

OPEN ARMS TO INTERNATIONAL ADOPTION

PUBLIC ANNUAL REPORT FOR YEAR ENDED DECEMBER 31, 2015

Open Arms to International Adoption (“OA”) is licensed under the *Intercountry Adoption Act* to facilitate adoptions from the People’s Republic of China, and has been licensed under this Act since its inception in 2000. At this time, OA only facilitates the adoption of non-special needs children from China, who are generally girls (although there are occasionally boys) between the ages of 10 and 20 months in good health. Although OA’s experience to date with the health of adopted children from China has been very good, there can never be any absolute guarantees in this regard.

Adoption activity at OA is restricted to residents of Ontario and is summarized in the chart below:

Adoptions completed during 2015	1
Adoption applications submitted during 2015	1 (non-compliance)
Total adoption applications pending	24

The wait to receive a referral after a file has been sent to China is currently over 9 years for non-expedited files that were submitted to China in early 2007. The corresponding wait for expedited files (applicable to applicants who were born in China or both of whose parents were born in China) is currently over 8 years. **These wait times will continue to increase significantly for the foreseeable future, since the referral process from China is continuing to slow down on an ongoing basis.** Unfortunately, no one knows where wait times will end up, since the China Centre for Children’s Welfare and Adoption is providing very limited guidance with respect to future referral timelines. As a result of this slowdown in referrals, **OA determined some time ago that it will no longer be accepting any new adoption applications** (with the exception of certain non-compliance and relative adoptions).

OA is overseen by a volunteer board of directors, currently consisting of 8 directors, as follows:

Angus Armstrong (Chairman)
Senior Executive: Toronto Port Authority

Susan Abbey
Psychiatrist

Catherine Byrne
School Vice-Principal

Anne Claessens
Medical Doctor

Sophia Hadzipetros
Broadcasting Consultant

Robert Klein
Businessman

Brenda Welsh
Social Worker

Debbie Wright
Book Editor

Staff consists of an executive director (*Deborah Maw*). Any complaints pertaining to OA should be directed in the first instance to the executive director and, if the matter cannot be resolved, should then be directed to the Chairman of OA's board of directors. The Chairman can be contacted at aarmstrong@portstoronto.com

A schedule of fees and disbursements payable to OA forms part of this report. Until amounts are payable, they are deposited in a trust account and a final reconciliation is provided once the post-adoption reports required following an adoption have been completed.

OA's financial information is prepared by an experienced bookkeeper and has been the subject of review by a licensed chartered accountant since prior to the introduction of the licensing requirements under the *Intercountry Adoption Act* in 2000. The financial report for OA for the year ended December 31, 2015 forms part of this report.

--- March 2016

SCHEDULE OF FEES AND DISBURSEMENTS

Fees

Agency Fee.....	\$ 3000
(\$250 deposit on registration; balance on submission of dossier)	
Annual Maintenance Fee.....	250
(payable commencing in first calendar year following initial registration with OA)	

Disbursements

Notarization, authentication, certification and translation of documents.....	1350
Registration with China Centre of Adoption Affairs.....	(US) 750
Miscellaneous disbursements (couriers, long-distance calls, etc.).....	150
Deposit towards payment of two post-adoption reports.....	400

Notes:

(1) All of the above disbursements are paid to third parties and are consequently subject to change.

(2) All other expenses of the adoption are the responsibility of the applicants and are not included in the fees and disbursements charged by OA. This includes, without limitation, items such as fingerprinting, passports, visas, immigration fees, fees (if any) charged by the Ministry of Children and Youth Services, travel to and within China, charge for administrative expenses of the orphanage and other expenses in China.

HST is added where applicable

Open Arms To International Adoption Balance Sheet Prev Year Comparison As of 31 December 2015

	<u>31 Dec 15</u>	<u>31 Dec 14</u>
ASSETS		
Current Assets		
Chequing/Savings		
Bank - Operating 0371 8135-...	23,559.02	27,053.69
Bank - Trust	87,702.85	109,190.97
Total Chequing/Savings	<u>111,261.87</u>	<u>136,244.66</u>
Other Current Assets		
Due from Families	196.80	0.00
Prepaid Insurance	3,791.70	3,791.70
Total Other Current Assets	<u>3,988.50</u>	<u>3,791.70</u>
Total Current Assets	<u>115,250.37</u>	<u>140,036.36</u>
TOTAL ASSETS	<u><u>115,250.37</u></u>	<u><u>140,036.36</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accrued Liabilities	3,700.00	4,400.00
Due to Clients	85,126.20	106,024.43
GST Payable	1,181.82	721.68
Total Other Current Liabilities	<u>90,008.02</u>	<u>111,146.11</u>
Total Current Liabilities	<u>90,008.02</u>	<u>111,146.11</u>
Total Liabilities	90,008.02	111,146.11
Equity		
Member surplus	25,356.37	25,356.37
Retained Earnings	3,533.88	22,768.55
Net Income	-3,647.90	-19,234.67
Total Equity	<u>25,242.35</u>	<u>28,890.25</u>
TOTAL LIABILITIES & EQUITY	<u><u>115,250.37</u></u>	<u><u>140,036.36</u></u>

Open Arms To International Adoption Profit & Loss Prev Year Comparison January through December 2015

	Jan - Dec 15	Jan - Dec 14
Income		
Agency Revenue	0.00	3,000.00
Interest Income	94.44	115.30
Maintenance Fees	16,878.24	9,321.31
Total Income	<u>16,972.68</u>	<u>12,436.61</u>
Expense		
Agency Licence + Membership	1,800.00	1,800.00
Client Dossier Costs		
Courier	226.46	439.11
Courier - offset	-226.46	-439.11
Ontario Govt Documents	16.00	0.00
Ontario Govt Documents - offset	-16.00	0.00
Social Work+Child Study- offset	-180.80	-1,930.00
Social Work+Child Study Report	180.80	1,930.00
Translation	0.00	400.00
Translation - offset	0.00	-400.00
Wire handling fees	25.20	89.15
Wire handling fees-offset	-25.20	-89.15
Total Client Dossier Costs	<u>0.00</u>	<u>0.00</u>
Event Costs		
Board Meetings	81.97	121.39
Dragon Boat	-535.66	-71.91
Holiday Party	-162.28	134.83
Total Event Costs	<u>-615.97</u>	<u>184.31</u>
General and Administration		
Accounting	2,325.90	2,600.50
Bank Service Charges	-1.19	0.00
Bookkeeping	750.00	1,500.00
Computer	670.17	763.08
Courier	92.13	196.59
Insurance	4,550.04	4,550.04
Miscellaneous/Fx	68.00	200.00
Office Supplies	538.53	623.21
Postage	0.00	63.00
Storage	1,674.00	1,860.05
Telephone	873.35	1,351.18
Travel Preparation Mtgs	0.00	49.97
Volunteer Expenses	25.00	124.25
Total General and Administration	<u>11,565.93</u>	<u>13,881.87</u>
Service Administration		
Travel	0.00	0.00
Travel - China	0.00	0.00
Total Service Administration	<u>0.00</u>	<u>0.00</u>
Staff + Exe Dir Compensation		
Employee benefit	370.62	805.10
Wages	7,500.00	15,000.00
Total Staff + Exe Dir Compensa...	<u>7,870.62</u>	<u>15,805.10</u>
Total Expense	<u>20,620.58</u>	<u>31,671.28</u>
Net Income	<u><u>-3,647.90</u></u>	<u><u>-19,234.67</u></u>