

YMCA of Northeastern Ontario
Financial Statements
For the year ended March 31, 2025

YMCA of Northeastern Ontario
Financial Statements
For the year ended March 31, 2025

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Independent Auditor's Report

To the Members of and Board of Directors of the YMCA of Northeastern Ontario

Opinion

We have audited the financial statements of YMCA of Northeastern Ontario (the Organization), which comprise the statement of financial position as at March 31, 2025, the statements of operations, 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 Organization as at March 31, 2025, and its financial performance and 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.

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.

Chartered Professional Accountants, Licensed Public Accountants
North Bay, Ontario
June 30, 2025

YMCA of Northeastern Ontario

Statement of Financial Position

March 31 2025 2024

Assets

Current

Cash and cash equivalents (Note 2)	\$ 7,849,126	\$ 3,928,958
Investments (Note 3)	309,302	1,704,601
Accounts receivable (Note 4)	584,432	914,633
Prepaid expenses	138,915	103,973

8,881,775 6,652,165

Restricted investments (Note 3) 425,259 425,259

Capital assets (Note 5) 10,411,818 10,111,169

\$ 19,718,852 \$ 17,188,593

Liabilities and Net Assets

Liabilities

Accounts payable and accrued liabilities (Note 6)	\$ 2,122,540	\$ 1,007,885
Deferred revenue (Note 7)	3,539,713	3,353,886
Current portion of long-term debt (Note 9)	3,709,620	69,953
Current portion of capital lease obligation (Note 10)	-	18,687

9,371,873 4,450,411

Long-term debt (Note 9) - 3,708,549

Deferred capital contributions (Note 8) 3,181,203 2,805,011

12,553,076 10,963,971

Net assets


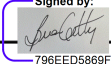
Internally restricted - capital repairs	425,259	425,259
Internally restricted - invested in capital assets	3,530,607	3,528,193
Unrestricted	3,209,910	2,271,170

7,165,776 6,224,622

\$ 19,718,852 \$ 17,188,593

Commitments (Note 11)

On behalf of the Board:

Signed by:  Director
F95CDF4F39AF4A1...
Signed by:  Director
796EED5869F24C3...

YMCA of Northeastern Ontario Statement of Changes in Net Assets

For the year ended March 31				2025	2024
	Internally Restricted	Invested In Capital Assets	Unrestricted	Total	Total
Net assets, beginning of year	\$ 425,259	\$ 3,528,193	\$ 2,271,170	\$ 6,224,622	\$ 5,449,361
Excess (deficiency) revenues over expenses	-	(500,017)	1,441,171	941,154	775,261
Interfund adjustments	-	502,431	(502,431)	-	-
Net assets, end of year	\$ 425,259	\$ 3,530,607	\$ 3,209,910	\$ 7,165,776	\$ 6,224,622

The accompanying notes are an integral part of these financial statements.

YMCA of Northeastern Ontario

Statement of Operations

For the year ended March 31	2025	2024
Revenues		
Government funding	\$17,368,902	\$ 16,129,048
Program fees	5,916,617	4,855,698
Membership fees	3,816,061	3,398,903
Fundraising and philanthropy	629,749	635,425
Rentals	526,482	467,013
Recoveries, administration fees and other	429,638	361,050
Investment income	192,901	133,552
Amortization of deferred capital contributions (Note 8)	214,699	155,723
	<u>29,095,049</u>	<u>26,136,412</u>
Expenses		
Compensation	19,002,673	16,518,450
Facility and maintenance	2,488,462	2,340,408
Professional and contract services	1,381,757	1,528,869
Supplies	979,812	815,295
Training subsidies	860,918	1,006,393
Child care funded expenses	410,903	310,911
Staff and volunteer costs	353,148	259,507
Bank and other service charges	342,542	296,907
Association dues	329,217	300,313
Information technology and licenses	309,350	262,748
Interest on long term debt	263,491	261,503
Advertising and promotion	257,942	183,149
Minor equipment	130,029	117,541
Events	105,963	118,629
Membership, licenses and other	84,678	54,916
Program travel and vehicles	83,670	103,821
Bad debts	54,624	123,353
Loss on disposal of capital assets	-	136,044
Amortization	714,716	622,394
	<u>28,153,895</u>	<u>25,361,151</u>
Excess of revenue over expenses for the year	\$ 941,154	\$ 775,261

YMCA of Northeastern Ontario

Statement of Cash Flows

For the year ended March 31	2025	2024
Cash flows from operating activities:		
Excess of revenue over expenses for the year	\$ 941,154	\$ 775,261
Items not involving cash:		
Amortization of capital assets	714,716	622,394
Amortization of deferred capital contributions	(214,699)	(155,723)
Loss on disposal of capital assets	-	136,044
	<u>1,441,171</u>	<u>1,377,976</u>
Changes in non-cash working capital balances:		
Accounts receivable	330,202	475,433
Prepaid expense	(34,942)	23,725
Accounts payable and accrued liabilities	1,114,655	113,398
Deferred revenue	185,827	(675,265)
	<u>3,036,913</u>	<u>1,315,267</u>
Cash flows from investing activities:		
Purchase of capital assets	(1,015,365)	(1,435,498)
Decrease (increase) in investments	1,395,299	(458,995)
	<u>379,934</u>	<u>(1,894,493)</u>
Cash flows from financing activities:		
Principal payments on long term debt	(68,883)	(137,957)
Deferred capital contributions received	590,891	936,393
Repayments of capital lease obligations	(18,687)	(22,305)
	<u>503,321</u>	<u>776,131</u>
Increase in cash and cash equivalents during the year	3,920,168	196,905
Cash and cash equivalents, beginning of year	3,928,958	3,732,053
Cash and cash equivalents, end of year	<u>\$ 7,849,126</u>	<u>\$ 3,928,958</u>

YMCA of Northeastern Ontario

Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies

Nature of Organization	The YMCA of Northeastern Ontario ("Organization") is incorporated under the Ontario Not for Profit Corporations Act. The Organization is a registered charity dedicated to the growth of all persons in spirit, mind and body and to their sense of responsibility to each other and the global community. The Organization provides programs and services in Northeastern Ontario communities.
Income Tax	The Organization is a registered charity under the Income Tax Act and is exempt from income taxation under section 149(1)(f) of the Income Tax Act.
Basis of Accounting	The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. As the Organization receives funding for various purposes, the accounts are maintained in a manner which segregates transactions according to the following funds.
Internally Restricted	Funds are to be used for future capital acquisitions and for repair and replacement of existing property and equipment.
Revenue Recognition	<p>The Organization follows the deferral method of accounting. Under this method, contributions are recorded as revenue in the fiscal year based on their nature, source and the restrictions stipulated by the donor. Unrestricted contributions are recognized in the year they are received. Contributions received for the purpose of purchasing capital assets are deferred and amortized into revenue on the same basis as the respective assets purchased are amortized into expenses.</p> <p>Revenues are recognized in the fiscal year they relate to when reasonable certainty of collection is met. Unearned membership, program and grant revenues received are recorded as a liability and included in deferred revenue on the statement of financial position.</p>

YMCA of Northeastern Ontario

Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies (continued)

Capital Assets	<p>Capital assets are recorded at cost less accumulated amortization. Donated capital assets are recorded at fair value, if the amount is determinable, at the date of contribution. Amortization is calculated using the straight-line method over the estimated useful life of the asset as follows:</p> <table><tr><td>Land</td><td>- no amortization</td></tr><tr><td>Buildings</td><td>- 20 to 40 years</td></tr><tr><td>Leasehold improvements</td><td>- term of lease</td></tr><tr><td>Furnishings and equipment</td><td>- 10 years</td></tr><tr><td>Vehicles and watercraft</td><td>- 5 years</td></tr><tr><td>Computer equipment</td><td>- 3 years</td></tr><tr><td>Leased fitness equipment</td><td>- term of lease</td></tr></table>	Land	- no amortization	Buildings	- 20 to 40 years	Leasehold improvements	- term of lease	Furnishings and equipment	- 10 years	Vehicles and watercraft	- 5 years	Computer equipment	- 3 years	Leased fitness equipment	- term of lease
Land	- no amortization														
Buildings	- 20 to 40 years														
Leasehold improvements	- term of lease														
Furnishings and equipment	- 10 years														
Vehicles and watercraft	- 5 years														
Computer equipment	- 3 years														
Leased fitness equipment	- term of lease														
Use of Estimates	<p>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 reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>														
Financial Instruments	<p>Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.</p> <p>Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.</p> <p>Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.</p>														

YMCA of Northeastern Ontario
Notes to Financial Statements

March 31, 2025

2. Credit Facility Agreements

The Organization has an operating line of credit for \$200,000, bearing interest at prime plus 1.00%. At year end \$Nil (2024 - \$Nil) was being used of this line of credit.

3. Investments

	2025	2024
Cash and cash equivalents	\$ 3,401	\$ 3,702
Guaranteed investment certificates (i)	-	1,500,000
Equities (ii)	731,160	626,158
	<u>\$ 734,561</u>	<u>\$ 2,129,860</u>

These balances are reflected as follows on the statement of financial position:

	2025	2024
Investments	\$ 309,302	\$ 1,704,601
Restricted investments	425,259	425,259
	<u>\$ 734,561</u>	<u>\$ 2,129,860</u>

(i) Guaranteed investment certificate bearing interest at a rate of -% (2024 - 5.2%) which matured March 27, 2025.

(ii) Equities are comprised of mutual fund units.

4. Accounts Receivable

	2025	2024
Government funding	\$ 520,693	\$ 518,711
Trade receivables	217,739	549,922
Less: allowance for doubtful accounts	(154,000)	(154,000)
	<u>\$ 584,432</u>	<u>\$ 914,633</u>

YMCA of Northeastern Ontario
Notes to Financial Statements

March 31, 2025

5. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 840,259	\$ -	\$ 840,259	\$ -
Buildings	16,922,148	8,480,503	16,208,567	8,009,324
Leasehold improvements	556,332	515,452	553,442	510,764
Furnishings and equipment	3,872,867	3,035,075	3,627,125	2,917,792
Computer equipment	564,010	358,162	521,656	263,970
Vehicles and watercraft	166,414	121,020	155,617	112,898
Leased fitness equipment	685,513	685,513	685,513	666,261
	<u>\$ 23,607,543</u>	<u>\$ 13,195,725</u>	<u>\$ 22,592,179</u>	<u>\$ 12,481,009</u>
Net book value		<u>\$ 10,411,818</u>		<u>\$ 10,111,170</u>

The land on which the North Bay building has been constructed is the property of the City of North Bay. The Organization has entered into a ninety-nine year lease commencing in 1967 with the City of North Bay to lease the land at a nominal rental fee of \$1 per annum.

The Organization's Durham Street Centre for Life land and building assets consist of two units of a six unit condominium structure. The City of Greater Sudbury owns the remaining units.

6. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$121,300 (2024 - \$78,459) for payroll related withholdings.

7. Deferred Revenue

	2025	2024
Children services	\$ 2,187,024	\$ 2,015,909
Membership, programs and camps	480,888	686,895
Donations and grants	471,297	415,561
Employment	400,504	235,521
	<u>\$ 3,539,713</u>	<u>\$ 3,353,886</u>

YMCA of Northeastern Ontario
Notes to Financial Statements

March 31, 2025

8. Deferred Capital Contributions

Deferred contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred contributions are as follows:

	2025	2024
Balance, beginning of year	\$ 2,805,011	\$ 2,024,341
Add: contributions received during the year	590,891	936,393
Less: amounts recognized as revenue during the year	<u>(214,699)</u>	<u>(155,723)</u>
Balance, end of year	<u>\$ 3,181,203</u>	<u>\$ 2,805,011</u>

9. Long-term Debt

	2025	2024
\$3,783,422 loan, blended monthly payments of \$26,897, interest 7.02%, due October 15, 2025. (i)	\$ 3,700,008	\$ 3,759,278
\$28,837 government loan, yearly payments of \$9,612, zero percent interest, repayment starting June 30, 2023, due June 30, 2025.	<u>9,612</u>	<u>19,224</u>
	3,709,620	3,778,502
Less: current/callable portion	<u>3,709,620</u>	<u>69,953</u>
	<u>\$ -</u>	<u>\$ 3,708,549</u>

Anticipated principal payments and maturing debt over the next year are as follows:

2026	<u>\$ 3,709,620</u>
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(i) This loan is secured by a general security agreement constituting a first ranking security interest in all property and collateral mortgages in the amount of \$6,000,000 and \$410,000 (2024 - \$6,000,000 and \$410,000) constituting a first fixed charge on the land and improvements on certain real property.

YMCA of Northeastern Ontario
Notes to Financial Statements

March 31, 2025

10. Capital Lease Obligation

	2025	2024
Capital lease obligation - 2.13%, due February 2025, repayable in monthly principal payments of \$2,157.	\$ -	\$ 18,687
Less: amounts due within one year included in current liabilities	-	18,687
	<u>\$ -</u>	<u>\$ -</u>

Obligation under capital lease is secured by fitness equipment with a carrying value of \$Nil (2024 - \$19,252).

11. Commitments

The Organization is party to an energy services agreement expiring February 6, 2040. This agreement is for the supply of chilled and hot water for the Centre for Life facility jointly owned by the organization and the City of Greater Sudbury. The agreement includes a fixed capacity charge owing regardless of water usage. The fixed capacity charge continues in the event of early termination of the agreement with the exception of default by the Supplier. The amount included in expenses in the fiscal year relating to this agreement is \$350,695 (2024 - \$359,819).

The Organization leases premises and equipment under various operating leases, which expire over the next six years.

The minimum annual lease payments for the next five years and thereafter are as follows:

2026	\$ 220,056
2027	75,708
2028	49,403
2029	12,371
2030	10,964
Thereafter	<u>11,183</u>
	<u>\$ 379,685</u>

YMCA of Northeastern Ontario

Notes to Financial Statements

March 31, 2025

12. Financial Instrument Risk

The Organization's management monitors, evaluates and manages the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include liquidity risk, credit risk and interest rate risk.

Liquidity risk

Liquidity risk arises from the Organization's management of accounts payable and accrued liabilities, and current portion of long term debt and capital lease obligations. It is the risk that the Organization will encounter difficulty in meeting its financial obligations as they fall due.

Credit risk

Credit risk arises principally from the Organization's accounts receivable. The Organization is exposed to credit risk resulting from the possibility that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's accounts receivable is from government agencies and a wide range of clientele throughout Northeastern Ontario.

Interest rate risk

Interest rate risk arises from the Organization's credit facility. It 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's credit facility has a variable interest rate. Changes in the bank's prime lending rate can cause fluctuations in interest payments and cash flows. The Organization does not use derivative financial instruments to alter the effect of this risk.

YMCA of Northeastern Ontario
Schedule 1 - Lottery Accounts

For the year ended March 31	2025	2024
Revenue		
Bingo proceeds	\$ 67,631	\$ 62,131
Nevada proceeds	30,908	27,813
Interest income	1,573	1,410
	<u>100,112</u>	<u>91,354</u>
Expenses		
Prizes paid	11,036	10,362
Licenses and other	2,431	3,145
	<u>13,467</u>	<u>13,507</u>
Excess of revenues over expenses before program related expenses	86,645	77,847
Less: Program related expenses	<u>(24,799)</u>	<u>(22,844)</u>
Excess of revenues over expenses for the year	<u>\$ 61,846</u>	<u>\$ 55,003</u>