2,143,193)
	<u>\$ 2,096,190</u>	<u>\$ 1,564,455</u>

Change in net assets invested in capital assets is calculated as follows:

	<u>2022</u>	<u>2021</u>
Deficiency of revenue over expenditures		
Amortization of deferred contributions related to capital assets	\$ 241,327	\$ 211,766
Amortization of capital assets	(631,054)	(564,985)
Gain on sale of capital assets	46,416	5,971
	<u>\$ (343,311)</u>	<u>\$ (347,248)</u>

Net changes in investment in capital assets		
Purchase of capital assets	\$ 1,487,967	\$ 2,846,136
Proceeds related to assets sold during year	(61,885)	(51,491)
Amounts funded by donations	(395,341)	(728,429)
Repayment (issuance) of loans and related party advances	(155,695)	(1,282,602)
Recognition of contributions related to assets sold during the year	-	32,187
	<u>\$ 875,046</u>	<u>\$ 815,801</u>

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**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

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**10. Financial Instrument Risk Management**

The Organization, through its financial assets and liabilities, is exposed to various risks in the normal course of operations. The Organization's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Organization's activities. The following analysis provides a measurement of those risks at December 31, 2022.

Credit Risk

Credit risk is the risk that the Organization will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the organization to significant concentrations of credit risk consist primarily of accounts receivable. The Organization is not exposed to significant credit risk as the accounts receivable is typically collected when it is due. Credit risk has not changed from prior year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is not exposed to significant interest rate risk as cash and bank are held in short-term products. Interest rate on mortgages are both fixed and variable in nature. The Organization is exposed to interest rate risk through its variable interest rate mortgages. It seeks to minimize the risks from interest rate fluctuations through its normal operating and financing activities.

Liquidity Risk

Liquidity risk is the risk that the Organization will not be able to meet its obligations as they fall due. The Organization maintains adequate levels of working capital to ensure all its obligations can be met when they fall due. Liquidity risk has not changed from prior year.



**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

**11. Controlled Not-for-Profit Organization and Related Party Transactions**

Teen Challenge of Central Canada Inc. controls The Lighthouse Evangelistic Association Inc., (the "Lighthouse") by virtue of the fact that of the members of the Board of Directors are common to each the Organization and the Lighthouse. The Lighthouse is a Manitoba company registered with Canada Revenue Agency as a charitable organization, registration No. 889250460.

The Lighthouse receives no government funding and provides clothing, food and aid for the homeless.

The net assets, results of the operations and cash flows are not included in the financial statements of the Organization. Separate financial statements of the Lighthouse are available upon request. Financial summaries of the Lighthouse as at December 31, 2022 and December 31, 2021 and for the years then ended are as follows:

	2022	2021
<u>Statement of Financial Position</u>		
Total assets	<b>\$ 1,158,207</b>	\$ 1,129,544
Total liabilities	<b>\$ 306,639</b>	\$ 267,101
Total fund balances	<b>851,568</b>	862,443
Total liabilities and fund balances	<b>\$ 1,158,207</b>	\$ 1,129,544
	2022	2021
<u>Statement of Operations</u>		
Total revenue	<b>\$ 757,964</b>	\$ 959,393
Total expenses	<b>768,839</b>	666,524
Excess of revenue over expenses before other item	<b>(10,875)</b>	292,869
Other Item Loss on disposal of capital assets	-	27,020
Excess of revenue over expenses	<b>\$ (10,875)</b>	\$ 265,849

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**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Notes to Non-consolidated Financial Statements**  
**(Unaudited)**

**For the year ended December 31, 2022**

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**11. Controlled Not-for-Profit Organization and Related Party Transactions (continued)**

	<b>2022</b>		<b>2021</b>
<u>Statement of Cash Flows</u>			
Cash generated by operating activities	<b>\$ 58,893</b>	\$	275,001
Cash used in investing and financing activities	<b>(74,100)</b>		(38,187)
	<b>\$ (15,207)</b>	\$	236,814

The Lighthouse pays the Organization an administration fee annually to perform financial, managerial, promotional and other services on its behalf. The total administration fee for the year amounted to \$97,399 (\$119,678 in 2021). During the year, the Organization received \$184,252 (\$118,103 in 2021) from Lighthouse for assistance with food preparation, serving of meals and maintenance, and donated capital assets with a net book value of \$NIL (\$30,000 in 2021) for total proceeds paid of \$NIL (\$10,000 in 2021).

At the end of the year, the amount owing from Lighthouse was \$104,464 (\$55,779 in 2021), included in the accounts receivables.

Related party transactions arise in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value of the product purchased.

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Schedule of Expenditures**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2022</b>	<b>2021</b>
Administration	\$ 25,341	\$ 23,269
Advertising	493,019	374,721
Amortization of capital assets	631,054	564,985
Bad debt	34	-
Bank charges and interest	114,981	73,694
Fuel	190,048	133,784
Fundraising and special projects	601,802	303,478
Golf tournament	82,046	109,621
Groceries	96,079	76,681
Insurance	186,993	153,144
Interest on long-term debt	67,325	48,553
Thrift store and sales expense	338,670	334,749
Meetings	55,365	40,658
Miscellaneous	276,800	205,030
Mission	14,836	39,855
Postage/courier	22,384	32,330
Printing, stationery and office supplies	231,401	275,938
Professional fees	36,039	39,477
Property tax	137,586	77,306
Rental expense	278,727	303,176
Repairs and maintenance	457,917	466,987
Salaries, benefits and honorariums	5,328,065	4,261,930
Student cost/curriculum	332,723	269,013
Telephone	92,197	107,771
Travel	106,476	60,736
Utilities	287,684	200,230
	<b>\$ 10,485,592</b>	<b>\$ 8,577,116</b>

**TEEN CHALLENGE OF CENTRAL CANADA INC.**  
**Non-consolidated Vehicle Donation Program**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2022</b>	<b>2021</b>
<b>Sales</b>		
Auction	\$ 317,380	\$ 475,550
Raffle	18,178	42,240
Recycler	669,244	788,845
Retail	392,330	394,840
	<u>1,397,132</u>	<u>1,701,475</u>
<b>Cost of Goods Sold</b>		
Donated vehicles disposed	<u>(1,699,109)</u>	<u>(1,847,011)</u>
<b>Gross loss</b>	<b>(301,977)</b>	<b>(145,536)</b>
<b>Other Income</b>		
Gifts-in-kind vehicles	<u>1,408,885</u>	<u>1,534,950</u>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ 1,106,908</b>	<b>\$ 1,389,414</b>