

**DOVERCOURT BOYS & GIRLS CLUB**  
**Financial Statements**  
**Year Ended March 31, 2025**

**DOVERCOURT BOYS & GIRLS CLUB**  
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**Year Ended March 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Dovercourt Boys & Girls Club

*Opinion*

We have audited the financial statements of Dovercourt Boys & Girls Club (the "organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, 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 (the "financial statements").

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 the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

*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 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 ASNPO, 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.

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Independent Auditor's Report to the Members of Dovercourt Boys & Girls Club (*continued*)

*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.

Toronto, Ontario

Chartered Professional Accountants  
Licensed Public Accountants

**DOVERCOURT BOYS & GIRLS CLUB**  
**Statement of Financial Position**  
**March 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and short term investments	\$ 261,176	\$ 303,877
Grants and accounts receivable	73,531	99,847
Income taxes recoverable	647	-
Harmonized sales tax recoverable	4,342	4,148
Prepaid expenses	<u>36,693</u>	<u>40,446</u>
	376,389	448,318
<b>PROPERTY, PLANT AND EQUIPMENT (Note 3)</b>	<u>81,596</u>	<u>61,765</u>
	<b>\$ 457,985</b>	<b>\$ 510,083</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 286,158	\$ 102,531
Payroll remittances payable	15,338	13,614
Deferred revenue	<u>74,792</u>	<u>239,714</u>
	376,288	355,859
<b>NET ASSETS</b>	<u>81,697</u>	<u>154,224</u>
	<b>\$ 457,985</b>	<b>\$ 510,083</b>

**ON BEHALF OF THE BOARD**

*Mandy Zieg*

*Director*

*David Hodges*

*Director*

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

**DOVERCOURT BOYS & GIRLS CLUB**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUES</b>		
Program service fees	\$ 1,615,532	\$ 1,330,393
Provincial after school program	282,750	263,175
Donations and fundraising ( <i>Note 8</i> )	225,401	288,767
City of Toronto grant	222,909	239,772
Canada-Wide Early Learning and Child Care funding	169,993	105,133
United way grants	90,000	90,000
Canada's summer job grant	77,372	73,064
Productive enterprises	68,178	49,320
Memberships dues	61,318	48,752
	<b>2,813,453</b>	2,488,376
<b>EXPENSES</b>		
Salaries and wages	2,051,554	2,075,327
Program expenses	159,665	131,390
Food expenses	127,221	109,820
Utilities	71,958	61,748
Advertising and promotion	69,559	41,371
Insurance	63,752	55,538
Caretaking and supplies	59,191	44,689
Interest and bank charges	47,748	35,017
Professional fees	36,375	36,925
Office	36,022	29,463
Amortization of tangible assets	30,383	20,549
Repairs and maintenance	26,543	26,163
Legal committee expenses	19,881	23,118
Business taxes, licences and memberships	18,933	35,990
Telephone	17,492	22,025
Outside contract services	16,932	10,183
Accounting fees	13,500	13,600
Staff training & Development	9,631	6,128
Bad debts	8,289	1,938
Expense recovery	1,319	-
Travel	32	-
	<b>2,885,980</b>	2,780,982
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>\$ (72,527)</b>	<b>\$ (292,606)</b>

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

**DOVERCOURT BOYS & GIRLS CLUB**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 154,224	\$ 446,830
DEFICIENCY OF REVENUES OVER EXPENSES	<u>(72,527)</u>	<u>(292,606)</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 81,697</u></b>	<b><u>\$ 154,224</u></b>

**DOVERCOURT BOYS & GIRLS CLUB**

**Statement of Cash Flows**

**Year Ended March 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	\$ (72,527)	\$ (292,606)
Item not affecting cash:		
Amortization of property, plant and equipment	<u>30,383</u>	<u>20,549</u>
	<u>(42,144)</u>	<u>(272,057)</u>
Changes in non-cash working capital:		
Grants and accounts receivable	<u>26,316</u>	<u>(20,681)</u>
Accounts payable and accrued liabilities	<u>183,631</u>	<u>(44,383)</u>
Payroll remittances payable	<u>1,076</u>	<u>14,435</u>
Deferred revenue	<u>(164,922)</u>	<u>75,404</u>
Prepaid expenses	<u>3,753</u>	<u>(13,842)</u>
Harmonized sales tax payable	<u>(194)</u>	<u>7,157</u>
	<u>49,660</u>	<u>18,090</u>
Cash flow from (used by) operating activities	<u>7,516</u>	<u>(253,967)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	<u>(50,217)</u>	<u>(57,442)</u>
<b>DECREASE IN CASH FLOW</b>	<u>(42,701)</u>	<u>(311,409)</u>
Cash - beginning of year	<u>303,877</u>	<u>615,286</u>
<b>CASH - END OF YEAR</b>	<u>\$ 261,176</u>	<u>\$ 303,877</u>
<b>CASH CONSISTS OF:</b>		
Cash and short term investments	<u>\$ 261,176</u>	<u>\$ 303,877</u>

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

# DOVERCOURT BOYS & GIRLS CLUB

## Notes to Financial Statements

Year Ended March 31, 2025

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### 1. PURPOSE OF THE ORGANIZATION

Dovercourt Boys & Girls Club (the "organization") is a not-for-profit organization of Ontario. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The mission of the organization is to meet the social, educational, cultural and physical development needs of boys and girls living within the vicinity of the organization.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### (b) REVENUES

##### *Contributions*

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year.

##### *Program service fees*

Child care services revenue is recognized as earned on a monthly basis when the amount can be measured and collection is reasonably assured. Fees collected in advance are recorded as deferred revenue until the child care service is provided.

##### *Gifts-in-kind*

The Organization recognizes contributed nonfinancial assets (gifts-in-kind) at their estimated fair value on the date of receipt. Recognition is limited to those assets that would typically be purchased and whose fair value can be reliably determined. Contributed services are not recognized.

##### *Grants*

Revenue from grants is accounted for using the Deferral Method for contributions subject to externally imposed stipulations specifying the use of the contributed amount.

Grants are initially recorded as Deferred Contributions upon receipt. The grant revenue is then recognized in the Statement of Operations in the period in which the of the grant are met, which is typically achieved by incurring the related qualifying expenses specified in the grant agreement.

##### *Membership*

The core accounting policy for a Canadian NFP regarding membership fees is straightforward: Member fees are recognized as revenue proportionately over the fiscal year to which they relate, using a straight-line method to reflect the continuous benefits provided to the member throughout the term. Payments received in advance of the service period are initially recorded as a liability called Deferred Contribution on the Statement of Financial Position, and this liability is reduced and converted to revenue only as the membership period progresses. These dues are generally classified as unrestricted contributions unless the member explicitly places an external restriction on the funds..

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# DOVERCOURT BOYS & GIRLS CLUB

## Notes to Financial Statements

Year Ended March 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (c) Cash and short term investments

Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

#### (d) Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment	3 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Infrastructure improvements	10 years	straight-line method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

#### (e) Goods and services tax

Contributed materials and services are recoverable at 70% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

#### (f) Leases

Leases are classified as either capital or operating leases. At the time the organization enters into a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

#### (g) Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

When the organization issues financial instruments that include both a debt and equity component, the entire proceeds are allocated to the debt component, and the equity component is assigned a measurement amount of \$nil.

When financial instruments that include both a debt and an equity component are issued, the proceeds are allocated firstly to the component for which the fair value is more readily determinable, and the residual is allocated to the other component.

Preferred shares that would otherwise be classified as liabilities, are classified as equity when issued as part of certain tax planning arrangements.

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# DOVERCOURT BOYS & GIRLS CLUB

## Notes to Financial Statements

Year Ended March 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (h) Government assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related fixed assets or to income as eligible expenditures are incurred. Government assistance for current expenses is recorded as a reduction of the related expenditures. Government assistance for acquiring fixed assets is recorded as a reduction of the cost of related assets.

#### (i) Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

#### (j) Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### (k) Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

### 3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer equipment	\$ 82,232	\$ 63,445	\$ 18,787	\$ 14,523
Furniture and fixtures	114,913	85,847	29,066	38,790
Infrastructure improvements	58,443	24,700	33,743	8,452
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 255,588	\$ 173,992	\$ 81,596	\$ 61,765

### 4. GOVERNMENT SUBSIDIES - CITY OF TORONTO

Canada-Wide Early Learning and Child Care(CWELCC) Funding Funding under CWELCC will be used to increase quality, accessibility, affordability, and inclusivity in early learning and child care. The company is required to have a Service Agreement for CWELCC with the City of Toronto Children Services. The company is required to comply with the terms and provisions in the CWELCC Guidelines for Licensed Child Care Centres in the City of Toronto.

During the year, the company was approved to receive the following CWELCC funding for 2025 fiscal year:

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**DOVERCOURT BOYS & GIRLS CLUB**

**Notes to Financial Statements**

**Year Ended March 31, 2025**

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**4. GOVERNMENT SUBSIDIES - CITY OF TORONTO (continued)**

	<b>2025</b>	<b>2024</b>
<u>Section heading</u>		
City of Toronto-Subsidizes Daycare	\$ 169,993	\$ 105,133

**5. CANADA-WIDE EARLY LEARNING AND CHILD CARE FUNDING**

During the year the Organization received funding from Canada-Wide Early Learning and Child Care. The revenue received is broken down as follow

	<b>2025</b>
<u>Canda Wide Early Learning &amp; Child Care (CWELCC-Affordability)</u>	
Deferred from previous year	\$ 137,224
Received in this fiscal year	197,578
Used in this fiscal year according to guidelines	(167,447)
Vacancy Variable Costs/Recovery	<u>(167,355)</u>
Deferred to future years	<u>\$ -</u>
<u>Canda Wide Early Learning &amp; Child Care (CWELCC-Affordability) 2026</u>	
Received in this fiscal year for 2026	<u>\$ 53,625</u>
<u>Canada Wide Early Learning &amp; Child Care (CWELCC-Workforce)</u>	
Deferred from previous year	\$ 3,295
Received in this fiscal year	15,287
Used in this fiscal year according to guidelines	<u>(10,755)</u>
Deferred to future years	<u>\$ 7,827</u>

**6. DEFERRED REVENUE**

	<b>2025</b>	<b>2024</b>
Canada-Wide Early Learning and Child Care (CWELCC)	\$ 61,452	\$ 187,398
Character development	-	
Membership	4,677	17,315
Art department revitalization project	-	10,000
City of Toronto - General Operating fund	-	-
Other	<u>8,662</u>	<u>25,000</u>
	<u>\$ 74,791</u>	<u>\$ 239,713</u>

**7. PROVINCIAL WAGE ENHANCEMENT (PWE) GRANT**

The company was approved to receive Provincial Wage Enhancement (PWE) Grant of \$14,080 for the year from the Toronto Children's Services of which the funding is provided by the Ontario Ministry of Education. The Provincial Wage Enhancement (PWE) Grant is aimed to help the child care operators to retain RECE and/child care staff. As a condition of the grant, the company is required to comply with the terms and provisions in the 2024 Guidelines for PWE Grant for Licensed Child Care Centres in the City of Toronto.

The following special purpose disclosure for the PWE Grants is prepared in accordance with the Toronto Children Services' 2024 Guidelines for PWE Grants:

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**DOVERCOURT BOYS & GIRLS CLUB**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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**7. PROVINCIAL WAGE ENHANCEMENT (PWE) GRANT (continued)**

<u>Section heading</u>	<u>2025</u>
PWE grants deferred from prior years	\$ 12
PWE grants received in this fiscal year	<u>23,587</u>
PWE grants expenses in this fiscal year according to the guidelines	(16,169)
PWE grant amount repayable	<u>(7,430)</u>
	\$ -

**8. DONATIONS IN KIND**

During the year, the Organization received donations in kind consisting solely of goods, valued at \$21,162 in 2025 (2024 – \$24,325), which have been recognized as part of donation revenue.

These goods were recorded at their fair value at the date of receipt, provided that fair value could be reasonably determined. Valuation was based on observable market data or appraisals where available.

The donated goods were used to support the Organization's programs and operations. No donor-imposed restrictions were placed on the donated items during the reporting period.

**9. CONTRIBUTED USE OF FACILITIES**

The Organization leases facilities at 180 Westmoreland Avenue that is owned by the City of Toronto with a lease that is overseen by the City's Real Estate Department. The fee is \$2 per year and the lease does not specify any purpose restrictions. The Organization does not have a long-term lease with the city

**10. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

**Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

**Liquidity risk**

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**DOVERCOURT BOYS & GIRLS CLUB**

**Notes to Financial Statements**

**Year Ended March 31, 2025**

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**10. FINANCIAL INSTRUMENTS *(continued)***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

**11. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.