

**BEAVER VALLEY OUTREACH**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2025**

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**BEAVER VALLEY OUTREACH**  
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**DECEMBER 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Beaver Valley Outreach**:

### **Qualified Opinion**

We have audited the financial statements of **Beaver Valley Outreach** (the Organization), which comprise the statement of financial position as at December 31, 2025 and the statements of operations and changes in net assets and cash flow 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 Organization as at December 31, 2025, and 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**

**Beaver Valley Outreach** derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Consequently, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ending December 31, 2025 and December 31, 2024 and current assets and net assets as at December 31, 2025 and December 31, 2024. Our audit opinion for both years was modified accordingly because of the possible effect of this scope limitation.

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 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 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.


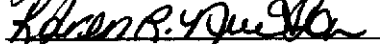
*Baker Tilly SGB LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Owen Sound, Ontario  
April 23, 2026

**BEAVER VALLEY OUTREACH**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31**

	2025	2024
	\$	\$
<b>Assets</b>		
Current		
Cash	144,709	126,340
Short term investments (Note 2)	1,320,418	936,701
Accounts receivable	39,870	142,848
Prepaid expenses	2,473	-
	1,507,470	1,205,889
Long term investments (Note 2)	410,646	300,420
Property and equipment (Note 4)	1,730,327	1,691,732
	3,648,443	3,198,041
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	71,262	101,681
Government remittances payable	20,652	21,514
Deferred revenue (Note 5)	33,212	17,848
	125,126	141,043
Deferred contributions related to property and equipment (Note 6)	14,468	16,777
	139,594	157,820
<b>Net assets</b>		
Operating fund	61,926	127,874
Capital asset fund	1,715,859	1,674,953
Property fund	1,258,279	820,808
Sustainability fund	411,543	416,586
Preschool Sustainability fund	61,242	-
	3,508,849	3,040,221
	3,648,443	3,198,041

Approved on behalf of the board

 Director  
 Director

**BEAVER VALLEY OUTREACH**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31**

	Operating Fund	Capital Asset Fund	Property Fund	Sustainability Fund	Preschool Sustainability Fund	2025	2024
	\$	\$	\$	\$	\$	\$	\$
<b>Fund balance at beginning of year</b>	127,874	1,674,953	820,808	416,586	-	3,040,221	2,743,934
Excess of revenue over expenditures	497,005	(76,135)	37,471	10,287	-	468,628	296,287
Interfund transfers (Note 3)	(562,953)	117,041	400,000	(15,330)	61,242	-	-
<b>Fund balance at end of year</b>	<b>61,926</b>	<b>1,715,859</b>	<b>1,258,279</b>	<b>411,543</b>	<b>61,242</b>	<b>3,508,849</b>	<b>3,040,221</b>

See accompanying notes to financial statements

**BEAVER VALLEY OUTREACH**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31**

	2025	2024
	\$	\$
<b>Revenue</b>		
Program (Schedule 1)	510,314	489,297
Preschool (Schedule 2)	802,107	683,063
Treasure Shop	787,385	702,174
Grant and other income	55,943	14,634
	<b>2,155,749</b>	<b>1,889,168</b>
<b>Expenditures</b>		
Amortization	70,869	62,973
Bad debt	2,342	-
Bank interest and charges	2,048	1,707
Board	5,648	6,789
Communications	63,772	35,737
Grants and other expenses	15,466	87
Health and safety	5,869	7,361
Insurance	6,026	5,539
Professional development	2,571	5,989
Professional services	5,847	7,052
Repairs and maintenance	11,226	23,574
Supplies	7,845	9,581
Technical equipment and maintenance	22,808	23,311
Telephone	4,365	4,356
Treasure shop	212,423	182,828
Utilities	5,680	7,697
Vehicle	4,459	4,557
Volunteer	3,946	3,514
Program (Schedule 1)	569,946	580,166
Preschool (Schedule 2)	720,323	669,605
	<b>1,743,479</b>	<b>1,642,423</b>
<b>Excess of revenue over expenditures before other income</b>	<b>412,270</b>	<b>246,745</b>
<b>Other income</b>		
Amortization of deferred contributions (Note 6)	2,309	2,408
Interest income	48,049	47,134
Gain on sale of equipment	6,000	-
	<b>56,358</b>	<b>49,542</b>
<b>Excess of revenue over expenditures</b>	<b>468,628</b>	<b>296,287</b>

See accompanying notes to the financial statements

**BEAVER VALLEY OUTREACH**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31**

	2025	2024
	\$	\$
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures	468,628	296,287
Items not involving cash		
Amortization of property and equipment	78,444	69,630
Amortization of deferred contributions	(2,309)	(2,408)
	544,763	363,509
Change in		
Accounts receivable	102,978	(33,512)
Prepaid expenses	(2,473)	-
Accounts payable and accrued liabilities	(30,419)	2,685
Government remittances payable/receivable	(861)	4,585
Deferred revenue	15,364	1,016
	629,352	338,283
<b>Investing activities</b>		
Purchase of property and equipment	(117,039)	(39,091)
Purchase of investments	(493,944)	(296,862)
Contributions related to property and equipment	-	9,889
	(610,983)	(326,064)
<b>Change in cash</b>	<b>18,369</b>	<b>12,219</b>
Cash at beginning of year	126,340	114,121
<b>Cash at end of year</b>	<b>144,709</b>	<b>126,340</b>

See accompanying notes to the financial statements

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**BEAVER VALLEY OUTREACH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

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**Purpose of the organization**

Beaver Valley Outreach (the Organization) is a not-for-profit organization incorporated without share capital under the laws of Ontario. The Organization is a registered charity and is exempt from income tax and may issue income tax receipts to donors.

The Organization is a community-based organization of staff and volunteers that provides quality programs and services to enhance the social, economic and environmental well-being of people in its community.

**1. Summary of significant accounting policies**

The following is a summary of certain significant accounting policies followed in the preparation of the financial statements:

**(a) Basis of accounting**

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

**(b) Fund accounting**

The Operating Fund reports resources available for the Organization's program and service delivery. This fund reports unrestricted resources.

The Capital Asset Fund reports property and equipment used in operations net of related liabilities.

The Property Fund was created to fund future expansion and/or renovations and capital repairs to the Organization's buildings.

The Sustainability Fund was created for unexpected situations requiring funding that cannot be handled through normal operation revenues.

The Preschool Sustainability Fund was created for future expansion and/or renovations and capital repairs to the Preschool building.

**(c) Revenue recognition**

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.

Contributions restricted for the purchase of property and equipment are deferred and amortized into revenue on the same basis and at rates corresponding to those of the related property and equipment.

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.

Revenue from Treasure Shop is recognized when the significant risks and rewards of ownership are transferred to the customer, which generally coincides with the time of purchase at the store. Revenue is recorded net of allowable discounts and rebates.

Revenue from program fees and preschool are recognized at the time the service is delivered.

**(d) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and cash on deposit in Canadian financial institutions.

**BEAVER VALLEY OUTREACH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**1. Summary of significant accounting policies (continued)**

**(e) Property and equipment**

Property and equipment are stated at cost. Provision is made for amortization under the declining balance and straight line method using the following annual rates:

Building and improvements	4% declining balance
Computers	55% declining balance
Equipment	20% declining balance
Furniture	20% declining balance
Leasehold improvements	20% declining balance
Signage	5 years straight-line
Vehicle	30% declining balance

**(f) Contributed services and materials**

Due to the difficulty in determining the fair value of materials contributed to the Organization they are not recognized in the financial statements. This includes the treasure shop inventory which would not be otherwise purchased if not donated.

The Organization utilizes a large amount of volunteer hours to support its programs and services. The value of this contributed time is not reflected in these financial statements.

**(g) Financial instruments**

Financial instruments are initially measured at fair value and subsequently measured at either fair value or amortized cost. Financial assets measured at amortized cost are tested for impairment when changes in circumstances indicate the asset could be impaired.

Financial assets measured at amortized cost include cash and accounts receivable. Investments are measured at fair value. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

**Transaction costs**

The Organization recognizes its transactions costs in revenue in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

**(h) 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 revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results could differ from those estimates.

**2. Investments**

Investments held with TD Wealth consist of guaranteed investment certificates and a money market account bearing interest between 1.80% and 3.85%. The GICs have maturity dates between March 26, 2026 and September 17, 2027 and are cashable.

**BEAVER VALLEY OUTREACH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**3. Interfund transfers**

During the year, the Operating fund transferred \$117,041 to the Capital Asset Fund to fund property and equipment additions. There was also \$400,000 of excess funds transferred to the Property Fund to purchase guaranteed investment certificates. During the year, \$61,242 of preschool excess funds was transferred to establish the Preschool Sustainability Fund for future capital projects. \$15,330 of excess funds in the Sustainability Fund was transferred to the Operating Fund for general operations.

**4. Property and equipment**

	2025	2024
	\$	\$
Cost		
Land	386,000	386,000
Building	625,410	625,410
Building improvements	1,039,565	1,000,560
Computers	30,688	30,688
Equipment	50,302	44,222
Leasehold improvements	16,414	16,414
Signage	12,314	12,314
Furniture	10,059	10,059
Preschool building	8,309	8,309
Preschool equipment	45,121	45,121
Vehicle	71,954	-
	<u>2,296,136</u>	<u>2,179,097</u>
Accumulated amortization		
Building	182,454	163,998
Building improvements	264,164	233,481
Computers	28,991	26,917
Equipment	30,023	25,713
Leasehold improvements	13,846	13,204
Signage	14,577	12,114
Furniture	4,265	2,817
Preschool building	588	266
Preschool equipment	16,108	8,855
Vehicle	10,793	-
	<u>565,809</u>	<u>487,365</u>
	<u>1,730,327</u>	<u>1,691,732</u>

**BEAVER VALLEY OUTREACH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**5. Deferred revenue**

Deferred revenue is composed of the following amounts:

	2025	2024
	\$	\$
Community Garden	1,540	1,610
ESDC - Seniors Centre Without Walls	-	6,050
Good Food Box	1,350	1,188
Breakfast Club	-	9,000
Homeless Initiative	7,000	-
Communication Funding	23,322	-
	<u>33,212</u>	<u>17,848</u>

During the year, the Organization received \$43,316 for Communication Funding of which \$19,995 was spent. The Organization also received \$7,660 for a Homeless Initiative of which \$660 was spent during the year.

The Community Garden amount represents prepayments for garden plots received in advance of the summer season. The Good Food Box amount represents a contribution for 2026 received in advance.

**6. Deferred contributions related to property and equipment**

Deferred Contributions related to property and equipment includes the unamortized portions of restricted contributions with which the property and equipment were originally purchased.

	2025	2024
	\$	\$
Balance at beginning of year	16,777	9,296
Additional contributions	-	9,889
Amounts amortized to revenue	(2,309)	(2,408)
	<u>14,468</u>	<u>16,777</u>

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**BEAVER VALLEY OUTREACH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

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**7. Financial instruments**

**(a) Credit risk**

Credit risk is the risk that on party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk in connection with the collection of its accounts receivable. The Organization mitigates this risk by maintaining credit approval and payment policies. The Organization does not anticipate significant loss for non-collection.

**(b) Liquidity risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable. The Organization expects to meet these obligations as they come due with cash flow from operations.

**8. Comparative figures**

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

**BEAVER VALLEY OUTREACH**  
**SCHEDULE OF REVENUE AND EXPENDITURES - PROGRAM**  
**FOR THE YEAR ENDED DECEMBER 31**

	<b>SCHEDULE 1</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Breakfast club	14,208	18,804
Community garden	2,366	2,708
Donation revenue	150,795	164,078
EarlyON	43,670	40,795
Emergency services	42,595	9,749
B4BVO	36,300	35,596
Kid's club	92,683	76,342
New Territory for Seniors & Answers4Seniors	6,830	27,692
Recreational funding	16,000	7,472
Special events	17,029	9,586
Summer day camp	86,654	89,975
Youth	1,184	6,500
	<b>510,314</b>	<b>489,297</b>
<b>Expenditures</b>		
Breakfast club	9,849	10,821
Christmas hampers	60,347	68,725
Community engagement	3,345	6,669
Community garden	1,428	2,089
EarlyON	43,582	39,708
Emergency services	72,296	54,395
B4BVO	3,055	4,741
Good food box	130	1,871
Kid's club	69,741	53,753
New Territory for Seniors & Answers4Seniors	20,115	28,474
Recreational funding	18,240	8,573
Summer day camp	56,111	47,348
Youth	25,033	20,293
Wages and benefits	186,674	232,706
	<b>569,946</b>	<b>580,166</b>
(Deficiency) of revenue over expenditures	<b>(59,632)</b>	<b>(90,869)</b>

See accompanying notes to the financial statements

**BEAVER VALLEY OUTREACH**  
**SCHEDULE OF REVENUE AND EXPENDITURES - PRESCHOOL**  
**FOR THE YEAR ENDED DECEMBER 31**

	<b>SCHEDULE 2</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Parent Fees	173,591	174,452
Subsidies		
CWELCC	585,881	367,604
Daycare subsidies	17,839	13,985
General operating grant	-	57,580
Other subsidies	-	2,244
Wage enhancement	-	43,687
Donations	645	500
Other	24,151	23,011
	<u>802,107</u>	<u>683,063</u>
<b>Expenditures</b>		
Advertising	-	50
Amortization	7,575	6,657
Cleaning	2,875	1,229
Food	26,411	27,103
Insurance	3,946	3,801
Professional development	2,306	2,967
Professional fees	14,422	11,891
Repairs and maintenance	5,646	9,943
Supplies	23,497	16,220
Telephone	1,620	1,980
Utilities	10,200	9,880
Wages and benefits	621,825	577,884
	<u>720,323</u>	<u>669,605</u>
Excess of revenue over expenditures	<u>81,784</u>	<u>13,458</u>

See accompanying notes to the financial statements