

Consolidated financial statements of

# **Kids Help Phone**

December 31, 2014

# Kids Help Phone

December 31, 2014

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## Independent Auditor's Report

To the Members of  
Kids Help Phone

We have audited the accompanying consolidated financial statements of Kids Help Phone, which comprise the consolidated balance sheet as at December 31, 2014, and the consolidated statements of revenue and expenses, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, Kids Help Phone derives the majority of its revenues from the general public in the form of revenue from donations, sponsorship, events and promotions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Kids Help Phone. Therefore, we were not able to determine whether any adjustments might be necessary to revenue from donations, sponsorships, events and promotions, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2014 and December 31, 2013, current assets as at December 31, 2014 and December 31, 2013, and fund balances as at December 31 and January 1 for both the 2014 and 2013 years. Our audit opinion on the consolidated financial statements for the year ended December 31, 2013 was modified accordingly, because of the possible effects of this scope limitation.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Kids Help Phone as at December 31, 2014, 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.

*Deloitte LLP*

Chartered Professional Accountants, Chartered Accountants  
Licensed Public Accountants  
May 12, 2015

# Kids Help Phone

Consolidated statement of revenue and expenses  
year ended December 31, 2014

	2014			2013		
	Operating Fund	Restricted Funds	Total	Operating Fund	Restricted Funds	Total
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
Events	5,782,649	-	5,782,649	5,838,855	-	5,838,855
General donations and grants	5,221,589	273	5,221,862	4,930,503	248	4,930,751
Government grants						
Kids Help Phone programs	1,558,916	-	1,558,916	1,227,743	-	1,227,743
Good2Talk program	2,950,369	-	2,950,369	2,334,490	-	2,334,490
Corporate promotions	336,084	-	336,084	120,083	-	120,083
Program sponsorship	39,028	-	39,028	175,400	-	175,400
Investment income	61,056	506	61,562	65,441	520	65,961
Other	50,163	-	50,163	90,580	-	90,580
	<b>15,999,854</b>	<b>779</b>	<b>16,000,633</b>	<b>14,783,095</b>	<b>768</b>	<b>14,783,863</b>
<b>Expenses</b>						
Service delivery costs - Kids Help Phone						
Kids Help Phone (Schedule A)	6,998,764	-	6,998,764	5,222,229	-	5,222,229
Volunteer engagement (Schedule A)	22,177	-	22,177	30,560	-	30,560
Service delivery costs - Good2Talk (Schedule A)	2,951,418	-	2,951,418	2,356,664	-	2,356,664
Direct fundraising (Schedule A)	3,740,849	-	3,740,849	3,984,055	-	3,984,055
General and administrative (Schedule A)	1,665,247	58	1,665,305	1,531,712	33	1,531,745
Donor development (Schedule A)	236,321	-	236,321	290,018	-	290,018
Amortization of capital assets	133,932	-	133,932	120,016	-	120,016
Interest on obligation under capital leases	1,706	-	1,706	1,722	-	1,722
	<b>15,750,414</b>	<b>58</b>	<b>15,750,472</b>	<b>13,536,976</b>	<b>33</b>	<b>13,537,009</b>
<b>Excess of revenue over expenses</b>	<b>249,440</b>	<b>721</b>	<b>250,161</b>	<b>1,246,119</b>	<b>735</b>	<b>1,246,854</b>

The accompanying notes to the financial statements are an integral part of this financial statement.

# Kids Help Phone

Consolidated statement of changes in fund balances  
year ended December 31, 2014

					2014	2013
	Operating Funds				Externally Restricted Funds	
	General	Capital assets	Reserve	Futures Campaign	Total	Total
	\$	\$	\$	\$	\$	\$
<b>Accumulated excess of revenue over expenses, beginning of year</b>	<b>2,805,679</b>	<b>306,402</b>	<b>2,500,006</b>	<b>9,814</b>	<b>50,542</b>	<b>4,425,589</b>
Excess of revenue over expenses	372,004	(122,564)	-	-	721	1,246,854
Interfund transfers (Note 17)	(85,186)	-	100,000	(9,814)	(5,000)	-
Net investment in capital assets	(152,436)	152,436	-	-	-	-
Capital lease obligations	101,126	(101,126)	-	-	-	-
<b>Fund balances, end of year</b>	<b>3,041,187</b>	<b>235,148</b>	<b>2,600,006</b>	<b>-</b>	<b>46,263</b>	<b>5,672,443</b>

The accompanying notes to the financial statements are an integral part of this financial statement.

# Kids Help Phone

## Consolidated balance sheet as at December 31, 2014

	2014	2013
	\$	\$
<b>Assets</b>		
Current assets		
Cash	1,942,434	1,250,494
Short-term investments (Note 4a)	4,097,662	5,034,050
Accounts receivable	234,206	181,628
Prepaid expenses and other	180,346	260,402
	<b>6,454,648</b>	<b>6,726,574</b>
Restricted cash and investments (Note 4b)		
Kyra Field Memorial Fund	46,263	50,542
Reserve Fund	2,707,306	2,571,133
Futures Campaign Fund	-	9,814
	<b>2,753,569</b>	<b>2,631,489</b>
Capital assets (Note 5)		
	<b>407,252</b>	<b>390,072</b>
	<b>9,615,469</b>	<b>9,748,135</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 16)	942,092	816,796
Deferred revenue (Note 6)	2,578,669	3,175,226
Obligation under capital leases - current (Note 7)	55,754	22,007
	<b>3,576,515</b>	<b>4,014,029</b>
Deferred capital contribution (Note 8)		
	<b>33,824</b>	<b>46,516</b>
Obligation under capital leases (Note 7)		
	<b>82,526</b>	<b>15,147</b>
	<b>3,692,865</b>	<b>4,075,692</b>
<b>Fund balances (Note 3)</b>		
Operating Fund		
General	3,041,187	2,805,679
Invested in capital assets	235,148	306,402
Reserve Fund	2,600,006	2,500,006
Futures Campaign Fund	-	9,814
Externally Restricted Funds	46,263	50,542
	<b>5,922,604</b>	<b>5,672,443</b>
	<b>9,615,469</b>	<b>9,748,135</b>

On behalf of the Board



Chair of the Board

Deb Craven



Treasurer

Harry Wierenga

The accompanying notes to the financial statements are an integral part of this financial statement.

# Kids Help Phone

## Consolidated statement of cash flows year ended December 31, 2014

	2014	2013
	\$	\$
<b>Operating activities</b>		
Excess of revenues over expenses	250,161	1,246,854
Items not affecting cash		
Amortization of capital assets	133,932	120,016
Loss on disposal of capital assets	1,324	-
Amortization of deferred capital contributions	(12,692)	(15,166)
Gain on investments	(11,475)	(30,972)
	<b>361,250</b>	<b>1,320,732</b>
Changes in non-cash working capital items		
Accounts receivable	(52,578)	56,506
Prepaid expenses and other	80,056	(58,860)
Accounts payable and accrued liabilities	125,296	101,377
Deferred revenue	(596,557)	2,470,804
	<b>(82,533)</b>	<b>3,890,559</b>
<b>Investing activities</b>		
Decrease (increase) in short-term investments	936,388	(4,028,300)
Purchase of capital assets	(22,280)	(28,502)
Increase in restricted cash and investments	(110,605)	(313,588)
	<b>803,503</b>	<b>(4,370,390)</b>
<b>Financing activities</b>		
Payment under capital lease obligations	(29,030)	(19,887)
Net increase (decrease) in cash	691,940	(499,718)
Cash, beginning of year	1,250,494	1,750,212
<b>Cash, end of year</b>	<b>1,942,434</b>	<b>1,250,494</b>
<b>Supplemental cash flows information</b>		
Cash interest paid	2,460	4,792
<b>Non-cash transaction</b>		
Assets financed under capital lease	130,156	-

The accompanying notes to the financial statements are an integral part of this financial statement.



# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 1. Description of the organization

The Organization is comprised of Kids Help Phone (“KHP”) and Kids Help Foundation (“KHF”). All of the directors of Kids Help Foundation are also directors of Kids Help Phone. Kids Help Phone was incorporated under the Canada Corporations Act and continued under the Canadian Not-for-Profit Corporations Act on October 1, 2013.

The mandate of Kids Help Phone is to provide anonymous and confidential professional counseling, referrals and information through technologically-based communications media for children and youth in Canada.

The mandate of Kids Help Foundation, a registered charitable organization, is to improve the health and welfare of children and their families in Canada.

Kids Help Phone and Kids Help Foundation are classified as registered charities under the Income Tax Act and, as such, are not subject to income tax provided certain disbursement requirements are met.

### 2. Significant accounting policies

#### *Financial statement presentation*

These financial statements are presented on a consolidated basis and include the accounts of Kids Help Phone and Kids Help Foundation. These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations published by Chartered Professional Accountants of Canada (“CPA Canada”), using the restricted fund method of reporting restricted contributions.

#### *Revenue recognition*

Corporate and sponsorship revenue is recorded in the year to which it relates if the receipt is reasonably assured. Donations revenue is recorded when received. Revenue relating to special events or programs which have not yet occurred is recorded as deferred revenue and recognized as revenue in the year the events occur or program expenses are incurred. Government grants are recognized as revenue in the year in which the related expenses are incurred. Investment income is recorded when earned.

#### *Contributed goods and services*

Donors contribute gifts in kind for use in special fundraising events, which are recognized at their fair market value when such value can be reasonably estimated. Donated property and equipment are recorded at fair value when fair value can be reasonably estimated. Donated materials and services are recorded at fair value when fair value can be reasonably estimated and when the materials and services are normally purchased by the Organization and would be paid for if not donated. Received gifts-in-kind are recognized as revenue and expenditures when received.

#### *Deferred capital contributions*

Funds received related to capital assets are recorded as deferred capital grants and amortized at the same rate as the related capital asset.

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 2. Significant accounting policies (continued)

#### *Financial instruments*

Under Section 3856, all financial instruments are included on the consolidated balance sheet, and are measured either at fair value or amortized cost based on the characteristics of the instrument and the Organization's accounting policy choices. All financial instruments reported on the consolidated balance sheets are classified as follows:

<u>Asset/liability</u>	<u>Category</u>
Cash	Fair value
Short-term investments	Fair value
Accounts receivable	Amortized cost
Restricted cash and investments	Fair value
Accounts payable and accrued liabilities	Amortized cost

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, with the exception of cash, short-term and restricted investments which are measured at fair value. Changes in fair value are recorded in the consolidated statement of revenue and expenses.

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the consolidated statement of revenue and expenses.

Transaction costs are expensed as they are incurred.

#### *Pledges*

Pledges received are recorded as revenue in the financial statements if the amounts can be reasonably estimated and collection is reasonably assured.

#### *Capital assets*

Office furniture and equipment and computers are capitalized on acquisition and are amortized on the straight-line basis over their average useful lives, which has been estimated at three years for computers and ten years for office furniture and equipment. Assets held under capital lease are amortized over the lease term. Leasehold improvements are amortized over the remaining lease term.

#### *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. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts requiring significant estimates and assumptions are included in accounts payable and accrued liabilities, and amortization of capital assets.

#### *Allocation of expenses*

KHP allocates the cost of salaries and benefits and rental expenses as follows:

- Salaries and benefits - allocated based on the percentage of time assigned to each program
- Rent - allocated based on the surface area occupied by each program.

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 3. Funds

#### *Operating Fund*

The general portion of the Kids Help Phone Operating Fund (the "Operating Fund") records the day-to-day operations of the Organization.

The capital assets portion of the Operating Fund records the cost of capital assets acquired less accumulated amortization, the unamortized portion of deferred capital contributions and the outstanding obligations on capital leases.

#### *Reserve Fund*

The Reserve Fund represents funds restricted by the Board of Directors to offset potential operating shortfalls of the Organization. The interest earned on this fund is recorded in the General portion of the Operating Fund.

#### *Externally Restricted Funds*

The Kyra Field Memorial Fund records donations made in memory of Kyra Field, and related interest income. The fund is to be used for the development and training of professional counsellors.

### 4. Investments

a) Short-term investments are comprised of the following:

	<b>2014</b>		
	<b>Fair value</b>	<b>Interest rate</b>	<b>Due date</b>
	\$	%	
Guaranteed Investment Certificates	<b>516,034</b>	<b>1.30</b>	<b>Redeemable</b>
Guaranteed Investment Certificates	<b>3,031,628</b>	<b>1.25</b>	<b>Redeemable</b>
Guaranteed Investment Certificates	<b>550,000</b>	<b>1.00</b>	<b>Redeemable</b>
	<b>4,097,662</b>		

  

	<b>2013</b>		
	<b>Fair value</b>	<b>Interest rate</b>	<b>Due date</b>
	\$	%	
Guaranteed Investment Certificates	1,017,316	1.15	Redeemable
Guaranteed Investment Certificates	4,016,734	1.25	Redeemable
	5,034,050		

# Kids Help Phone

Notes to the consolidated financial statements

December 31, 2014

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## 4. Investments (continued)

b) Restricted investments are comprised of the following:

			2014
	Fair value	Interest rate	Due date
	\$	%	
Kyra Field Memorial Fund			
Cash	46,263	n.a.	n.a.
Reserve Fund			
Cash	608,369	n.a.	n.a.
BMO High Interest Savings	173,356	n.a.	Call
AGF Trust Co GIC	11,684	3.26%	24-Feb-15
CPN Sun Life Financial	99,707	n.a.	2-Mar-15
CPN Transalta Utilts Corp	79,367	n.a.	18-May-15
BMO Step Up deposits 2019	198,600	1.85%	17-Jul-15
BMO Step Up deposits 2024	99,468	2.25%	12-Nov-24
Manulife CDA	19,186	2.95%	19-Nov-15
CPN Bell Canada Cars & Pars	195,015	n.a.	2-Apr-16
Ontario Savings Bond series 2012	311,325	1.75%	21-Jun-17
Ontario Savings Bond series 2013	407,908	1.50%	21-Jun-18
Ontario Savings Bond series 2014	503,321	1.25%	21-Jun-19
	<b>2,707,306</b>		
	<b>2,753,569</b>		

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

### 4. Investments (continued)

b) (continued)

	Fair value	Interest rate	2013 Due date
	\$	%	
Kyra Field Memorial Fund			
Cash	50,542	n.a.	n.a.
Reserve Fund			
Cash	1,231,682	n.a.	n.a.
BMO High Interest Savings	82,464	n.a.	Call
CPN Transalta Utilts Corp	123,932	n.a.	18-May-14
Equitable Trust GIC	31,000	2.15%	9-Oct-14
AGF Trust Co GIC	11,315	3.26%	24-Feb-15
CPN Sun Life Financial	97,275	n.a.	2-Mar-15
CPN Transalta Utilts Corp	76,852	n.a.	18-May-15
Manulife CDA	18,636	2.95%	19-Nov-15
CPN Bell Canada Cars & Pars	189,598	n.a.	2-Apr-16
Ontario Savings Bond series 2012	305,721	1.50%	21-Jun-17
Ontario Savings Bond series 2013	402,658	1.25%	21-Jun-18
	2,571,133		
Futures Campaign Fund			
Cash	9,814	n.a.	n.a.
	2,631,489		

### 5. Capital assets

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
	\$	\$	\$	\$
Office furniture and equipment	374,309	229,962	144,347	166,214
Computers	348,875	316,357	32,518	56,415
Leasehold improvements	763,868	655,476	108,392	136,045
Assets held under capital leases	594,897	472,902	121,995	31,398
	2,081,949	1,674,697	407,252	390,072

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 6. Deferred revenue

	2014	2013
	\$	\$
Balance, beginning of year	3,175,226	704,422
Donations received for special events and programs	5,513,917	8,087,372
Recognized in revenue	(6,110,474)	(5,616,568)
Balance, end of year	<u>2,578,669</u>	<u>3,175,226</u>

Deferred revenue is comprised of amounts relating to the following:

	2014	2013
	\$	\$
Government	830,140	1,644,346
Foundations	1,180,346	1,374,940
Corporations	465,000	100,000
Individuals	16,670	16,668
Events	86,513	39,272
	<u>2,578,669</u>	<u>3,175,226</u>

### 7. Obligation under capital leases

The future minimum lease payments required under the capital lease agreements are as follows:

	2014	2013
	\$	\$
Total minimum lease payments	139,086	40,129
Amount representing interest	(806)	(2,975)
	<u>138,280</u>	<u>37,154</u>
Less: current portion	(55,754)	(22,007)
Long-term portion	<u>82,526</u>	<u>15,147</u>

Interest expense related to these leases was \$2,196 (2013 - \$1,722).

Principal payments due in the next 3 years are as follows:

	\$
2015	55,754
2016	46,372
2017	36,154
	<u>138,280</u>

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 8. Deferred capital contribution

	2014	2013
	\$	\$
Balance, beginning of year	46,516	61,682
Amortization of deferred capital contributions	(12,692)	(15,166)
Balance, end of year	<u>33,824</u>	<u>46,516</u>

### 9. Contingencies and guarantees

In the normal course of business, the Organization enters into agreements that meet the definition of a guarantee. The Organization's primary guarantees are as follows:

- a) The Organization has provided indemnities under lease agreements for the use of various operating facilities. Under the terms of these agreements the Organization agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- b) An indemnity has been provided to all directors and/or officers of the Organization for various items including, but not limited, all costs to settle suits or actions due to their involvement with the Organization, subject to certain restrictions. The Organization has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a trustee, director or officer of the Organization. The maximum amount of any potential future payment cannot be reasonably estimated.
- c) In the normal course of business, the Organization has entered into agreements that include indemnities in favour of third parties, such as confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Organization to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Organization from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Organization has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued in the balance sheet with respect to these agreements.

# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 10. Lease commitments

The Organization is committed to the following annual lease payments for office space in the years ending December 31:

	\$
2015	579,590
2016	574,177
2017	569,407
2018	521,979
2019	512,192
Beyond	369,465
	<u>3,126,810</u>

### 11. Related party transactions

In the normal course of business, from time to time, the Organization enters into transactions with entities which are related to the Organization by virtue of their representation on the Board of Directors. Such transactions are for goods and services and can often be less than fair market value and are often donated. These goods and services are appropriately recorded in the financial statements at cost or at fair market value, if appropriate and determinable. The Organization has a policy which governs transactions with volunteers and staff and conflicts of interest. These transactions were in compliance with the policy. In 2014 the Organization paid and accrued the following services from related parties:

Telecommunication services from Bell Canada	\$ 608,722 (2013 - \$369,416)
Banking services from BMO Bank of Montreal	\$ 4,783 (2013 - \$7,605)
Courier services from Purolator	\$ 24,636 (2013 - \$34,052)
Incentives from The Source	\$ 73,356 (2013 - \$Nil)

In 2014, the Organization also recognized \$283,522 (2013 - \$252,296) of contributed services in relation to legal services from Osler, Hoskin & Harcourt and \$85,764 (2013 - \$28,500) of contributed materials in relation to the donation of AirMiles from LoyaltyOne.

### 12. Externally restricted funds

The Organization manages externally restricted funds of \$46,263 (2013 - \$50,542) with conditions stipulated in donor agreements concerning the use of the funds and related income. The Organization has complied with the requirements of these restricted funds.

### 13. Credit facilities

The Organization has an operating line of credit to a maximum of \$100,000. This credit facility bears Prime plus 1.25% interest and, as at December 31, 2014, there was \$nil (2013 - \$nil) in borrowings under this credit facility.

### 14. Allocation of expenses

The amount of salaries, benefits and rent that has been allocated to the various programs is as shown on Schedule A - Consolidated schedule of expenses.



# Kids Help Phone

## Notes to the consolidated financial statements

December 31, 2014

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### 15. Fair values and risk management

The fair value of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

Short-term investments are recorded at cost plus accrued income, which approximates fair value.

Restricted investments other than cash are recorded at fair value which is the bid price as of December 31.

#### *Interest rate risk*

The Organization is exposed to interest rate risk on its investments. The Organization does not use any hedging instruments to manage this risk.

#### *Credit rate risk*

The Organization's credit risk is primarily attributable to its accounts receivables. The Organization manages this risk through proactive collection polices.

### 16. Government remittances

Included in accounts payable and accrued liabilities is an amount of \$42,372 (2013 - \$30,367) representing amounts due to the government relating to payroll and commodity taxes.

### 17. Interfund transfers

For the year ended December 31, 2014, the Board approved a transfer from the Operating Fund to Reserve Fund of \$100,000 (2013 - \$500,000). In addition, as the last of the pledges have been received for the Futures Campaign Fund, a transfer of \$9,814 was made to close this fund and transfer the remaining fund balance to the operating fund. In 2014, there was also an approved transfer of \$5,000 made from the Externally Restricted funds to the Operating Fund to support the Live Chat initiative.

# Kids Help Phone

## Schedule A - Consolidated schedules of expenses year ended December 31, 2014

	2014	2013
	\$	\$
<b>Kids Help Phone Service Delivery</b>		
Salaries and employee benefits	5,233,103	3,859,115
Kid's Website	211,361	121,452
Telecommunications	477,792	533,688
Youth marketing	443,943	244,397
Rent	215,357	182,622
General and office	236,749	168,930
Insurance	21,010	27,236
Professional fees	159,449	84,789
	<b>6,998,764</b>	<b>5,222,229</b>
<b>Allocation of Kids Help Phone Service Delivery (by fund)</b>		
Operating Fund	6,712,097	4,920,562
Futures Campaign Fund	286,667	301,667
	<b>6,998,764</b>	<b>5,222,229</b>
<b>Kids Help Phone Volunteer Engagement</b>		
General and office	7,545	3,146
Training	12,329	26,557
Travel	2,303	857
	<b>22,177</b>	<b>30,560</b>
<b>Good2Talk Service Delivery</b>		
Salaries and employee benefits	2,022,601	1,514,537
Marketing	359,885	202,461
Partnership Service Agreement	255,241	389,762
Office and general	130,389	146,599
Rent	108,637	47,960
Professional fees	7,514	12,558
Telecommunications	67,151	42,787
	<b>2,951,418</b>	<b>2,356,664</b>
<b>Direct fundraising</b>		
Salaries and employee benefits	1,516,818	1,826,744
Events	1,140,419	1,042,558
General and office	262,919	284,495
Rent	291,776	278,839
Fundraising campaigns	250,801	279,794
Telecommunications	101,680	87,604
Donor marketing	29,081	34,741
Travel	84,863	50,056
Professional fees	29,072	80,692
Insurance	13,886	8,755
Corporate promotions and sponsorship	19,534	9,777
	<b>3,740,849</b>	<b>3,984,055</b>
<b>Allocation of direct fundraising (by fund)</b>		
Operating Fund	3,740,849	3,984,055
<b>General and administrative</b>		
Salaries and employee benefits	1,223,476	1,129,091
Professional fees	250,344	194,040
Bank charges	31,880	46,324
General and office	78,530	74,558
Rent	66,687	71,443
Insurance	8,070	12,344
Telephone	6,318	3,945
	<b>1,665,305</b>	<b>1,531,745</b>
<b>Donor development</b>		
Salaries and employee benefits	135,145	154,042
Fundraising campaign	75,315	131,690
Donor marketing	25,558	4,048
Office and general	303	238
	<b>236,321</b>	<b>290,018</b>

The accompanying notes to the financial statements are an integral part of this financial statement.