Financial Statements of

YMCA OF GREATER TORONTO

And Independent Auditor's Report thereon

Year ended March 31, 2025

KPMG LLP
Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan, ON L4K 0J3
Canada
Telephone 905 265 5900
Fax 905 265 6390

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of YMCA of Greater Toronto

Opinion

We have audited the financial statements of YMCA of Greater Toronto (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations and its 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 auditor's report.

We are independent of the Entity 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.

Other information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Annual Impact Report 2024 - 2025 document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in Annual Impact Report 2024 - 2025 document as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

September 25, 2025

YMCA OF GREATER TORONTO

Statement of Financial Position
(In thousands of dollars)

March 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 79,112	$ 87,687
Accounts receivable (notes 2 and 11)	37,438	41,652
Prepaid expenses	1,822	1,758
	118,372	131,097
Long-term accounts receivable (note 2)	49,838	51,929
Investments (note 3)	26,197	24,642
Capital assets (note 4)	300,111	283,950
	$ 494,518	$ 491,618
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (notes 11 and 14)	$ 39,697	$ 41,446
Current portion of long-term debt (note 7)	30,896	22,509
Deferred revenue (note 5)	28,663	25,273
	99,256	89,228
Long-term debt (note 7)	76,648	88,787
Deferred capital contributions (note 8)	150,223	144,511
Net assets:		
Unrestricted	27,193	42,068
Internally restricted (note 9)	120,872	107,606
Endowment	20,326	19,418
	168,391	169,092
Commitments and contingencies (note 10)		
	$ 494,518	$ 491,618

See accompanying notes to financial statements.

On behalf of the Board of Directors:

________________________ Board Chair

J MacDonald

________________________ Audit Committee Chair

YMCA OF GREATER TORONTO

Statement of Operations
(In thousands of dollars)

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Government	$ 209,057	$ 199,650
Program fees	87,286	75,755
Membership fees	36,712	32,285
Other	20,257	12,179
Amortization of deferred capital contributions (note 8)	3,783	3,837
Donations	3,748	2,401
Investment	5,295	5,220
	366,138	331,327
Expenses:		
Salaries and benefits	258,945	226,405
Program costs	66,715	61,448
Occupancy costs	30,849	29,388
Amortization of capital assets	8,944	8,066
Allocation to YMCA Canada	1,250	1,250
Financing costs (note 7)	1,076	1,135
	367,779	327,692
Excess (deficiency) of revenue over expenses before the undernoted items	(1,641)	3,635
Change in fair value of investments	931	1,635
Excess (deficiency) of revenue over expenses	$ (710)	$ 5,270

See accompanying notes to financial statements.

YMCA OF GREATER TORONTO

Statement of Changes in Net Assets
(In thousands of dollars)

Year ended March 31, 2025, with comparative information for 2024

2025	Unrestricted	Internally restricted	Endowment	Total
Net assets, beginning of year	$ 42,068	$ 107,606	$ 19,418	$ 169,092
Deficiency of revenue over expenses	(710)	–	–	(710)
Interfund transfers (note 9)	(14,165)	13,266	899	–
Endowment contributions	–	–	9	9
Net assets, end of year	$ 27,193	$ 120,872	$ 20,326	$ 168,391

2024	Unrestricted	Internally restricted	Endowment	Total
Net assets, beginning of year	$ 47,764	$ 98,730	$ 17,117	$ 163,611
Excess of revenue over expenses	5,270	–	–	5,270
Interfund transfers (note 9)	(10,966)	8,876	2,090	–
Endowment contributions	–	–	211	211
Net assets, end of year	$ 42,068	$ 107,606	$ 19,418	$ 169,092

See accompanying notes to financial statements.

YMCA OF GREATER TORONTO

Statement of Cash Flows
(In thousands of dollars)

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	$ (710)	$ 5,270
Items not affecting cash:		
Amortization of deferred capital contributions	(3,783)	(3,837)
Amortization of capital assets	8,944	8,066
Change in fair value of investments	(931)	(1,635)
Investment income reinvested	(1,566)	(801)
Change in non-cash operating working capital:		
Accounts receivable	2,454	3,454
Prepaid expenses	(64)	(218)
Accounts payable and accrued liabilities	(2,736)	2,230
Deferred revenue	3,390	4,869
	4,998	17,398
Financing activities:		
Long-term accounts receivable received	2,006	1,925
Deferred capital contributions received	11,340	5,192
Endowment contributions received	9	211
Repayment of long-term financing	(3,752)	(3,611)
	9,603	3,717
Investing activities:		
Purchase of capital assets	(24,118)	(15,944)
Net change in investments	942	(69)
Transfer to debt servicing reserve (note 7(b))	–	(4,284)
	(23,176)	(20,297)
Increase (decrease) in cash and cash equivalents	(8,575)	818
Cash and cash equivalents, beginning of year	87,687	86,869
Cash and cash equivalents, end of year	$ 79,112	$ 87,687
Supplemental disclosure of non-cash transactions:		
Net change in purchase of capital assets included in accounts payable and accrued liabilities	$ 987	$ 1,818
Long-term receivable included in capital contributions received	841	974
Net change in accrued receivable for capital grant	(2,686)	2,288

See accompanying notes to financial statements.

The mission and vision statements of YMCA of Greater Toronto (the "Association") are as follows:

Our Mission:

The YMCA of Greater Toronto is a charity that ignites the potential in people, helping them grow, lead, and give back to their communities.

Our Vision:

Vibrant communities where everyone can shine.

The Association was incorporated by a Special Act of the Legislature of Ontario on March 4, 1868. The Association is a registered charity under the Income Tax Act (Canada) (the "Act") and, accordingly, is exempt from income taxes, provided certain requirements of the Act are met.

1. Significant accounting policies:

The financial statements of the Association have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the significant accounting policies summarized below:

(a) Revenue recognition:

The Association follows the deferral method of accounting for contributions, which include grants, bequests and other donations. Unrestricted grants and bequests are recorded when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received, since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions, except endowment contributions, are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized. Externally restricted endowment contributions are recognized as direct increases in net assets when recorded in the accounts. Externally restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets.

1. Significant accounting policies (continued):

Contributions received in the form of donations and grants for specific capital expenditures are initially deferred and recorded as deferred capital contributions. These deferred contributions are realized into revenue on the same basis as the amortization of the cost of the related capital assets when they are put into use.

Investment revenue, which consists of interest, dividends and income distributions from pooled funds, is recognized in the statement of operations when earned.

Program and membership fees are recognized when the services have been provided.

(b) Financial instruments:

Investments are accounted for at their fair values, which are determined as follows:

- fixed income investments are determined based on quoted market values and equities are determined based on closing bid prices; and

- investments in pooled funds are valued at their net asset values.

Changes in fair value of investments are recognized in the statement of operations. The change in fair value of investments includes the realized and the unrealized gains/losses on investments. Investment transactions are recorded on a trade date basis. Transaction costs and investment management fees associated with the acquisition and disposal of the investments are expensed as incurred.

Other financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and long-term debt, are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

1. Significant accounting policies (continued):

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 Association 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 Association 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 impairment charge.

(c) Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments unless they are held for investment rather than liquidity purposes, in which case they are classified as investments. Short-term investments are liquid, subject to insignificant risk of change in value and have a short maturity term of approximately 12 months or less from the date of the financial statements.

(d) Capital assets:

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components. The cost for contributed capital assets is considered to be the fair value at the date of contribution.

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to the Association's ability to provide services, or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the capital asset's fair value or replacement cost. Write-downs of capital assets are recognized as expenses in the statement of operations. Write-downs are not subsequently reversed.

1. Significant accounting policies (continued):

Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Buildings	20 to 40 years
Office furnishings and equipment	3 to 5 years
Computers	3 to 5 years
Leasehold improvements	Over term of lease

Construction-in-progress comprises of direct construction, development costs and interest incurred on long-term debt during construction. No amortization is recorded until construction is substantially complete and the assets are ready for use.

(e) Leases:

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are expensed over the term of the lease. Assets recorded under capital leases are amortized in accordance with the Association's amortization policies.

(f) Pension plan:

Employees of the Association are members of a multi-employer defined contribution pension plan and employer contributions are expensed in the year they are due.

(g) Endowment net assets:

The endowment net assets represent contributions that the donor requires to be maintained on a permanent basis. In addition, the Board of Directors has the discretion to internally restrict funds as endowments.

1. Significant accounting policies (continued):

(h) Contributed materials and services:

A number of volunteers contribute their services to the Association each year. Due to the difficulty of determining the fair value, these contributed services are not recognized or disclosed in the financial statements. Contributed materials are also not recorded in the accounts.

(i) Use of estimates:

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements and the revenue and expenses during the reporting year. Actual results could differ from those estimates. Accounts requiring significant estimates include recoverability and determination of useful lives of capital assets.

2. Long-term accounts receivable:

(a) The Association opened the new YMCA at the David Braley Vaughan Metropolitan Centre of Community in Spring 2022. The new YMCA at the David Braley Vaughan Metropolitan Centre of Community is 109,000 square feet, including 77,000 square feet for a YMCA Centre of Community and 32,000 square feet for a library and performing arts centre, to be operated by the City of Vaughan.

In July 2017, the Association entered into a financing agreement with Infrastructure Ontario for the construction of YMCA at the David Braley Vaughan Metropolitan Centre of Community, in which $57,100 is funded by the City of Vaughan (note 7(b)(ii)). The Association pays Infrastructure Ontario monthly principal and interest related to this loan and the City of Vaughan pays back its share of these payments. As of March 31, 2025, accounts receivable from the City of Vaughan is $51,929 (2024 - $53,935), with $2,091 (2024 - $2,006) recorded in current accounts receivable.

(In thousands of dollars)

2. Long-term accounts receivable (continued):

(b) The Association is building the new McDonald Family YMCA at 501 Richmond Street West in Toronto. The project is estimated to cost $61,897, of which the City of Toronto has committed to fund up to $19,000 and two-thirds of the total construction interest. The project is currently under construction (note 4), with the Association utilizing construction financing from Infrastructure Ontario (note 7(b)(iii)) until the project is completed. The 2025 receivable due from the City of Toronto of $21,611 (2024 - $20,770) is recorded in current accounts receivable as the project is scheduled to be completed in 2025, with funding from City of Toronto to be received by the Association to pay off the construction loan.

3. Investments:

Long-term investments, all of which are recorded at fair value, have an asset mix as follows:

	2025
Cash held by investment managers	$ 241
Fixed income:	
Money market	6,020
Canadian bonds	91
Total fixed income	6,111
Pooled funds:	
Fixed income	7,346
Equities	6,005
Total pooled funds	13,351
Equities:	
Private equities	623
Investments held for endowment	20,326
Other investments	1,226
Restricted investment - debt servicing reserve (note 7(b))	4,645
Total investments	$ 26,197

(In thousands of dollars)

3. Investments (continued):

		2024
Cash held by investment managers	$	235
Fixed income:		
Canadian bonds		5,411
Equities:		
Canadian		2,203
U.S.		6,883
Other international		4,686
Total equities		13,772
Investments held for endowment		19,418
Other investments		796
Restricted investment - debt servicing reserve (note 7(b))		4,428
Total investments	$	24,642

Investments in pooled funds have been allocated among the asset classes based on the underlying investments held in the pooled funds.

4. Capital assets:

2025	Cost	Accumulated amortization	Net book value
Land	$ 34,470	$ –	$ 34,470
Buildings	362,857	175,027	187,830
Office furnishings and equipment	50,574	48,486	2,088
Computers	15,233	13,480	1,753
Leasehold improvements	19,175	18,895	280
Construction-in-progress	73,690	–	73,690
	$ 555,999	$ 255,888	$ 300,111

(In thousands of dollars)

4. Capital assets (continued):

2024	Cost	Accumulated amortization	Net book value
Land	$ 34,470	$ –	$ 34,470
Buildings	351,929	167,286	184,643
Office furnishings and equipment	48,964	48,034	930
Computers	14,666	12,837	1,829
Leasehold improvements	19,175	18,788	387
Construction-in-progress	61,691	–	61,691
	$ 530,895	$ 246,945	$ 283,950

The construction-in-progress includes three buildings under construction: $57,851 for McDonald Family YMCA (including $3,917 in construction interest) which opened in July 2025, $5,441 for Bridletowne YMCA and $7,421 for Wagner Green Transitional Shelter (2024 - two buildings under construction: $48,110 for McDonald Family YMCA and $4,316 for Bridletowne YMCA). Other construction-in-progress is $2,977 (2024 - $9,265).

5. Deferred revenue:

	2025	2024
Government contracts	$ 18,372	$ 17,036
Day camp fees	6,314	5,348
Membership fees	1,686	1,649
Other	1,574	779
Overnight camp fees	582	461
Facility rental	135	–
	$ 28,663	$ 25,273

6. Bank facility:

The Association has a line of credit with TD Canada Trust of $20,000. As at March 31, 2025, the balance of this line of credit was nil (2024 - nil). The line of credit is collateralized by a first charge/mortgage on the 101 YMCA Boulevard, Markham YMCA and a first ranking general security agreement over all the Association's assets, ranking pari passu with Infrastructure Ontario (note 7(b)). The net book value of the collateralized asset is $9,498 (2024 - $9,444).

(In thousands of dollars)

7. Long-term debt:

	2025	2024
City of Toronto - Sustainable Energy Plan Financing (a):		
Term loan one, $7,511 payable over 15 years, fixed rate of 3.15%, maturing December 31, 2031 (i)	$ 3,799	$ 4,296
Term loan two, $11,000 payable over 20 years, fixed rate of 3.28%, maturing January 1, 2039 (ii)	6,924	7,316
Infrastructure Ontario (b):		
Term loan, $10,000 payable over 25 years, fixed rate of 3.65%, maturing April 15, 2041 (i)	7,418	7,751
Term loan, $1,775 payable over 25 years, fixed rate of 3.53%, maturing July 4, 2042 (i)	1,385	1,442
Term loan, $1,195 payable over 10 years, fixed rate of 3.15%, maturing August 15, 2027 (i)	324	451
Term loan, $66,740 payable over 20 years, fixed rate of 4.15%, maturing July 29, 2042 (ii)	60,696	63,042
Construction loan - McDonald Family YMCA, non-revolving floating rate, interest only paid monthly (iii)	26,998	26,998
	107,544	111,296
Less current portion	30,896	22,509
Long-term portion	$ 76,648	$ 88,787

(a) The Association has two loans with the City of Toronto that provide financing for the sole purpose of energy efficiency projects.

(i) In fiscal 2015, the Association entered into an agreement with the City of Toronto that provided financing with blended quarterly payments of $157. The loan is collateralized with a letter of credit in the amount of $500.

(ii) In fiscal 2019, the Association entered into an agreement with the City of Toronto that provided financing with blended quarterly payment of $157.

7. Long-term debt (continued):

(b) The Association has entered into various loans with Infrastructure Ontario (the "Lender") for the financing of the construction of new YMCA Centres of Community and related equipment. The Association is required to comply with certain covenants associated with these loans. As at March 31, 2025, the Association was in compliance with all covenants.

As a result of an identified breach in 2024, the lender amended the terms of the financing. Under the amended terms, the Association was required to deposit $4,284 into a Debt Service Reserve Account. This amount along with accrued interest as of year end is $4,645 (note 3). This amount is to be held in trust by the lender until all obligations outstanding are paid in full and satisfied. Subsequent to year end, a decision was made to pay off the Cooper Koo Family YMCA loan resulting in the return of the debt service reserve deposit.

(i) Cooper Koo Family YMCA:

The three loans for this property are collateralized by a first charge on the property, general security agreement on the property and a general security agreement over all of the borrower's assets, ranking pari passu with TD Canada Trust. The net book value of the collateralized asset is $25,189 (2024 - $25,837). Subsequent to year end, on May 15, 2025, the Association repaid the outstanding balance on the loans.

(ii) YMCA at the David Braley Vaughan Metropolitan Centre of Community:

In July 2017, the Association entered into a financing agreement with Infrastructure Ontario for the construction of YMCA at the David Braley Vaughan Metropolitan Centre of Community. The City of Vaughan pays $350 on a monthly basis on its share of financing of $51,929 (2024 - $53,935) which is reflected as accounts receivable (note 2).

The loan is collateralized by a first charge on the property, a first ranking general security agreement on the property, a general security agreement over all of the Association's assets, ranking pari passu with TD Canada Trust and a corporate guarantee by the City of Vaughan. The net book value of the collateralized asset is $88,272 (2024 - $90,277).

(In thousands of dollars)

7. Long-term debt (continued):

(iii) McDonald Family YMCA:

In March 2019, the YMCA of Greater Toronto entered into a financing agreement with Infrastructure Ontario for the construction of the McDonald Family YMCA. Interest is paid monthly based on the Infrastructure Ontario floating lending rate, which was an average of 4.66% from April 2024 to March 2025 (2024 - 5.40%). The construction loan agreement provides for conversion into a term loan of a maximum of 25 years at the completion of construction. The construction loan outstanding as at year end is $26,988 (2024 - $26,998). The City of Toronto has committed to pay $19,000 of the loan on completion of the project, which is reflected as a current portion of the accounts receivable (note 2). The net book value of the collateralized asset is $60,716 (2024 - $50,976). Subsequent to year end, on August 6, 2025, the Association repaid the outstanding balance on the construction loan.

The scheduled principal repayments on the long-term debt are as follows:

2026	$ 30,896
2027	4,051
2028	4,127
2029	4,229
2030	4,396
Thereafter	59,845
	$ 107,544

Interest expense on the long-term debt totalled $1,076 (2024 - $1,135).

(In thousands of dollars)

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. Included in deferred capital contributions is $39,656 (2024 - $31,803) related to funding received towards the construction-in-progress (note 4) and $343 (2024 - $362) of unspent funds.

	2025	2024
Balance, beginning of year	$ 144,511	$ 139,894
Donation contributions receivable/received	2,216	4,405
Grant contributions receivable/received	7,279	4,049
Amounts amortized to revenue	(3,783)	(3,837)
Balance, end of year	$ 150,223	$ 144,511

9. Internally restricted net assets:

Internally restricted net assets consist of the following:

	2025	2024
Internally funded capital assets	$ 116,227	$ 103,178
Amounts set aside as a debt servicing reserve (note 7(b))	4,645	4,428
	$ 120,872	$ 107,606

Annually, the Board of Directors determines the amount, if any, to be transferred between unrestricted and internally restricted net assets.

The interfund transfers between unrestricted and internally restricted net assets consist of the following:

	2025	2024
Net change in internally funded capital assets	$ 13,049	$ 7,757
Interest on debt servicing reserve	217	200
Transfer to debt servicing reserve	–	919
	$ 13,266	$ 8,876

(In thousands of dollars)

9. Internally restricted net assets (continued):

The interfund transfers between unrestricted and endowment consist of the following:

	2025	2024
Investment income	$ 2,256	$ 2,282
Management fee	(107)	(121)
Disbursement	(1,250)	(71)
	$ 899	$ 2,090

The annual disbursement from the endowment net assets to the unrestricted net assets is calculated as an amount not to exceed the net change in fair values at the beginning and end of the year, adjusted for any increases in capital, disbursements, management fees and annual average consumer price index.

10. Commitments and contingencies:

(a) Commitments:

Minimum future rental commitments for operating leases, excluding operating costs, are as follows:

2026	$ 4,885
2027	3,443
2028	3,645
2029	3,144
2030	2,606
Thereafter	9,136
	$ 26,859

10. Commitments and contingencies (continued):

(b) Contingencies:

Where the potential liability is likely and able to be estimated, management has recorded its best estimate of the potential liability. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional losses related to claims will be recorded in the year during which the liability can be estimated or adjustments to any amount recorded are determined to be required. In the normal course of operations, various claims are brought against the Association. The Association contests the validity of these claims as appropriate. Management believes any settlement amounts required in addition to any recorded liability will not have a material effect on the financial position of the Association.

11. Related party transactions and balances:

The Association is related to YMCA Academy (the "Academy") as the Academy's Board of Directors are members of the Association's Board of Directors. The Academy is a charity whose mission is to advance education by establishing and operating an independent secondary school or other educational institutions, in one or more locations in Canada, with an emphasis on students with learning disabilities.

As at March 31, 2025, an amount of $376 (2024 - $376) is owing from the Academy, which includes a $100 (2024 - $100) zero interest loan. In addition, there is an amount of $94 (2024 - $177) owing to the Academy for revenue received on behalf of the Academy. Rent of $120 (2024 - $105) for use of the premises and administration fee of $121 (2024 - $111) for use of management services were charged to the Academy.

12. Financial assistance:

As part of its charitable mission, the Association provides financial assistance in the form of reduced fees to individuals who qualify for subsidized childcare and health and fitness memberships. In fiscal 2025, the total assistance provided was $4,521 (2024 - $3,758). The total financial assistance has been recognized as net against program fees and membership fees.

(In thousands of dollars)

13. Specific programs:

The following outlines details of funding and expenses as required by certain funders:

Reintegration/Rehabilitation Services - Community (York Youth Justice, Peel Youth Justice and Youth Justice Substance Abuse), Child Welfare - Community and Prevention Supports (Youth In Transition Worker and Youth In Transition - Housing Support Worker Program), Youth Initiatives (Youth Outreach Worker), and Supervised Access are programs administered by the Association and are funded by the Ontario Ministry of Children, Community and Social Services. The following grants and expenses are included in total government revenue and total program fees as presented in the statement of operations:

	Reintegration/ Rehabilitation Services - Community	Child Welfare - Community and Prevention Supports	Youth Initiatives	Supervised Access
Government revenue	$ 316,350	$ 227,219	$ 188,891	$ 203,169
Client contribution payments	–	–	–	14,880
Program expenses	(316,350)	(227,219)	(188,891)	(256,013)
Deficiency of revenue over expenses	$ –	$ –	$ –	$ (37,964)

14. Government remittances:

Government remittances consist of property taxes, workplace safety insurance, sales taxes and payroll withholding taxes required to be paid to government authorities. With respect to government remittances, $546 (2024 - $447) is included in accounts payable and accrued liabilities.

15. Multi-employer pension plan:

The Association is part of a multi-employer defined contribution plan, the Canadian YMCA Retirement Fund. During the year, the Association contributed $7,675 (2024 - $6,760) to the plan which have been recognized as salaries and benefits expense.

16. Financial risks:

The Association is exposed to various financial risks through transactions in financial instruments. There have been no changes to the financial risks from 2024.

(a) Credit risk:

The Association is exposed to credit risk in connection with its accounts receivable and short-term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

(b) Interest rate risk:

The Association is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund that holds fixed income securities because the fair value will fluctuate due to changes in market interest rates. The Association is also exposed to interest rate risk with respect to its operating line of credit and construction loan financing because cash flows will fluctuate since the interest rates are linked to the lenders' prime rate, which changes from time to time.

(c) Liquidity risk:

Liquidity risk is the risk the Association will not be able to meet its financial obligations when they come due. There is a risk that if debt is called by a lender, the Association may not be able to refinance existing debt or that the terms of any refinancing will not be as favourable as the terms of the existing debt.

(d) Other price risk:

The Association is exposed to other price risk through changes in market prices (other than changes arising from interest rate or currency risks) in connection with its investments in equity securities and pooled funds.