

Oakville Parent Child Centre

Financial Statements

For the year ended December 31, 2025

Contents	Page
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 9

To the Board of Directors of
Oakville Parent Child Centre

Independent Auditors' Report

Qualified Opinion

We have audited the accompanying financial statements of Oakville Parent Child Centre (the Centre), which comprise the statement of financial position as at December 31, 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 and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Oakville Parent Child Centre as at December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Centre derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to amounts recorded in the records of the Centre.

Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donations revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2025 and December 31, 2024, assets and net assets as at December 31, 2025 and December 31, 2024, and January 1, 2024. Our opinion on the financial statements as at and for the year ended December 31, 2025 was modified accordingly because of the possible effects of the limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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 Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Auditing Standards (CASs), 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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



CHARTERED
PROFESSIONAL
ACCOUNTANTS

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.

April 27, 2026
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

T 1 905 632 5978
F 1 905 632 9068
TF 1 866 823 9990

3600 Billings Court, Suite 301,
Burlington, ON L7N 3N6

Oakville Parent Child Centre
Statement of Financial Position
December 31, 2025

Assets			
	2025		2024
Current assets			
Cash	\$ 1,130,610	\$	541,585
Accounts receivable	56,192		40,421
Prepays and deposits	109,641		78,757
	1,296,443		660,763
Capital assets (Note 3)	136,321		148,920
	\$ 1,432,764	\$	809,683
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	\$ 178,144	\$	82,963
Deferred revenue - Grants	549,911		193,683
Deferred revenue - Fundraising and donations	6,260		12,528
Deferred revenue - Program and registration	25,942		39,909
Deferred lease inducements	7,958		12,957
	768,215		342,040
Deferred capital contributions (Note 4)	129,973		143,065
	\$ 898,188	\$	485,105
Net Assets			
Net assets invested in capital assets (Note 5)	\$ 6,348	\$	5,855
Unrestricted net assets	528,228		318,723
	534,576		324,578
	\$ 1,432,764	\$	809,683

Approved on Behalf of the Board

Board of Directors

Board of Directors

Oakville Parent Child Centre**Statement of Operations****Year Ended December 31, 2025**

	2025	2024
Revenues		
Operating grants:		
Regional Municipality of Halton	\$ 2,564,489	\$ 1,864,115
United Way	50,000	60,638
Other grants	32,666	59,943
	2,647,155	1,984,696
Program fees	416,472	547,278
Fundraising and donations	16,201	9,574
Amortization of deferred capital contributions (Note 4)	16,457	14,312
Other	14,017	1,039
	3,110,302	2,556,899
Expenses		
Salaries, benefits and contractors	2,022,906	1,835,842
Occupancy costs	443,912	367,618
Office supplies	120,392	90,138
Professional fees	81,951	62,667
Amortization	17,261	16,087
Program supplies	168,815	127,043
Other	30,289	12,081
Advertising and promotion	3,715	44
Training and development	11,063	9,083
	2,900,304	2,520,603
Excess of revenues over expenses	\$ 209,998	\$ 36,296

Oakville Parent Child Centre

Statement of Changes in Net Assets

Year Ended December 31, 2025

	Invested in Capital Assets (Note 5)	Unrestricted	2025	2024
Net assets, beginning of year	5,855	318,723	324,578	288,282
Excess (deficiency) of revenues over expenses	(804)	210,802	209,998	36,296
Interfund transfers (Note 5)	1,297	(1,297)	-	-
Net assets, end of year	6,348	528,228	534,576	324,578

Oakville Parent Child Centre**Statement of Cash Flows****Year Ended December 31, 2025**

	2025	2024
Cash flows from operating activities		
Excess of revenues over expenses	\$ 209,998	\$ 36,296
Charges not involving cash		
Amortization of capital assets	17,261	16,087
Amortization of deferred capital contributions	(16,457)	(14,312)
Net changes in lease inducement	(4,999)	(5,000)
	205,803	33,071
Net change in accounts receivable	(15,771)	(8,202)
Net change in prepaid expenses and deposits	(30,884)	(16,212)
Net change in accounts payable and accrued liabilities	95,181	(32,708)
Net change in other operating working capital balances	335,993	7,594
Cash flows from (used in) operating activities	590,322	(16,457)
Cash flows from investing activities		
Funded capital contributions	3,365	28,512
Purchase of capital assets	(4,662)	(13,512)
Cash flows from (used in) investing activities	(1,297)	15,000
Net increase (decrease) in cash	589,025	(1,457)
Cash, beginning of year	541,585	543,042
Cash, end of year	\$ 1,130,610	\$ 541,585

1. Nature of Operations

The Oakville Parent Child Centre (the "Centre") is a not-for-profit charitable organization, incorporated without share capital under the laws of Ontario on November 30, 1983 and continued under the Canada Not-for-profit Corporations Act on July 19, 2020. The Centre is a not-for-profit organization under the Canadian Income Tax Act and is exempt for income tax purposes provided certain requirements of the Canadian Income Tax Act are met. The Centre's mission is to support, nurture and empower children and their families as they learn and grow together.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial instruments

Initial measurement

The Centre initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value.

Subsequent measurement

The Centre subsequently measures all its financial assets and liabilities at amortized cost. Changes in fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash, and accounts receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Transaction costs

Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at amortized cost, the Centre determines whether there are indications of possible impairment. When there are, and the Centre determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

2. Significant accounting policies (cont'd.)

Capital assets

Purchased capital assets are recorded at acquisition cost. Donated capital assets are recorded at fair value at the date of contribution. Amortization is provided as follows:

Computer equipment	2- 3 year straight-line
Furniture and fixtures	5 year straight-line
Leasehold improvements	Term of lease

One-half the normal rate of amortization is provided for in the year of acquisition.

Revenue recognition

The Centre's programs and operations are funded through various sources, including grants, fundraising activities and program fees. The Centre is an Ontario EarlyON centre funded by the Regional Municipality of Halton (the "Region"). This funding agreement was extended until December 31, 2026. The funding is restricted for qualified expenses and generally requires the Centre to repay contributions which are not spent by the end of the funding year. As of December 31, 2025 there are excess contributions of \$408,116 included in Deferred revenue - grants that will be reduced off of 2026 funding.

The Centre follows the deferral method of accounting for contributions, including income from donations and fundraising. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital asset. 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.

Deferred Revenue

Grants, program fees and registration fees received related to expenses to be incurred or programs to be run in future years are recorded as deferred revenue.

Deferred capital contributions

Deferred capital contributions related to capital assets represent the unamortized amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Statement of Operations.

Income taxes

The Centre is a not-for-profit organization registered under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Centre must meet certain requirements of the Act. In the opinion of management, these requirements have been met.

2. Significant accounting policies (cont'd.)**Cloud computing arrangements**

At the inception of the cloud computing arrangement with a supplier, the Centre allocates the consideration of the arrangement to all of the significant separable elements based on their specific sales price. Development costs and costs on the rights to use a tangible asset are recognized according to the accounting methods applicable to such elements. To account for the expenditures in a cloud computing arrangement that fall within the scope of AcG-20, Customer's Accounting for Cloud Computing Arrangements, the Centre has opted for the simplification measure. Such expenditures shall be treated as the supply of services and recognized as an expenditure when the company receives such services. These expenditures are shown under the Office supplies heading on the statement of operations. The Centre recognizes a prepayment as an asset when payment for services has been made in advance of the entity receiving those services. Expenditures related to implementation activities are expenses as incurred.

Government assistance

The Centre recognizes government assistance when amounts are determinable and collection is reasonably assured. Government assistance received towards current expenses or revenues are included in the determination of excess of revenues over expenses for the period.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the period. Actual results could differ from those estimates.

3. Capital assets

	Cost	Accumulated Amortization	2025	2024
Computer equipment	\$ 125,249	\$ 121,364	\$ 3,885	\$ -
Furniture and fixtures	99,363	96,629	2,734	3,006
Leasehold improvements	906,516	776,814	129,702	145,914
	\$ 1,131,128	\$ 994,807	\$ 136,321	\$ 148,920

Oakville Parent Child Centre
Notes to Financial Statements
Year Ended December 31, 2025

4. Deferred capital contributions

	2025	2024
Opening balance	\$ 143,065	\$ 128,865
Contributions received	3,365	28,512
Amounts amortized to revenue	(16,457)	(14,312)
	\$ 129,973	\$ 143,065

5. Invested in capital assets

a) Investment in capital assets is calculated as follows:

	2025	2024
Capital assets	\$ 136,321	\$ 148,920
Amounts financed by deferred capital contributions	(129,973)	(143,065)
	\$ 6,348	\$ 5,855

b) The change in net assets invested in capital assets is as follows:

	2025	2024
Amortization of deferred capital contributions	\$ 16,457	\$ 14,312
Amortization of capital assets	(17,261)	(16,087)
	\$ (804)	\$ (1,775)
Interfund Transfers		
Purchase of capital assets	\$ 4,662	\$ 13,512
Amounts funded by Deferred capital contributions	(3,365)	(28,512)
	\$ 1,297	\$ (15,000)

Oakville Parent Child Centre

Notes to Financial Statements

Year Ended December 31, 2025

6. Operating lease commitments

Future minimum payments for operating leases that have initial or remaining terms of one year or more consist of the following amounts:

	Premises
2026	\$ 216,478
2027	209,399
2028	214,936
2029	220,473
2030	221,002
Thereafter	589,854
	\$ 1,672,142

7. Financial risks

The Centre's activities expose it to liquidity risk. The Centre's overall management program and business practices seek to minimize any potential adverse effect of those risks on the Centre's results of operations. Risk management is carried out by the senior management team under policies approved by the Board of Directors. There has been no change to the risk exposures from 2024.

Liquidity risk

The Centre's exposure to liquidity risk is dependent on the raising of funds to meet commitments, obligations, and sustaining operations. The Centre controls liquidity risk by management of working capital and cash flows.

Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant market, credit, interest, or currency risks.