

YMCA Northumberland
Financial Statements
For the year ended December 31, 2022

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Independent Auditor's Report

To the Members of YMCA Northumberland

Qualified Opinion

We have audited the accompanying financial statements of YMCA Northumberland, which comprise the statement of financial position as at December 31, 2022, and the statements of changes in net assets, operations, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 YMCA Northumberland as at December 31, 2022 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, YMCA Northumberland derives revenue from fundraising events 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 organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donation revenues, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and net assets as at January 1 and December 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended December 31, 2021 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Cobourg, Ontario
April 20, 2023

YMCA Northumberland
Statement of Financial Position

December 31			2022	2021
	General Fund	Capital Fund		
Assets				
Current				
Cash	\$ 2,243,012	\$ 515,445	\$ 2,758,457	\$ 1,373,240
Cash - M Moore Fund	18,990	-	18,990	18,990
Investments (Note 2)	-	474,920	474,920	423,347
Accounts receivable	524,972	-	524,972	448,713
Prepaid expenses	41,854	-	41,854	108,289
	2,828,828	990,365	3,819,193	2,372,579
Capital assets (Note 3)	-	4,213,623	4,213,623	4,241,214
	\$ 2,828,828	\$ 5,203,988	\$ 8,032,816	\$ 6,613,793
Liabilities and Net Assets				
Current				
Accounts payable	\$ 327,949	\$ -	\$ 327,949	\$ 287,418
Unearned revenue (Note 4)	1,203,072	113,644	1,316,716	634,958
Current portion of capital lease obligations (Note 5)	-	22,412	22,412	44,777
	1,531,021	136,056	1,667,077	967,153
Long-Term				
Capital lease obligations (Note 5)	-	-	-	20,615
Deferred contributions - land (Note 12)	-	312,000	312,000	312,000
Deferred capital contributions (Note 6)	-	1,945,294	1,945,294	1,629,472
	1,531,021	2,393,350	3,924,371	2,929,240
Net Assets				
Externally restricted - M Moore Fund	18,990	-	18,990	18,990
Invested in capital assets	-	1,820,273	1,820,273	2,117,461
Internally restricted	-	990,365	990,365	778,997
Unrestricted	1,278,817	-	1,278,817	769,105
	1,297,807	2,810,638	4,108,445	3,684,553
	\$ 2,828,828	\$ 5,203,988	\$ 8,032,816	\$ 6,613,793

On behalf of the Board



Director



Director

YMCA Northumberland
Statement of Changes in Net Assets

For the year ended December 31				2022	2021
	General Fund (unrestricted)	M Moore Fund (externally restricted)	Capital Fund (internally restricted)	Total	Total
Balance, beginning of year	\$ 769,105	\$ 18,990	\$ 2,896,458	\$ 3,684,553	\$ 2,841,501
Excess (deficiency) of revenues over expenses	694,388	-	(270,496)	423,892	843,052
Interfund transfers	(184,676)	-	184,676	-	-
Balance, end of year	\$ 1,278,817	\$ 18,990	\$ 2,810,638	\$ 4,108,445	\$ 3,684,553

YMCA Northumberland
Statement of Operations

For the year ended December 31

2022

2021

2020

	<u>General Fund</u>	<u>Capital Fund</u>			
Revenues					
Donations	\$ 87,318	\$ -	\$ 87,318	\$ 93,944	\$ 73,342
Government funding (Note 7)	3,136,467	-	3,136,467	3,700,624	1,490,321
Fundraising	91,601	-	91,601	54,078	92,811
Child services & camp	2,019,225	-	2,019,225	1,543,232	964,640
Memberships	1,022,021	-	1,022,021	528,292	699,361
Programs	232,348	-	232,348	144,515	161,652
United Way	2,500	-	2,500	7,500	20,000
Other income	153,596	12,628	166,224	107,199	91,004
Investment income (loss)	-	(10,663)	(10,663)	45,144	40,621
Amortization of deferred capital contributions (Note 6)	-	162,057	162,057	158,312	157,051
Gain (loss) on disposal of capital assets	-	(44,774)	(44,774)	-	1,130
	6,745,076	119,248	6,864,324	6,382,840	3,791,933
Expenses					
Advertising and promotion	33,265	-	33,265	25,924	45,684
Affiliation fees	110,264	-	110,264	71,948	44,851
Amortization of capital assets	-	387,914	387,914	395,078	398,084
Bank and service charges	65,159	-	65,159	40,431	36,319
Employee benefits	542,381	-	542,381	480,859	398,710
Equipment & facility repairs	71,713	-	71,713	91,079	76,536
Insurance	64,003	-	64,003	49,022	50,615
Interest on long-term debt	-	1,830	1,830	3,732	4,774
International projects	11,500	-	11,500	5,750	3,058
Miscellaneous	4,672	-	4,672	5,250	17,459
Occupancy	326,501	-	326,501	340,957	301,853
Postage and courier	1,137	-	1,137	518	5,171
Professional services	288,608	-	288,608	240,389	191,833
Service providers	83,832	-	83,832	71,751	87,833
Staff & volunteer development	20,197	-	20,197	9,364	17,974
Supplies	282,027	-	282,027	214,409	184,527
Telephone & fax	39,363	-	39,363	40,450	50,817
Travel and meals	10,167	-	10,167	5,444	9,005
Wages	4,088,096	-	4,088,096	3,443,048	2,790,184
Vehicle	7,803	-	7,803	4,385	4,344
	6,050,688	389,744	6,440,432	5,539,788	4,719,631
Excess (Deficiency) of Revenues over Expenses	\$ 694,388	\$ (270,496)	\$ 423,892	\$ 843,052	\$ (927,698)

YMCA Northumberland
Statement of Cash Flows

For the year ended December 31

2022

2021

	<u>General Fund</u>	<u>Capital Fund</u>		
Cash flows from operating activities				
Excess (deficiency) of revenues over expenses	\$ 694,388	\$ (270,496)	\$ 423,892	\$ 843,052
Items not involving cash				
Amortization of capital assets	-	387,914	387,914	395,078
Loss on disposal of capital assets	-	44,774	44,774	-
Amortization of deferred capital contributions	-	(162,057)	(162,057)	(158,312)
	694,388	135	694,523	1,079,818
Changes in non-cash balances				
Accounts receivable	(76,259)	-	(76,259)	(70,665)
Prepaid expenses	5,161	-	5,161	(13,041)
Accounts payable	40,531	-	40,531	(147,933)
Government remittances payable	-	-	-	(6,041)
Unearned revenue	746,277	(64,519)	681,758	(212,199)
	1,410,098	(64,384)	1,345,714	629,939
Cash flows from investing activities				
Capital asset additions	-	(360,323)	(360,323)	(124,878)
Externally restricted deferred capital contributions received (Note 6)	-	477,879	477,879	120,000
Proceeds on sale of capital assets	-	16,500	16,500	-
Decrease (increase) in investments	-	(51,573)	(51,573)	196,893
Interfund transfers	(184,676)	184,676	-	-
	(184,676)	267,159	82,483	192,015
Cash flows from financing activity				
Repayment of capital lease obligations	-	(42,980)	(42,980)	(72,418)
Increase in cash during the year	1,225,422	159,795	1,385,217	749,536
Cash, beginning of year	1,036,580	355,650	1,392,230	642,694
Cash, end of year	\$ 2,262,002	\$ 515,445	\$ 2,777,447	\$ 1,392,230
Represented by				
Cash			\$ 2,758,457	\$ 1,373,240
Cash - M Moore Fund			18,990	18,990
			\$ 2,777,447	\$ 1,392,230

YMCA Northumberland

Notes to Financial Statements

December 31, 2022

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The organization was incorporated without share capital under the Ontario Corporations Act on January 12, 1956, and is a registered Canadian charity under the Income Tax Act and accordingly, it is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

Mission Statement:

YMCA Northumberland is dedicated to the growth of all persons in spirit, mind and body, and fostering a sense of responsibility to each other and the global community. We are committed to strengthening the foundations of community; nurturing the potential of children, teens and adults; promoting healthy living; fostering a sense of social responsibility; and delivering lasting social and personal change.

Vision Statement:

Health and growth for life ... YMCA for all.

Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The organization follows the accrual method of accounting. The accrual basis recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of goods or services received and the creation of a legal obligation to pay.

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 amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the determination of the allowance for uncollectible accounts receivable, the estimated useful life of the capital assets, the valuation of accruals, the valuation of unearned revenue, deferred contributions and deferred capital contributions. Actual results could differ from management's best estimates as additional information becomes available in the future.

Investments

Investments are recorded at fair value. Fair values of the investments are determined by reference to published price quotations provided by the organization's investment broker. Transaction costs on the acquisition and sale of investments are expensed in operations. Unrealized gains and losses are reported in operations. Realized gains and losses on the disposal of investments are determined on a completed transaction basis.

YMCA Northumberland

Notes to Financial Statements

December 31, 2022

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Fund Accounting

The General Fund accounts for current operations and programs as well as the organization's general operations. Unrestricted contributions (donations and grants) and restricted contributions for the purpose of operating the organization are reported in this fund.

The Michael Moore Scholarship Fund ("M Moore Fund") is a trust fund created in 2003 with an initial donation from the Moore family of \$5,000 and a transfer from operations of \$10,000. This fund is to be used to award at least one deserving student each year with a minimum of \$500 towards their post-secondary studies. These funds are to be invested and the interest used to cover the awards.

The Capital Fund represents the capital assets of the organization and the investments for future expansion. Any donations or funding received for specific assets is amortized at the same rate as the amortization of those related capital assets. Interest earned on the investments in this fund is recognized in this fund.

Capital Assets

Capital assets are recorded at cost. Gains and losses on the sale of capital assets are recorded in the corresponding gain loss account in the year of disposal. Capital assets are amortized over their estimated useful life on a straight line basis as follows:

Administrative equipment	- 5 years
Buildings and improvements	- 20 years
Electronic equipment	- 3 years
Equipment under capital lease	
- Play structure	- 20 years
- Other equipment	- 5 years
Leasehold improvements	- over the life of the leases
Parking lot	- 20 years
Program equipment	- 5 years
Vehicles	- 5 years

Contributed Services

Volunteers contribute a significant number of hours annually to assist the organization in carrying out its activities. Contributed services are not recognized in the financial statements because of measurement uncertainties in determining the fair market value.

Financial Instruments

The organization's financial assets and liabilities are recorded at fair value when acquired or issued. In subsequent periods, they are reported at cost or amortized cost less impairment, if applicable. Impairment of the financial assets is tested only when indications of a possible impairment exist. Any transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and is recognized in net income over the life of the financial instrument using the straight-line method.

YMCA Northumberland Notes to Financial Statements

December 31, 2022

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Revenue Recognition

The organization follows the deferral method of accounting for contributions which includes donations, fundraising, sponsorships and government grants.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted capital contributions related to the acquisition of real property not subject to amortization are recognized as an addition to net assets in the year of acquisition.

Investment income is recognized as revenue when earned.

Membership fees are recognized as revenue in the period covered by the membership fee. Membership fees received in advance are deferred.

Child services & camp, programs and other income are recognized as revenue when services have been rendered.

Government Assistance

Government assistance like the Canada Emergency Wage Subsidy and the Canada Emergency Rent Subsidy that relates to operating programs is recognized as revenue in the general fund when received or receivable.

Government funding for operational purposes (ie. child care) is recognized as revenue in the general fund when received or receivable

Government grants related to capital projects are recorded as unearned revenue in the capital fund when received, and are amortized to revenue in the capital fund on the same basis as the amortization of the related capital assets.

Donations in Kind

Donated capital assets are recorded in the financial statements at fair market value at the time of acquisition and then amortized to operations in accordance with the amortization policies.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank balances and investments in savings accounts.

YMCA Northumberland
Notes to Financial Statements

December 31, 2022

2. Investments

	2022	2021
Cash held for reinvestment	\$ 14,151	\$ 25,325
Common shares	192,209	83,323
Mutual funds	268,560	314,699
	\$ 474,920	\$ 423,347

The mutual funds are invested in Canadian and foreign equity funds. The mutual funds and market-indexed equities are subject to stock market fluctuations and amounts invested are not guaranteed.

3. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,143,332	\$ -	\$ 1,143,332	\$ 1,143,332
Administrative equipment	142,084	137,516	4,567	6,831
Buildings and improvements	7,277,944	4,670,045	2,607,899	2,615,897
Electronic equipment	481,021	465,063	15,958	38,455
Leasehold improvements	172,173	96,859	75,315	71,543
Program equipment	1,652,936	1,467,528	185,408	179,233
Equipment under capital lease	374,553	332,835	41,719	68,185
Parking lot	199,669	92,225	107,444	117,427
Vehicles	99,049	67,069	31,981	311
	\$ 11,542,761	\$ 7,329,140	\$ 4,213,623	\$ 4,241,214

4. Unearned Revenue

	General Fund	Capital Fund	2022 Total	2021 Total
Child Care	\$ 1,065,993	\$ 74,582	\$ 1,140,575	\$ 488,868
Memberships and program fees	137,079	-	137,079	122,560
Community Partners	-	21,833	21,833	4,750
Ontario Early Years	-	17,229	17,229	18,780
	\$ 1,203,072	\$ 113,644	\$ 1,316,716	\$ 634,958

YMCA Northumberland
Notes to Financial Statements

December 31, 2022

5. Capital Lease Obligations

	2022	2021
Capital lease obligation, 3.77%, payable in monthly principal and interest payments of \$2,351, commencing August 2020 until maturity in July 2023, and is secured by specific equipment under capital lease with a net book value of \$40,077	\$ 16,251	\$ 43,294
Capital lease obligation, 3.46% payable in monthly principal and interest payments of \$645, commencing January 2017 until maturity in June 2022, and is secured by specific equipment under capital lease with a net book value of \$nil	-	3,831
Capital lease obligation, 4.17% payable in monthly principal and interest payments of \$665, commencing November 2017 until maturity in March 2023, and is secured by specific equipment under capital lease with a net book value of \$nil	2,880	10,782
Capital lease obligation, 4.58% payable in monthly principal and interest payments of \$372, commencing April 2018 until maturity in September 2023, and is secured by specific equipment under capital lease with a net book value of \$1,642	3,281	7,485
	22,412	65,392
Less: current portion of capital lease obligations	22,412	44,777
	\$ -	\$ 20,615

6. Deferred Capital Contributions

	2022	2021
Balance, beginning of year	\$ 1,629,472	\$ 1,667,784
Externally restricted contributions received	477,879	120,000
	2,107,351	1,787,784
Amortization of deferred capital contributions to revenue	(162,057)	(158,312)
Balance, end of year	\$ 1,945,294	\$ 1,629,472

YMCA Northumberland
Notes to Financial Statements

December 31, 2022

7. Government Funding

	General Fund	Capital Fund	2022 Total	2021 Total
Government Funding for Child Care				
Municipal	\$ 369,533	\$ -	\$ 369,533	\$ 438,862
County of Northumberland	1,650,814	-	1,650,814	1,447,953
Provincial	805,735	-	805,735	399,891
Five Counties	163,229	-	163,229	84,653
Total government funding for child care	2,989,311	-	2,989,311	2,371,359
Federal support				
Canada Emergency Wage Subsidy	133,351	-	133,351	1,226,420
Canada Emergency Rent Subsidy	-	-	-	98,410
Canada summer jobs	13,805	-	13,805	4,435
Total funding received in the year	\$ 3,136,467	\$ -	\$ 3,136,467	\$ 3,700,624

During the year, the organization was eligible for the Canada Emergency Wage and Temporary Subsidies and the Canada Emergency Rent Subsidy and recorded the respective programs detailed above in government funding revenue in the statement of operations. Revenue has declined as a result of the COVID-19 pandemic and related government measures. The Canadian Government Emergency Relief subsidies was an incentive for organizations to ensure as many staff were retained as possible and if the subsidy had not been available different decisions would have been made by the organization in an effort to maintain sustainability.

8. Credit Facilities

The organization has an undrawn revolving demand credit facility of \$250,000, bearing interest at the bank's prime rate plus 0.5%, as well as a VISA credit facility of \$60,000 available. Borrowings are subject to a general security agreement granting first security interest in all present and after acquired personal property.

9. Subsidies

YMCA Northumberland provided \$170,644 (2021 - \$90,117) of financial assistance through the YMCA Strong Kids Assistance Program allowing people of all ages in the community to participate in programs, membership, swimming lessons and summer day camp.

YMCA Northumberland
Notes to Financial Statements

December 31, 2022

10. Commitments

The organization's obligations for the next three years, under existing rent agreements for premises, operating leases for equipment and service contracts, are as follows:

2023	\$ 281,256
2024	15,277
2025	<u>13,187</u>
	<u>\$ 309,720</u>

11. Financial Instruments

There have been no changes to the organization's financial instrument risk exposure from the prior year, but the organization is exposed to the following financial instrument risks:

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The organization is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income investments disclosed in Note 2 to these financial statements. The organization is also exposed to interest rate risk on the credit facilities disclosed in Note 7 to these financial statements when it is utilized.

Liquidity Risk

Liquidity risk is the risk that the organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from liabilities such as accounts payable and capital lease obligation.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is also exposed to credit risk arising from its accounts and contributions receivable. Credit risk is the risk that the counterparty to the transaction will not pay.

YMCA Northumberland Notes to Financial Statements

December 31, 2022

11. Financial Instruments (continued)

The organization's cash and cash equivalents are held at a major financial institution and the investments are held at a second major institution.

The organization's accounts receivable consist of a large number of smaller balances from individuals, governmental organizations and entities. There is one government organization that accounts for 26% of the total accounts receivable. At year-end, the organization assessed the collectibility of the outstanding accounts receivable and made a provision of \$15,862 (2021 - \$15,862) for estimated uncollectible balances, based on historical collection rates of the organization.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization is exposed to currency fluctuations as the organization has investment in foreign equities and mutual funds. There have not been any changes in the risk from the prior year.

Market Risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk. The organization is exposed to market risk on its investments through fluctuations in the bond and equity markets and these investments are not guaranteed. To manage these risks, the organization uses independent investment advisors and has developed an investment policy guideline to reduce risk. The organization receives monthly statements and meets on an annual basis with investment counsel.

YMCA Northumberland Notes to Financial Statements

December 31, 2022

12. Acquisition of Real Property

339 Elgin Street

On October 4, 2011, the YMCA Northumberland acquired a 100% ownership interest in the property which consists of 5.53 acres land and the recreational facilities located at 339 Elgin Street West from the Town of Cobourg for one dollar.

The land, buildings and parking area were appraised at a current fair market value of \$5,250,000. Prior to the transaction, the YMCA Northumberland had an ownership interest related to previous year's capital improvements made by the YMCA which were appraised at a current value of \$1,510,000.

The acquisition of the real property has been reflected in the accounts as follows:

Capital Assets	
Land	\$ 624,000
Parking lot	66,000
Building	<u>3,050,000</u>
	<u>\$ 3,740,000</u>
Liabilities	
Deferred contributions - land	\$ 312,000
Deferred capital contributions	3,116,000
Net Assets - Capital Fund	
Invested in capital assets	<u>312,000</u>
	<u>\$ 3,740,000</u>

The deferred revenue of \$3,116,000 is being amortized to revenue on the same basis as the amortization of buildings and parking lot. The amortization of deferred capital contributions for the current year, amounts to \$155,796 (2021 - \$155,796), which is included in the amount reflected in Note 6 to these financial statements.

281 Elgin Street - Vacant Land

In June 2010, the organization acquired vacant land abutting 281 Elgin Street, Cobourg ON, with an appraised market value of \$340,000, for \$150,000 cash, plus related transaction costs. The excess of fair value over the agreed upon purchase price of \$190,000 was recognized as a restricted capital contribution in 2010.

13. Comparative Figures

The comparative figures have been reclassified to conform with the current year's presentation.
