

Financial Statements of

**LAY-UP YOUTH BASKETBALL**

April 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**LAY-UP YOUTH BASKETBALL**

### Opinion

We have audited the accompanying financial statements of Lay-Up Youth Basketball ("the Organization"), which comprise the statement of financial position as at April 30, 2025 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at April 30, 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 Opinion

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

### 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 doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

TORONTO, Ontario  
October 23, 2025

  
**Licensed Public Accountants**

# LAY-UP YOUTH BASKETBALL

## Statement of Financial Position

As at April 30,

2025

2024

### Assets

#### Current

Cash	\$ 168,353	\$ 273,714
Investments (note 3)	126,421	124,061
Public Service Bodies' Rebate receivable	24,568	49,628
Contributions receivable	118,869	72,081
Prepaid expenses and other	20,162	6,232
	<b>458,373</b>	<b>525,716</b>
Capital assets (note 4)	<b>22,538</b>	<b>16,987</b>
	<b>\$ 480,911</b>	<b>\$ 542,703</b>

### Liabilities

#### Current

Accounts payable and accrued liabilities (note 5)	\$ 96,961	\$ 95,051
Deferred contributions (note 6)	<b>68,850</b>	<b>176,710</b>
	<b>165,811</b>	<b>271,761</b>
Deferred capital contributions (note 7)	-	417
	<b>165,811</b>	<b>272,178</b>
<b>Net assets</b>		
Unrestricted	<b>315,100</b>	<b>270,525</b>
	<b>\$ 480,911</b>	<b>\$ 542,703</b>

Commitments (note 9)

On behalf of the Board of Directors:

 Director

 Director

See accompanying notes to the financial statements.

## LAY-UP YOUTH BASKETBALL

### Statement of Operations and Changes in Net Assets

Year ended April 30,	2025	2024
<b>Revenues</b>		
Contributions (note 8)	<b>\$ 1,697,735</b>	\$ 1,716,925
Interest	<b>3,417</b>	5,451
Amortization of deferred capital contributions (note 7)	<b>417</b>	833
	<b>1,701,569</b>	1,723,209
<b>Expenses</b>		
Programs	<b>993,027</b>	1,095,019
Office and general	<b>532,566</b>	490,203
Advertising and promotion	<b>52,955</b>	62,083
Professional fees	<b>45,220</b>	48,927
Amortization	<b>17,404</b>	12,742
Insurance	<b>12,616</b>	14,975
Staff training and development	<b>3,206</b>	94,207
	<b>1,656,994</b>	1,818,156
Excess (deficiency) of revenue over expenses for the year	<b>44,575</b>	(94,947)
Net assets, beginning of year	<b>270,525</b>	365,472
Net assets, end of year	<b>\$ 315,100</b>	\$ 270,525

See accompanying notes to the financial statements.

## LAY-UP YOUTH BASKETBALL

### Statement of Cash Flows

Year ended April 30,	2025	2024
Cash provided by (used in) operating activities:		
Excess (deficiency) of revenue over expenses for the year	\$ 44,575	\$ (94,947)
Items not requiring an outlay of cash:		
Amortization of capital assets	17,404	12,742
Amortization of deferred capital contributions	(417)	(833)
	61,562	(83,038)
Changes in non-cash working capital balances:		
Public Service Bodies' Rebate receivable	25,060	(30,063)
Contributions receivable	(46,788)	(72,081)
Prepaid expenses	(13,930)	52,255
Accounts payable and accrued liabilities	1,910	20,182
Deferred contributions	(107,860)	139,540
Cash provided by (used in) operating activities	(80,046)	26,795
Cash provided by (used in) investing activities:		
Redemption of investments - net	(2,360)	81,820
Purchase of capital assets	(22,955)	(5,935)
Cash provided by (used in) investing activities	(25,315)	75,885
Cash used in financing activities:		
Repayment of CEBA loan	-	(39,141)
Increase (decrease) in cash	(105,361)	63,539
Cash, beginning of the year	273,714	210,174
Cash, end of the year	\$ 168,353	\$ 273,713

See accompanying notes to the financial statements.

**LAY-UP YOUTH BASKETBALL**  
Notes to the Financial Statements  
April 30, 2025

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## **1 Organization**

Lay-Up Youth Basketball ("the Organization") was incorporated on March 28, 2016 without share capital under the Canada Not-For-Profit Corporations Act. The Organization is a registered charity under the *Income Tax Act (Canada)* and accordingly is exempt from income taxes.

The Organization provides free leadership basketball programs in Toronto's priority communities. The Organization's mission is to empower youth with confidence and life skills to be community leaders of tomorrow. High quality basketball is used as a platform to deliver meaningful, customized off the court programming that will equip and inspire youth to overcome barriers in academia, life skills development and healthy living. The Organization offers summer camps and school year programs as well as employment to teens and young adults. The Organization serves individuals ranging in age from 6 to 29.

## **2 Summary of significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

### (a) Revenue recognition

#### (i) Contributions

The Organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is assured.

#### (ii) Interest income

Revenue from interest income is recognized in the year it is earned.

### (b) In-kind donations

Contributed goods and services, except for contributed permit fees and food for events, are not recorded in the financial statements because of the difficulty of determining the value of goods and volunteer hours received. Contributed permit fees and food for events is recognized as revenue and as a program expense in the year it to which it relates.

### (c) Capital assets

The Organization records capital assets at cost. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use. When conditions indicate a capital asset no longer contributes to the Organization's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost.

Capital assets are depreciated over their estimated useful lives on a straight-line basis as follows:

Computers	3 years
Furniture and equipment	3 years

### (d) Allocation of expenses

The Organization allocates personnel costs by financial statement expense category. Personnel allocations are based on time spent by activity (note 10).

**LAY-UP YOUTH BASKETBALL**  
Notes to the Financial Statements  
April 30, 2025

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**2 Summary of significant accounting policies (continued)**

(e) Financial instruments

(i) Measurement

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

(ii) Impairment

At the end of each reporting period, the Organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Organization. When there is an indication of impairment, the Organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

(f) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and changes in net assets, and the reported amounts of revenues and expenses during the current period. Significant estimates include the useful lives of capital assets, the amount of expenses allocated to a particular grant or project, and the allocation of personnel costs (note 10).

All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

**3 Investments**

The following investments are held by a major Canadian chartered bank:

As at April 30	2025	2024
Prime linked, redeemable guaranteed investment certificates, bearing interest at 4.50% (2024 - 4.50%) and maturing on July 5, 2025 (2024 - June 28, 2024)	\$ 103,805	\$ 101,582
Fixed rate, non-redeemable guaranteed investment certificates, bearing interest at 4.00% (2024 - 3.25%) and maturing on dates ranging from July 11, 2025 to August 5, 2025 (2024 - July 11, 2024 to August 4, 2024)	12,487	12,349
Fixed rate, redeemable guaranteed investment certificates, bearing interest at 2.25% (2024 - 2.25%) and maturing on October 2, 2025 (2024 - October 2, 2024)	10,129	10,130
	<b>\$ 126,421</b>	<b>\$ 124,061</b>

**LAY-UP YOUTH BASKETBALL**  
 Notes to the Financial Statements  
 April 30, 2025

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**4 Capital assets**

As at April 30,	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computers	\$ 48,310	\$ (28,834)	\$ 28,162	\$ (16,243)
Furniture and equipment	15,840	(12,778)	13,034	(7,966)
	\$ 64,150	\$ (41,612)	\$ 41,196	\$ (24,209)
		\$ 22,538		\$ 16,987

**5 Accounts payable and accrued liabilities**

Included in accounts payable and accrued liabilities is \$19,908 (2024 - \$20,014) in government remittances payable.

**6 Deferred contributions**

Deferred contributions are comprised as follows:

As at April 30,	2025	2024
United Way	\$ 49,950	\$ -
Canadian Tire Jump Start	18,900	-
The Aune Foundation	-	62,500
Ontario Trillium Foundation	-	50,960
Aubrey & Marla Dan Foundation	-	50,000
Kyzalea Foundation	-	12,500
Canadian Women and Sport	-	750
	\$ 68,850	\$ 176,710

Continuity of deferred contributions for the year is as follows:

Year ended April 30,	2025	2024
Deferred contributions, beginning of the year	\$ 176,710	\$ 37,170
Add contributions received	1,589,875	1,856,465
Less contributions recognized in revenue	(1,697,735)	(1,716,925)
Deferred contributions, end of the year	\$ 68,850	\$ 176,710

**LAY-UP YOUTH BASKETBALL**  
Notes to the Financial Statements  
April 30, 2025

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**7 Deferred capital contributions**

Deferred capital contributions related to capital assets represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations and changes in net assets on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Year ended April 30,	2025	2024
Deferred capital contributions, beginning of year	\$ 417	\$ 1,250
Amounts amortized to revenue	(417)	(833)
Deferred capital contributions, end of year	\$ -	\$ 417

**8 Contributions**

Contributions are comprised of the following major sources:

Year ended April 30,	2025	2024
Foundations and other registered charities	\$ 841,299	\$ 761,911
Government grants and contracts	452,224	609,650
Corporations	356,485	245,987
Individuals	47,727	91,985
Other	-	7,392
	<b>\$ 1,697,735</b>	<b>\$ 1,716,925</b>

**9 Commitments**

The Organization's operating lease for premise expires June 30, 2027. The minimum required payments over the remaining term, excluding escalations and HST, is as follows:

2026 - \$35,641  
2027 - \$36,623  
2028 - \$6,131

**LAY-UP YOUTH BASKETBALL**  
Notes to the Financial Statements  
April 30, 2025

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**10 Allocated expenses**

Salaries and benefits expenses totaling \$1,029,748 (2024 - \$1,117,763) are allocated by management using their best estimate, based on time for labour, to the activities which they benefit.

Salaries and benefits expenses have been allocated as follows:

For the year ended April 30,	2025	2024
Programs	\$ 623,243	\$ 700,400
Office and general	396,213	396,030
Advertising and promotion	10,292	21,333
	<b>\$ 1,029,748</b>	<b>\$ 1,117,763</b>

Salaries and benefits allocated to Programs represent compensation provided by the Organization to youth through the youth coach development program.

**11 Financial instruments**

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations. The financial instruments and the nature of the risks to which they may be subject are as follows:

**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 exposed to credit risk through its cash and contributions receivable.

The Organization's cash held at Canadian financial institutions exceeds the maximum amount insured and hence there is a concentration of credit risk. The Organization manages this risk by maintaining accounts only with reputable Canadian financial institutions and regularly monitoring cash balances.

Contributions receivable are unsecured. The Organization has account monitoring procedures in place to minimize the risk of loss on contributions receivable.

**Liquidity risk**

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due. The Organization meets its liquidity requirements by preparing and monitoring forecasts of cash flows from operations and anticipating investing and financing activities.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

The Organization is not significantly exposed to other price risk.

**Currency risk**

Currency risk reflects the risk that the Organization's earnings will fluctuate with changes in the United States (US) dollar exchange rate. During the year the Organization received two payments of donations from an American foundation denominated in US currency for which the related revenue and contributions receivable balances were subject to exchange rate fluctuations. As at April 30, 2025 there is \$nil (2024 - \$34,000) of contributions receivable denominated in US currency.

**LAY-UP YOUTH BASKETBALL**  
Notes to the Financial Statements  
April 30, 2025

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**11 Financial instruments (continued)**

**Market risk (continued)**

**Interest rate risk**

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

The Organization's cash and guaranteed investment certificates earn interest at market rates. The Organization manages its exposure to the interest rate risk of its cash and guaranteed investment certificates by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash and guaranteed investment certificates do not have a significant impact on the Organization's results of operations.

**Changes in risk**

There have been no significant changes in the Organization's risk exposures from the prior year.