

**CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2025**

**CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.**

**MARCH 31, 2025**

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
Centre Youville Centre Ottawa-Carleton Inc.

### **Qualified Opinion**

We have audited the financial statements of Centre Youville Centre Ottawa-Carleton Inc. (the "Centre"), which comprise the statement of financial position as at March 31, 2025, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2025, 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.

### **Basis for Qualified Opinion**

In common with many charitable organizations, the Centre derives revenue from the general public in the form of fundraising activities and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donation revenue, net revenue (expenses), and cash flows from operations for the years ended March 31, 2025 and 2024, current assets and net assets as at March 31, 2025 and 2024. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre 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 qualified opinion.

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## **INDEPENDENT AUDITORS' REPORT (Cont'd.)**

### **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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

### **Auditors' 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 auditors' 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.

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**INDEPENDENT AUDITORS' REPORT (Cont'd.)**

- 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 Centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Centre 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.

*McCay Duff LLP*  
McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario,  
July 9, 2025.



## CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.

## STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED MARCH 31, 2025

	Unrestricted				Internally Restricted				
	Operating Fund	Property Fund	Operating Fund Invested in Tangible Capital Assets	Property Fund Invested in Tangible Capital Assets	Restricted Funding	Replacement Reserve	Operating Reserve Fund	2025 Total	2024 Total
<b>FUND BALANCES - BEGINNING OF YEAR</b>	\$ 1,711,511	\$ ( 245,868)	\$ 20,369	\$ 1,967,271	\$ 35,500	\$ 466,236	\$ -	\$ 3,955,019	\$ 3,441,774
Net revenue (expenses) for the year									
- Childcare	( 48,317)	-	-	-	-	-	-	( 48,317)	167,623
- Outreach	352,915	-	-	-	-	-	-	352,915	271,611
- Property fund	-	28,322	-	-	-	-	-	28,322	74,011
	2,016,109	( 217,546)	20,369	1,967,271	35,500	466,236	-	4,287,939	3,955,019
Amortization (net of tangible capital asset contributions recognized as revenue)	-	-	( 7,704)	( 53,571)	-	-	-	( 61,275)	( 39,077)
Transfer from Invested in tangible capital assets	( 23,740)	53,571	-	-	-	-	-	29,831	( 388,581)
Transfer from Operating Fund to Replacement Reserve	( 33,764)	-	-	-	-	33,764	-	-	-
Transfer from Operating Fund to Operating Reserve Fund	(1,264,500)	-	-	-	-	-	1,264,500	-	-
Transfer from Operating Fund to Property Fund	( 163,975)	163,975	-	-	-	-	-	-	-
Transfer from Restricted Funding to Operating Reserve Fund	-	-	-	-	( 35,500)	-	35,500	-	-
Purchase of tangible capital assets	-	-	42,347	-	-	-	-	42,347	1,738,787
Funding received for tangible capital assets	-	-	( 10,903)	-	-	-	-	( 10,903)	( 1,311,129)
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 530,130</u>	<u>\$ -</u>	<u>\$ 44,109</u>	<u>\$ 1,913,700</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 1,300,000</u>	<u>\$ 4,287,939</u>	<u>\$ 3,955,019</u>

## CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2025

	<u>Total</u>				
	<u>Childcare</u>	<u>Outreach</u>	<u>Property Fund</u>	<u>2025</u>	<u>2024</u>
<b>REVENUE</b>					
City of Ottawa childcare grants and fee subsidies	\$ 2,030,849	\$ -	\$ -	\$ 2,030,849	\$ 2,022,404
Contributions related to tangible capital assets (note 8)	-	8,242	103,772	112,014	62,556
Donations	-	311,210	-	311,210	206,706
Endowment fund income (note 9)	-	31,488	-	31,488	31,191
Fundraising	-	29,954	-	29,954	16,422
Gain on investment	-	66,888	33,360	100,248	122,647
Investment income	-	25,502	12,719	38,221	37,000
MCCSS grant (note 10)	-	249,851	-	249,851	232,889
Other grants (note 11)	-	326,077	-	326,077	399,008
Other revenue	4,096	-	-	4,096	-
Rent	<u>-</u>	<u>-</u>	<u>35,814</u>	<u>35,814</u>	<u>35,814</u>
	2,034,945	1,049,212	185,665	3,269,822	3,166,637
<b>EXPENSES</b>					
Administrative costs	35,481	3,861	-	39,342	31,850
Amortization	7,704	8,242	157,343	173,289	101,633
Fundraising	-	19,644	-	19,644	14,141
Occupancy	87,680	2,734	-	90,414	111,798
Program support	239,701	87,858	-	327,559	289,092
Salaries	<u>1,712,696</u>	<u>573,958</u>	<u>-</u>	<u>2,286,654</u>	<u>2,104,878</u>
	<u>2,083,262</u>	<u>696,297</u>	<u>157,343</u>	<u>2,936,902</u>	<u>2,653,392</u>
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>					
	<u>\$ (48,317)</u>	<u>\$ 352,915</u>	<u>\$ 28,322</u>	<u>\$ 332,920</u>	<u>\$ 513,245</u>



## CENTRE YOUNVILLE CENTRE OTTAWA-CARLETON INC.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Net revenue for the year	\$ 332,920	\$ 513,245
Items not involving cash		
- amortization	173,289	101,633
- contributions related to tangible capital assets recognized as revenue	( 112,014)	( 62,556)
- gain on investments	( 100,248)	( 122,648)
	( 38,973)	( 83,571)
	293,947	429,674
Net change in non-cash working capital		
- amounts receivable	153,474	34,245
- HST recoverable	21,817	( 9,777)
- prepaid expenses	36,626	( 5,738)
- accounts payable and accrued liabilities	63,858	( 85,056)
- City of Ottawa grants repayable	( 10,997)	16,988
- City of Ottawa Childcare Fee Subsidy repayable	-	( 65,911)
- deferred contributions	( 6,384)	( 91,404)
	258,394	( 206,653)
	552,341	223,021
<b>INVESTING ACTIVITY</b>		
Purchase of tangible capital assets	( 42,347)	( 1,738,788)
Purchase of investments	( 301,000)	( 500,000)
Proceeds from maturity of investments	501,000	833,161
	157,653	( 1,405,627)
<b>FINANCING ACTIVITY</b>		
Contributions related to tangible capital assets received (note 8)	10,903	1,311,129
<b>CHANGE IN CASH POSITION DURING THE YEAR</b>	720,897	128,523
Cash position - beginning of year	575,674	447,151
<b>CASH POSITION - END OF YEAR</b>	\$ <u>1,296,571</u>	\$ <u>575,674</u>

**CENTRE YOVILLE CENTRE OTTAWA-CARLETON INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2025****1. PURPOSE OF THE CENTRE**

Centre Youville Centre Ottawa-Carleton Inc. (the "Centre") is a charitable organization incorporated in 1985 under Ontario Letters Patent. Its purpose is to be an innovative centre that inspires, educates and nurtures young mothers and their children to utilize their strengths and achieve their goals. It provides a myriad of social services including mental health and addiction counselling. The Centre is an accredited child and youth mental health centre through the Canadian Centre for Accreditation.

The Centre is a registered charity under the Income Tax Act.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Centre's significant accounting policies are as follows:

**(a) Revenue Recognition**

The Centre follows the deferral method of accounting for contributions, which it receives in the form of grant, donation and fundraising revenues. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to tangible capital assets are recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets.

Investment income is comprised of trust distributions and unrealized gains and losses as a result of changes in investment fair market value. Trust distribution revenue is recognized in the year it becomes receivable.

**(b) Subsidies**

The Centre receives subsidies from the Province of Ontario and the City of Ottawa to assist in the operation of its programs and to supplement employee wages. Advances for programs or employee wages are reflected as deferred revenue on the balance sheet until the funds are earned (the program is delivered) or the funds are disbursed. At that time, the subsidies are recorded as revenue in the statement of operations.

The Centre's accounting records are subject to audit by the contributors to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to the contributor. Adjustments to prior years' contributions are recorded in the year in which the funder requests the adjustment.

**CENTRE YOUNVILLE CENTRE OTTAWA-CARLETON INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2025****2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)****(c) Description of Funds****Unrestricted:****Operating Fund**

The operating fund accounts for the Centre's delivery of programs and administrative activities. This fund reports restricted operating grants and unrestricted revenue.

**Operating Fund Invested in Tangible Capital Assets**

This fund reports the activity related to tangible capital assets held by the Operating Fund.

**Property Fund**

The Property fund reports the Centre's building and land assets as well as the related building amortization expense. In addition, it reports deferred contributions received through a capital fundraising campaign.

**Property Fund Invested in Tangible Capital Assets**

This fund reports the activity related to tangible capital assets held by the Property Fund.

**Restricted:****Internally restricted**

This fund was established to fund the future costs that the Centre will be incurring in order to remain an accredited child and youth mental health agency through the Canadian Centre for Accreditation. Effective March 31, 2025, the fund has been closed and its remaining balance was transferred to the Operating Reserve Fund.

**Replacement Reserve**

The Replacement Reserve is internally restricted and was established to provide for future building replacement costs and is funded through an annual charge to operations.

**Operating Reserve Fund**

The Operating Reserve Fund is an internally restricted and was established to fund unexpected revenue shortfalls, unanticipated one-time expenses, strategic investments or initiatives and technology needs.

## CENTRE YOVILLE CENTRE OTTAWA-CARLETON INC.

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)****(d) Financial Instruments**

Financial instruments are recorded at fair value when acquired or issued. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Centre is in the capacity of management, are initially measured at cost.

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.

**(e) Tangible Capital Assets and Amortization**

Tangible capital assets are stated at cost, less accumulated amortization. Amortization is provided on a straight line basis at the following rates:

Building	- 20 Years
Furniture and equipment	- 5 Years
Software	- 5 Years

**(f) Contributed Materials and Services**

The Centre received approximately \$11,730 (2024 - \$8,647) of donations in kind to help with its fundraising goals. It is the Centre's policy not to record these contributions in the financial statements because they are not used in the normal course of the Centre's operations and would not have otherwise been purchased.

Volunteers contribute many hours per year to the Centre to meet its charitable objectives. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

**CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2025****2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)****(g) 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 that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the period. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

**3. FINANCIAL RISKS AND CONCENTRATION OF RISKS**

It is management's opinion that the Centre is not exposed to significant interest rate, liquidity, currency or credit risks arising from its financial instruments. There has been no change to the risk exposure from the prior year.

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Centre is exposed to market risk on its investments. There has been no change to the risk exposure from the prior year.

**4. INVESTMENTS**

The Centre's investment portfolio is comprised of a pooled fund investment and guaranteed investment certificates. The pooled fund's underlying assets are a mixture of fixed income and equity investments.

## CENTRE YOUNVILLE CENTRE OTTAWA-CARLETON INC.

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2025

## 5. TANGIBLE CAPITAL ASSETS

	2025			2024
	Cost	Accumulated Amortization	Net	Net
Property				
Land	\$ 970,000	\$ -	\$ 970,000	\$ 970,000
Building	<u>6,391,777</u>	<u>3,584,098</u>	<u>2,807,679</u>	<u>2,965,022</u>
	7,361,777	3,584,098	3,777,679	3,935,022
Operating				
Furniture and equipment	168,115	105,499	62,616	36,215
Software	<u>44,779</u>	<u>44,729</u>	<u>50</u>	<u>50</u>
	<u>212,894</u>	<u>150,228</u>	<u>62,666</u>	<u>36,265</u>
	<u>\$ 7,574,671</u>	<u>\$ 3,734,326</u>	<u>\$ 3,840,345</u>	<u>\$ 3,971,287</u>

## 6. CREDIT FACILITY

The Centre has access to a line of credit to a maximum of \$250,000 which is payable on demand, bearing interest at the bank's prime rate plus 1% per annum and secured by a general security agreement. As at March 31, 2025 and 2024, no amount was drawn on this credit facility.

## 7. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted funding received in the current or previous periods that is related to subsequent periods.

	Balance - Beginning of Year	Plus: Amounts Received	Less: Revenue Recognized	Balance - End of Year
Operating				
Outreach - Federal	\$ 59,271	\$ 10,815	\$ 11,109	\$ 58,977
Outreach - Private	<u>121,055</u>	<u>27,201</u>	<u>27,091</u>	<u>121,166</u>
	<u>180,326</u>	<u>38,016</u>	<u>38,200</u>	<u>180,143</u>
Property				
Deferred contributions related to building repairs and elevator maintenance	<u>90,384</u>	<u>-</u>	<u>6,201</u>	<u>84,183</u>
	<u>\$ 270,710</u>	<u>\$ 38,016</u>	<u>\$ 44,401</u>	<u>\$ 264,326</u>

## CENTRE YOUNVILLE CENTRE OTTAWA-CARLETON INC.

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2025

**8. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS**

Deferred contributions related to tangible capital assets represents contributions restricted for use towards the purchase of tangible capital assets. Deferred contributions are amortized to income on the same basis as the related asset.

	<u>Balance - Beginning of Year</u>	<u>Plus: Amounts Received</u>	<u>Less: Revenue Recognized</u>	<u>Balance - End of Year</u>
Operating				
Deferred contributions related to furniture and equipment	\$ 15,896	\$ 10,903	\$ 8,242	\$ 18,557
Property Fund				
Deferred contributions from Federal Government related to building renovation	1,331,945	-	67,440	1,264,505
Deferred contributions from charities related to building renovation	<u>635,806</u>	<u>-</u>	<u>36,332</u>	<u>599,474</u>
Total Property Fund	<u>1,967,751</u>	<u>-</u>	<u>103,772</u>	<u>1,863,979</u>
	<u>\$ 1,983,647</u>	<u>\$ 10,903</u>	<u>\$ 112,014</u>	<u>\$ 1,882,536</u>

**9. ENDOWMENT FUND HELD BY COMMUNITY FOUNDATION OF OTTAWA**

The Centre is the beneficiary of a designated fund held by the Community Foundation of Ottawa. Pursuant to the terms of the agreement establishing this fund, contributions to the Community Foundation of Ottawa are held in a separate fund designated for the benefit of the Centre. In accordance with its spending policy, the Foundation makes annual distributions from the fund to the Centre. The Foundation's disbursement policy is to distribute 4.25% of the average ending quarterly market values of the endowment fund for the 4 quarters ending December 31 of the preceding year. This fund is not included in these financial statements since all contributions to the fund were made to the Community Foundation of Ottawa, and are to be held and administered for the benefit of the Centre.

The Community Foundation of Ottawa has a December 31 year-end and the December 31 financial statements which occur in the Centre's fiscal year ended March 31 were used for financial statement purposes. During the year the Centre earned and reported as income \$31,488 (2024 - \$31,191) of unrestricted and \$2,627 (2024 - \$2,585) of restricted contributions on the fund. At December 31, 2024 the market value of the fund assets were \$883,667 (2023 - \$807,237).

## CENTRE YOUNVILLE CENTRE OTTAWA-CARLETON INC.

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2025

**10. SERVICE CONTRACT/CFSA APPROVAL WITH THE MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES**

The Centre has a Service Contract/CFSA Approval with the Ministry of Children, Community and Social Services. A reconciliation report summarizes by project, all revenue and expenses and identifies any resulting surplus or deficit that relates to the Service Contract/CFSA Approval, net of amortization and vacation expenses in accordance with provincial policy.

The Centre captures the revenue and expenses of the Services for Children and Youth with Complex Special Needs project (formerly project code a566) in department 4000 of their accounting records.

According to these accounting records, the projects had no unspent funding as of March 31, 2025:

<b>Project</b>	<b>Total Funding Received</b>	<b>Other Revenue</b>	<b>Total Expenditures</b>	<b>Less: Vacation Adjustment</b>	<b>Adjusted Expenditures</b>
Services for Children and Youth with Complex Special Needs	\$ 249,851	\$ 161,548	\$ 416,723	\$( 5,324)	\$ 411,399

**11. OTHER GRANTS**

	<b><u>2025</u></b>	<b><u>2024</u></b>
Abiona Centre	\$ 129,280	\$ 168,979
Brighter Futures for Children	52,947	52,947
United Way East Ontario	41,694	43,659
Government of Canada Summer Grant	15,421	-
St. Marty's Home	11,109	-
Telus Friendly Futures	8,731	10,255
CWF COVID Shock Grant	-	31,091
Other	<u>66,895</u>	<u>62,461</u>
	<b><u>\$ 326,077</u></b>	<b><u>\$ 369,392</u></b>



**CENTRE YOUVILLE CENTRE OTTAWA-CARLETON INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2025****12. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with current financial statement presentation.