

BGC Ottawa
Financial Statements
For the year ended December 31, 2024

Contents

Independent Auditor's Report	2 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 14
Supplementary Financial Information (unaudited)	
Supplementary Schedule - A802 Extrajudicial Measures and A804 Extrajudicial Sanctions	15
Supplementary Schedule - A905 Youth Outreach Program	16



Tél./Tel: 613-237-9331
Télec./Fax: 613-237-9779
www.bdo.ca

BDO Canada s.r.l./S.E.N.C.R.L./LLP
180 Kent Street
Suite 1700
Ottawa ON K1P 0B6 Canada

Independent Auditor's Report

To the Directors of BGC Ottawa

Opinion

We have audited the financial statements of BGC Ottawa (the Club), which comprise the statement of financial position as at December 31, 2024, 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 Club as at December 31, 2024, and its statements of operations, changes in net assets 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 Club 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 these 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 Club'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 Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club'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.

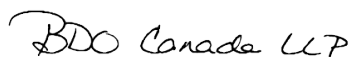
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 Club'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 Club'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 Club 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.

Supplementary Financial Information

The supplementary information presented at pages 15 to 16 was derived from the underlying accounting and other records used to prepare the financial statements. The supplementary information is presented for the purposes of additional information, are not a required part of the financial statements and are marked as unaudited. Such supplementary information is the responsibility of management.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
June 5, 2025

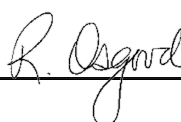
BGC Ottawa

Statement of Financial Position

December 31	Operating Fund		Investment Fund		2024	2023		
Assets								
Current								
Cash	\$	914,270	\$	-	\$	914,270	\$	824,441
Term deposits		-		-		-		28,653
Accounts receivable		254,600		-		254,600		594,828
Grants receivable		358,556		-		358,556		586,007
Donation pledges		32,734		-		32,734		14,000
Prepaid expenses		77,719		-		77,719		96,855
		1,637,879		-		1,637,879		2,144,784
Tangible capital assets (Note 3)		11,318,612		-		11,318,612		12,008,706
Investments (Note 2)		-		1,255,834		1,255,834		1,083,385
	\$	12,956,491	\$	1,255,834	\$	14,212,325	\$	15,236,875
Liabilities and Net Assets								
Current								
Demand loans (Note 4)	\$	385,000	\$	-	\$	385,000	\$	385,000
Accounts payable and accrued liabilities		313,554		-		313,554		516,830
Deferred contributions (Note 6)		1,121,901		-		1,121,901		1,377,365
Deferred revenues		85,514		-		85,514		156,368
Current portion of long-term debt (Note 5)		39,360		-		39,360		39,360
		1,945,329		-		1,945,329		2,474,923
Deferred contributions related to tangible capital assets (Note 7)		9,334,735		-		9,334,735		9,879,960
Long-term debt (Note 5)		330,469		-		330,469		369,829
		11,610,533		-		11,610,533		12,724,712
Net Assets								
Invested in tangible capital assets (Note 8)		1,614,048		-		1,614,048		1,742,213
Internally restricted - Contingency fund (Note 9)		-		850,000		850,000		850,000
Unrestricted (deficiency)		(268,090)		405,834		137,744		(80,050)
		1,345,958		1,255,834		2,601,792		2,512,163
	\$	12,956,491	\$	1,255,834	\$	14,212,325	\$	15,236,875

On behalf of the Board:

 Director

 Director

BGC Ottawa
Statement of Changes in Net Assets

For the year ended December 31	Operating Fund	Investment Fund	2024	2023
Balance, beginning of the year	\$ 1,428,778	\$ 1,083,385	\$ 2,512,163	\$ 2,492,017
Excess (deficiency) of revenues over expenses	(34,168)	123,797	89,629	20,146
Transfer (from operating fund) to investment fund	(48,652)	48,652	-	-
Balance, end of the year	\$ 1,345,958	\$ 1,255,834	\$ 2,601,792	\$ 2,512,163

BGC Ottawa Statement of Operations

For the year ended December 31	Operating Fund	Investment Fund	2024	2023
Revenues				
Grants				
City of Ottawa	\$ 1,494,916	\$ -	\$ 1,494,916	\$ 1,218,178
Province of Ontario - A802, A804 and A905	842,960	-	842,960	818,138
United Way East Ontario / Centraide de l'Est de l'Ontario	397,680	-	397,680	413,806
Other grants	344,768	-	344,768	668,341
Government of Canada - Employment Grants	219,939	-	219,939	137,309
Province of Ontario - Other	143,000	-	143,000	123,200
Donations	2,703,911	-	2,703,911	3,535,565
Fundraising events	1,571,487	-	1,571,487	1,221,630
Rentals	851,064	-	851,064	684,870
Camp fees	238,509	-	238,509	128,880
Other	161,877	-	161,877	3,701
Investment income	606	133,791	134,397	87,527
Sponsorships	-	-	-	22,500
	8,970,717	133,791	9,104,508	9,063,645
Expenses				
Salaries and benefits	6,197,171	-	6,197,171	6,185,367
Occupancy costs	926,437	-	926,437	1,059,045
Program costs	751,582	-	751,582	754,947
Fundraising expenses	371,337	-	371,337	281,167
Office expenses	294,576	-	294,576	251,592
Amortization of tangible capital assets, except for buildings	139,282	-	139,282	144,856
Professional fees	107,847	9,994	117,841	195,550
Transportation	106,873	-	106,873	89,533
Bad debts	15,500	-	15,500	2,532
Loss on disposal of tangible capital assets	14,074	-	14,074	116,440
	8,924,679	9,994	8,934,673	9,081,029
Excess (deficiency) of revenues over expenses before other revenues (expenses)	46,038	123,797	169,835	(17,384)
Other revenues (expenses)				
Amortization of deferred contributions related to tangible capital assets (Note 7)	558,926	-	558,926	674,601
Amortization of buildings	(639,132)	-	(639,132)	(637,071)
	(80,206)	-	(80,206)	37,530
Excess (deficiency) of revenues over expenses	\$ (34,168)	\$ 123,797	\$ 89,629	\$ 20,146

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

BGC Ottawa
Statement of Cash Flows

For the year ended December 31	2024	2023
Cash flows from operating activities		
Excess of revenues over expenses	\$ 89,629	\$ 20,146
Items not affecting cash:		
Amortization of deferred contributions related to tangible capital assets	(558,926)	(674,601)
Amortization of tangible capital assets	778,414	781,927
Loss on disposal of tangible capital assets	14,074	116,440
	323,191	243,912
Changes in non-cash working capital:		
Accounts receivable	340,228	(308,718)
Grants receivable	227,451	(548,558)
Donation pledges	(18,734)	119,753
Prepaid expenses	19,136	17,062
Accounts payable and accrued liabilities	(203,276)	152,772
Deferred contributions	(255,464)	(125,673)
Deferred revenues	(70,854)	112,040
	361,678	(337,410)
Cash flows from investing activities		
Change in investments and term deposits	(143,796)	(375,569)
Acquisition of tangible capital assets	(102,394)	(117,346)
Deferred contributions related to tangible capital assets	13,701	123,600
	(232,489)	(369,315)
Cash flows from financing activities		
Repayment of long-term debt	(39,360)	(39,360)
Increase in demand loans	-	50,000
	(39,360)	10,640
Net increase (decrease) in cash and cash equivalents	89,829	(696,085)
Cash, beginning of the year	824,441	1,520,526
Cash, end of the year	\$ 914,270	\$ 824,441

BGC Ottawa
Notes to Financial Statements

December 31, 2024

1. Accounting Policies

Purpose of Organization	BGC Ottawa (the Club) is a charitable organization incorporated without share capital under the Ontario Corporations Act, and continued under the Ontario Not-For-Profit Corporations Act, 2010 on November 8, 2023. The Club's purpose is to provide a safe, supportive place where children and youth can experience new opportunities, overcome barriers, build positive relationships and develop confidence and skills for life. The Club is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.
Basis of Accounting	The Club applies the Canadian accounting standards for not-for-profit organizations.
Use of Estimates	The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the year covered. The main estimates relate to useful lives of tangible capital assets, valuation of accounts receivable and the collectibility of donation pledges.
Fund Accounting	<p>The operating fund accounts for current operations and programs as well as the revenues and expenses related to the Club's tangible capital assets. Unrestricted contributions and restricted contributions to be used for operations are reported in this fund.</p> <p>The investment fund accounts for externally restricted bequests with the primary purpose of earning income to fund specific purposes, net assets internally restricted for contingencies and revenue and expenses related to investments held by the Club.</p>

BGC Ottawa
Notes to Financial Statements

December 31, 2024

1. Accounting Policies (continued)

Revenue Recognition

The Club follows the restricted fund method of accounting for contributions. Under this method, externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. If there is no fund relating to the restricted contribution, they are recognized in the operating fund and are deferred until the corresponding expense has been made. Unrestricted contributions are recognized as revenues in the operating fund when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donation pledges are recognized when the funds are received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Camp fees, rental revenue and sponsorships are recognized as revenue when the event occurs or the service is provided.

Investment income is recognized as revenue in the year in which it is earned.

Financial Instruments

Initial and subsequent measurement

The Club initially measures its financial assets and liabilities at fair value. The Club subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments which are measured at fair value. Changes in fair value of these financial instruments are recognized in the statement of operations in the year incurred.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the year incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.

BGC Ottawa
Notes to Financial Statements

December 31, 2024

1. Accounting Policies (continued)

Tangible Capital Assets	<p>Tangible capital assets are accounted for at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Amortization is provided on the basis of their useful lives using the straight-line method and following durations.</p> <table> <tr> <td>Buildings</td><td>25 years</td></tr> <tr> <td>Furniture and equipment</td><td>3-10 years</td></tr> <tr> <td>Vehicles</td><td>5 years</td></tr> <tr> <td>Software</td><td>2 years</td></tr> </table>	Buildings	25 years	Furniture and equipment	3-10 years	Vehicles	5 years	Software	2 years
Buildings	25 years								
Furniture and equipment	3-10 years								
Vehicles	5 years								
Software	2 years								
Contributed Services	Volunteers contribute many hours per year to assist the Club in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.								
Contributed Materials	Contributed materials and services which are used in the normal course of the Club's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value is known.								
Deferred Contributions Related to Tangible Capital Assets	Contributions relating to tangible capital assets are accounted for as deferred contributions and amortized on the same basis as the related tangible capital assets.								

2. Investments

	2024	2023
Cash	\$ 197,727	\$ 161,524
Common shares	365,778	-
Fixed income	-	284,930
Mutual funds	692,329	636,931
	<u>\$ 1,255,834</u>	<u>\$ 1,083,385</u>

BGC Ottawa
Notes to Financial Statements

December 31, 2024

3. Tangible Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Land	\$ 64,855	\$ -	\$ 64,855	\$ 64,855
Buildings	15,842,234	4,742,056	11,100,178	11,673,486
Furniture and equipment	518,727	395,423	123,304	191,802
Vehicles	97,386	75,832	21,554	52,397
Software	128,808	120,087	8,721	26,166
	<u>\$16,652,010</u>	<u>\$ 5,333,398</u>	<u>\$11,318,612</u>	<u>\$ 12,008,706</u>

The original Police Youth Centre property was contributed and the fair value is not determinable. Therefore, it is recorded at a nominal amount.

The Don McGahan Clubhouse is built on land leased from the Ottawa-Carleton District School Board for 99 years, expiring in 2068, at a nominal rent of \$1 per year.

The Ron Kolbus Clubhouse is situated on land leased from the Muslim Association of Canada for 99 years, expiring in 2078, also at \$1 per year.

The Taggart Parkes Family Clubhouse is located on land leased from the City of Ottawa for 50 years, expiring in 2071, at an annual rent of \$1.

4. Demand Loans

Revolving demand loan of \$500,000, repayable on demand, plus monthly interest at prime plus 0.75% per annum.

Revolving term loan of \$400,000, plus monthly interest at prime rate plus 1.63% per annum.

These loans are secured by a general security agreement covering all assets of the Club, first fixed charge on lands and improvements located at Camp Smitty and a letter agreement signed by Taggart Parkes. As at December 31, 2024, the Club had an undrawn credit capacity of \$515,000 (2023 - \$515,000).

BGC Ottawa
Notes to Financial Statements

December 31, 2024

5. Long-term Debt

	2024	2023
Non-revolving term loan, 7.05% per annum, due in September 2033, payable by monthly instalments of \$3,280, secured by the assets outlined in note 4.	\$ 369,829	\$ 409,189
Less: current portion	39,360	39,360
	<u>\$ 330,469</u>	<u>\$ 369,829</u>

The principal repayments to be made during the next five years are as follows: 2025, \$39,360; 2026, \$39,360; 2027, \$39,360; 2028, \$39,360; 2029, \$39,360. These payments have been calculated under the assumption that the repayment plan will be successfully renewed, based on the present payment terms and interest rates.

6. Deferred Contributions

Deferred contributions reported in the operating fund represent grants and other externally restricted amounts related to subsequent years or for which the related expenses have not yet been incurred. The major components of the ending balance are as follows:

	2024	2023
Scholarships		
Balance, beginning of the year	\$ 175,931	\$ 177,863
Plus: amounts received during the year	56,912	50,318
Less: amounts recognized as revenue in the year	(58,750)	(52,250)
Balance, end of the year	<u>174,093</u>	<u>175,931</u>
Program contributions		
Balance, beginning of the year	1,201,434	1,325,175
Plus: amounts received during the year	5,505,779	4,042,524
Less: amounts recognized as revenue in the year	(5,759,405)	(4,166,265)
Balance, end of the year	<u>947,808</u>	<u>1,201,434</u>
Total deferred contributions, end of the year	<u>\$ 1,121,901</u>	<u>\$ 1,377,365</u>

BGC Ottawa
Notes to Financial Statements

December 31, 2024

7. Deferred Contributions Related to Tangible Capital Assets

Deferred contributions related to tangible capital assets represents contributions received for the acquisition of tangible capital assets and restricted contributions relating to the development of the Club's buildings. The variations in the balance of deferred contributions related to tangible capital assets are as follows:

	2024	2023
Balance, beginning of year	\$ 9,879,960	\$ 10,430,961
Plus: amounts received during the year	13,701	123,600
Less: amounts amortized to operations	(558,926)	(674,601)
Balance, end of year	<u>\$ 9,334,735</u>	<u>\$ 9,879,960</u>

As at December 31, 2024, \$3,967,241 (2023 - \$4,143,563) were deferred contributions related to the Taggart Parkes Family Clubhouse recorded under tangible capital assets.

8. Net Assets Invested in Tangible Capital Assets

Net assets invested in tangible capital assets consist of the net carrying amount of tangible capital assets less the balance of deferred contributions related to tangible capital assets collected by the Club and long term debt balances.

	2024	2023
Invested in tangible capital assets	\$11,318,612	\$ 12,031,362
Deferred contributions related to tangible capital assets	(9,334,735)	(9,879,960)
Long-term debt related to tangible capital assets	(369,829)	(409,189)
	<u>\$ 1,614,048</u>	<u>\$ 1,742,213</u>

9. Internally Restricted Net Assets - Contingency Fund

The Club has established an internal Contingency Fund within the investment fund to provide for unexpected and non-recurring expenditures, including major renovation and maintenance costs relating to properties leased by the Club and operating deficits incurred due to unexpected fluctuations in funding or costs. As at December 31, 2024, \$850,000 (2023 - \$850,000) has been restricted in the fund.

BGC Ottawa
Notes to Financial Statements

December 31, 2024

10. Financial Instruments Risks

Credit risk

The Club is exposed to credit risk for its accounts and donation pledges receivable. The Club assesses the collectibility of these receivables on a continuous basis, on the basis of amounts it is virtually certain to receive. The Club is exposed to credit risk due to the concentration of all its bank accounts in a single financial institution. The Canada Deposit Insurance Corporation (CDIC) provides a coverage of up to \$100,000. The risk has increased since prior year as the cash balance has increased.

Interest rate risk

The Club is exposed to interest rate risk on its fixed and variable interest rate financial instruments. Fixed interest instruments subject the Club to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Variable rate instruments subject the Club to a related cash flow risk. The risk has decreased since prior year as interest rates are lower due to rate reductions implemented by the Bank of Canada.

Other price risk

The Club is exposed to other price risk through its investments for which the value fluctuates with the quoted market price. The risk has increased since prior year due to changes in market prices.

11. Employee Future Benefits

The Club participates in the Ottawa Community Agencies Pension Plan. The Club has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. This multiemployer defined benefit pension plan covers employees of the Club and the employees of the other participating agencies. After two years of employment, the Club contributes 130% of the employee's contribution to the pension plan. The employee contribution rate is 6% of salaries. The plan provides pensions based on length of service and final average earnings. The annual funding requirements are determined in consultation with the actuaries to provide long-term stability to the plan. No significant changes were made to the contractual elements of the plan in the past year. As at the last actuarial valuation date of December 31, 2022, the plan had a solvency transfer ratio of 105% with a solvency deficit of \$2,466,200. During the year, the Club contributed and expensed \$197,464 (2023 - \$174,473) to the plan.

12. Comparative Figures

Certain figures for the previous year have been reclassified to conform to the presentation adopted in the current year.

BGC Ottawa

Supplementary Schedule - A802 Extrajudicial Measures and A804
Extrajudicial Sanctions (unaudited)

	January 1 to March 31	April 1 to June 30	July 1 to September 30	October 1 to December 31	2024 Total
Revenues	\$ 104,725	\$ 66,851	\$ 72,482	\$ 80,203	\$ 324,261
Expenses					
Salaries and benefits	41,651	46,479	50,438	57,229	195,797
Facilities	2,021	2,307	2,307	907	7,542
Program costs	39,594	9,177	11,648	13,218	73,637
Administration	21,459	8,888	8,089	8,849	47,285
	104,725	66,851	72,482	80,203	324,261
Excess of revenues over expenses	\$ -	\$ -	\$ -	\$ -	\$ -

BGC Ottawa

Supplementary Schedule - A905 Youth Outreach Program
(unaudited)

	January 1 to March 31	April 1 to June 30	July 1 to September 30	October 1 to December 31	2024 Total
Revenues	\$ 128,720	\$ 123,044	\$ 110,962	\$ 155,973	\$ 518,699
Expenses					
Salaries and benefits	96,978	105,542	94,265	138,552	435,337
Facilities	1,998	1,794	1,835	1,870	7,497
Program costs	11,892	2,140	1,049	1,847	16,928
Administration	17,852	13,568	13,813	13,704	58,937
	128,720	123,044	110,962	155,973	518,699
Excess of revenues over expenses	\$ -	\$ -	\$ -	\$ -	\$ -