

**CAMMAC
(CANADIAN AMATEUR MUSICIANS/
MUSICIENS AMATEURS DU CANADA)**

ANNUAL FINANCIAL STATEMENTS

December 31, 2023

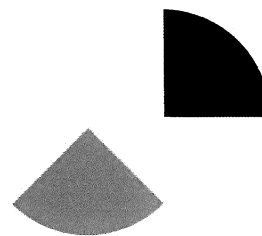
CAMMAC
ANNUAL FINANCIAL STATEMENTS
December 31, 2023

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de comptables
professionnels
agréés



INDEPENDENT AUDITOR'S REPORT

To the Directors of
CAMMAC

Qualified Opinion

We have audited the financial statements of CAMMAC (the Organization), which comprise the balance sheet as at December 31, 2023, and the statements of revenues and expenses, 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, 2023, 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, the organization derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. As a result, our audit of these products was limited to amounts recorded in the books of the organization and we were not able to determine whether certain adjustments should have been made to revenues, excess revenues over expenses, assets and net assets.

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 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.

*Amyot Gélinas, s.e.n.c.r.l.*¹

Sainte-Agathe-des-Monts
April 17, 2024

¹ By CPA auditor, public accountancy permit No. A115332

CAMMAC

STATEMENT OF REVENUES AND EXPENSES

Year ended December 31, 2023

	2023	2022
REVENUES		
General donations and fundraising	\$ 180,983	\$ 109,524
Membership dues	25,539	17,875
Government grants:		
Ministère de la Culture et des Communications		
Operations	101,102	124,615
Fixed asset financing	43,066	49,989
MRC d'Argenteuil	5,678	55,000
Canada Council for the Arts	34,915	-
Employment Canada	4,936	42,435
Association des camps du Québec	-	17,012
Patrimoine canadien	-	9,995
Other grants	1,000	4,300
Amortization of deferred contributions	102,614	102,330
Fondation du Grand Montréal contributions	28,260	21,320
Music programs	665,273	398,215
Rentals	414,466	298,189
Tuck shop	53,634	29,577
Concerts	34,097	16,418
Regional operations	71,994	43,577
Miscellaneous	6,720	3,003
	1,774,277	1,343,374
EXPENSES		
General expenses (schedule A)	687,934	631,548
Music programs (schedule B)	593,360	391,058
Concerts	30,138	16,869
Rentals (schedule C)	237,122	204,334
Tuck shop	27,012	20,445
Regional operations	54,595	39,337
Projects	35,593	-
Financial expenses (schedule D)	80,010	75,739
Amortization of fixed assets	194,846	184,588
	1,940,610	1,563,918
DEFICIENCY OF REVENUES OVER EXPENSES BEFORE DONATIONS	(166,333)	(220,544)
DONATIONS	-	(202,000)
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (166,333)	\$ (422,544)

CAMMAC

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31, 2023

	Endowment	Invested in fixed assets	Unrestricted	2023 Total	2022 Total
BALANCE, BEGINNING OF YEAR	30,038	1,443,841	(64,143)	1,409,736	1,802,242
Deficiency of revenues over expenses	-	(82,814)	(83,519)	(166,333)	(422,544)
Contributions received as an endowment	-	-	-	-	30,038
Investment in fixed assets	-	80,625	(80,625)	-	-
BALANCE, END OF YEAR	30,038	1,441,652	(228,287)	1,243,403	1,409,736

CAMMAC

BALANCE SHEET

December 31, 2023

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 101,615	\$ 68,098
Accounts receivable	8,129	25,555
Grants	2,070	48,235
Inventories	32,321	17,018
Prepaid expenses	23,328	19,673
Current portion of grants receivable (note 3)	172,721	169,792
	340,184	348,371
GRANTS RECEIVABLE (note 3)	685,586	858,308
FIXED ASSETS (note 4)	4,089,425	4,046,308
	\$ 5,115,195	\$ 5,252,987

ON BEHALF OF THE BOARD,

Tetiana Gerych

Tetiana Gerych (Apr 26, 2024 09:14 EDT)

, Director

David Stitt

David Stitt (Apr 26, 2024 10:05 EDT)

, Director

CAMMAC

BALANCE SHEET December 31, 2023

	2023	2022
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable (note 5)	\$ 308,293	\$ 78,683
Customer deposits	10,720	23,497
Deferred revenue	46,698	60,500
Current portion of long-term debt (note 6)	143,523	209,792
	509,234	372,472
Long-term debt claimable during next year (note 6)	602,224	499,915
	1,111,458	872,387
LONG-TERM DEBT (note 6)	239,502	368,392
DEFERRED CONTRIBUTIONS (note 7)	2,520,832	2,602,472
	3,871,792	3,843,251
NET ASSETS		
Endowment	30,038	30,038
Invested in fixed assets	1,441,652	1,443,841
Unrestricted	(228,287)	(64,143)
	1,243,403	1,409,736
	\$ 5,115,195	\$ 5,252,987

CAMMAC

STATEMENT OF CASH FLOW

Year ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (166,333)	\$ (422,544)
Non-cash items:		
Amortization of fixed assets	194,846	184,588
Amortization of deferred contributions	(102,614)	(102,330)
Amortization of deferred donations	(9,394)	(9,172)
	(83,495)	(349,458)
Net change in non-cash items related to operating activities	247,664	(73,114)
	164,169	(422,572)
FINANCING ACTIVITIES		
Net changes in advances from individuals	-	(25,000)
Repayment of debts	(220,159)	(162,869)
Receipt of deferred contributions	30,368	3,737
Additional financing	127,309	-
Contributions received as endowments	-	30,038
	(62,482)	(154,094)
INVESTING ACTIVITIES		
Acquisition of fixed assets	(237,963)	(137,755)
Receipt of grants receivable	169,793	162,869
	(68,170)	25,114
INCREASE (DECREASE) IN CASH	33,517	(551,552)
CASH, BEGINNING OF YEAR	68,098	619,650
CASH, END OF YEAR	\$ 101,615	\$ 68,098

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

CAMMAC (Canadian Amateur Musicians/Musiciens amateurs du Canada) is a not-for-profit organization constituted under Part III Of the Quebec Companies Act. The organization is devoted to creating opportunities for musicians of all levels to make music together in a relaxed, non-competitive atmosphere.

2. SIGNIFICANT ACCOUNTING POLICIES

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Accounting for contributions

Contributions are recognized using the deferral method. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount can be reasonably estimated and receipt is reasonably assured. Contributions received as endowments or for the acquisition of non-depreciable long-term assets are credited directly to net assets.

Contributions for the acquisition of depreciable long-term assets are recorded as deferred contributions and are amortized in the same manner as the related assets.

Accounting for other revenues

The registration fees for programs are recognized as revenue when the programs are held.

Membership dues are recognized as revenue in proportion to the period to which they relate.

Fund accounting

Revenues and expenses relating to provided services and administration are presented in the general administration fund.

Contributions received as endowments are presented in the endowment fund. Investment income derived from the resources of this fund is presented in the general administration fund in accordance with the guidelines set by the contributors of funds held as endowments. Gains and losses on endowment fund resources are presented in the endowment fund.

The fixed assets fund presents the assets, liabilities, income and expenses relating to fixed assets.

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 the amounts recognized as revenues and expenses for the periods covered. Actual results may differ from these estimates. The critical estimates relate to the impairment of financial assets, the net realizable value of the inventories and the useful life of fixed assets.

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets

The music library, recorded at the nominal value of \$1, represents a major asset with over 10,000 works. Additions are expensed in the year of purchase. Significant donated musical instruments and art works are recorded at their appraised value and are not depreciated.

Other fixed assets are recorded at cost and are depreciated over their useful life using the straight-line method over the following periods:

	Periods
Buildings and improvements	40 years
Landscaping and restoration	5 years
Cultural equipment	5 years
Office equipment	5 years
Computer, hardware and software	5 years
Equipment, materials and tools	5 years
Furniture	5 years
Musical instruments	5 years and 10 years

Contribution received as services

The Organization receives contributions in the form of services from donors and volunteers. These contributions are not recognized in the annual financial statements.

Contributions received - "Mécénat Placements Culture" program

As part of Component 1 of the "Mécénat Placements Culture (MPC)" program of the Ministère de la Culture et des Communications, in 2014 and 2015 the organization undertook a fundraising campaign to collect donations that would be matched by the Ministry. In 2016, the organization deposited the money collected to the "Fondation du Grand Montréal". Under the management contract signed with the foundation, the organization transferred its property rights for a period of 10 years. The organization has therefore taken the "Deferred contributions - Donations dedicated to Programme MPC" and the related investment off its books for that period. While the organization is no longer the owner of those amounts, it has access to the statements of accounts relating to the growth of the funds invested in its name.

Financial instruments

Initial measurement

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent measurement

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost using the straight-line method include cash, accounts receivable and grants receivable.

3. GRANTS RECEIVABLE

	2023	2022
Amount receivable for repayment of long-term debt by the « Gouvernement du Québec (ministère de la Culture et des Communications) » - Reconstruction project	\$ 358,392	\$ 491,872
Amount receivable for repayment of long-term debt the « Gouvernement du Québec (ministère de la Culture et des Communications) » - Infrastructure upgrade work	499,915	536,228
	858,307	1,028,100
Current portion of grants receivable	172,721	169,792
	\$ 685,586	\$ 858,308

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

4. FIXED ASSETS

	2023		2022	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 17,853	\$ -	\$ 17,853	\$ 17,853
Undivided interest in vacant land	40,000	-	40,000	40,000
Buildings and improvements	6,287,606	2,459,685	3,827,921	3,769,401
Landscaping and restoration	3,860	3,442	418	1,190
Cultural equipment	20,855	18,430	2,425	6,596
Office equipment	8,129	2,512	5,617	6,375
Computer, hardware and software	18,102	9,273	8,829	9,424
Equipment, materials and tools	46,101	19,735	26,366	20,851
Furniture	80,255	35,308	44,947	51,782
Musical instruments	77,725	26,648	51,077	58,864
Art works	63,971	-	63,971	63,971
Music library	1	-	1	1
	\$ 6,664,458	\$ 2,575,033	\$ 4,089,425	\$ 4,046,308

5. ACCOUNTS PAYABLE

	2023	2022
Suppliers	\$ 133,223	\$ 13,151
Salaries	32,609	36,734
Fringe benefits	4,783	6,004
Taxes	15,744	7,647
Accrued liabilities	6,934	15,147
Due to an individual, without interest	115,000	-
	\$ 308,293	\$ 78,683

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

6. LONG-TERM DEBT

	2023	2022
Loan, secured by the property, accounts receivable and other receivables including a specific account receivable from the ministère de la Culture et des Communications, repayable in semi-annual instalments of \$ 76,146 including interest at 4.1 %, maturing in June 2026 ^(a)	\$ 358,391	\$ 491,871
Loan, secured by the property, accounts receivable and other receivables including a specific account receivable from the ministère de la Culture et des Communications, repayable in semi-annual instalments of \$ 30,283 including interest at 4.6 %, renewable in March 2024, maturing in March 2034 ^{(a) (b) (c)}	499,915	536,228
Loan, unsecured, repayable, starting on December 2025, by monthly instalments of \$ 2,076 including interest at rates varying between 0 % and 6 %, maturing in November 2030, initially evaluated at fair value with an interest rate of 8 % ^(c)	102,309	-
Loans, unsecured, repayable by instalments totaling \$ 474 including interest at rates varying between 5 % and 6 %, maturing in November 2028	24,634	-
Loans repaid during the financial year	-	50,000
	985,249	1,078,099
Current portion of long-term debt	143,523	209,792
Long-term debt claimable during next year ^(c)	602,224	499,915
	\$ 239,502	\$ 368,392

Principal payments to be made of the long-term debt over the next five years are as follows :

2024	\$ 143,523
2025	\$ 149,521
2026	\$ 79,623
2027	\$ 5,275
2028	\$ 5,082

- a) The "Gouvernement du Québec (ministère de la Culture et des Communications)" has undertaken to pay the interest and principal payments on the \$358,391 and \$499,915 loans as long as CAMMAC remains a charitable organization.

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

6. LONG-TERM DEBT (continued)

- b) After the financial year ended, the organization renewed the loan maturing in March 2024. According to the new terms in force as of March 26, 2024, the loan is repayable in monthly instalments of \$33,325 including interest at a rate of 6.7%. The loan is renewable in September 2028 and maturing in March 2034.
- c) The credit agreements are subject to restrictive covenants providing for the maintenance of certain ratios, which were not maintained as at December 31, 2023, and the creditors would therefore be entitled to demand early repayment. As a result, the loans were reclassified under current liabilities.

7. DEFERRED CONTRIBUTIONS

Capital assets contributions are accounted for as deferred contributions and amortized on the same basis as the related capital assets to which they relate.

	2023	2022
Balance, beginning of year	\$ 2,602,472	\$ 2,710,237
Plus : Contributions received during the year	30,368	3,737
Less : Amortization for the year	(112,008)	(111,502)
Balance, end of year	\$ 2,520,832	\$ 2,602,472

8. "MÉCÉNAT PLACEMENTS CULTURE" - PROGRAM AND SELF-DESIGNATED PHILANTHROPIC FUND

The organization transferred ownership in 2016 of eligible donations collected during a fundraising campaign in 2014 and 2015 as well as the matching amounts to "Fondation du Grand Montréal" under the "Mécénat Placements Culture" program. This amount does not appear in the assets of "CAMMAC" because ownership and management of the funds have been transferred to "Fondation du Grand Montréal" for a minimum period of 10 years. As at December 31, 2023, the fair market value of the amounts transferred to "Fondation du Grand Montréal" was \$573,934 (2022 - \$541,276).

During the financial year 2022, the organization also donated \$202,000 to "Fondation du Grand Montréal" for the creation of a self-designated philanthropic fund. This amount does not appear in the assets of "CAMMAC" because ownership and management of the funds have been transferred to "Fondation du Grand Montréal" for a minimum period of 5 years. As at December 31, 2023, the fair market value of the amounts transferred to "Fondation du Grand Montréal" was \$203,906 (2022 - \$196,928).

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

9. FINANCIAL INSTRUMENTS

Liquidity risk

The Organization is exposed to this risk mainly in respect of its long-term debt and accounts payable.

Credit risk

The Organization's main credit risks are related to its accounts receivable and grants receivable. The Organisation provides credit to its clients in the normal course of its operations. In addition, the Organization assesses, on an ongoing basis, amounts receivable on the bases of the amounts it is virtually certain to receive based on their estimated realizable value.

Interest rate risk

The Organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest rate instruments subject the Organization to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating interest rate instruments subject the Organization to changes in related future cash flows.

10. COMPARATIVE FIGURES

Certain figures for 2022 have been reclassified to conform to the presentation adopted in 2023.

CAMMAC

ADDITIONAL INFORMATION

Year ended December 31, 2023

	2023	2022
SCHEDULE A - GENERAL EXPENSES		
Salaries and fringe benefits - administration	\$ 295,886	\$ 276,496
Insurance	66,809	61,144
Electricity	49,548	45,933
Dues	6,081	3,799
Bad debts (recovered)	79	(1,056)
Maintenance and repairs including salaries and fringe benefits	148,729	123,085
Training	1,195	1,113
Office supplies and stationery	8,753	11,901
Travelling	512	4,307
Computer programs and supplies	25,828	19,063
Transport fees	2,098	2,815
Professional fees	22,825	20,032
Advertising and promotion	23,764	19,383
Taxes and permits	27,922	28,106
Telecommunications	7,905	15,427
	\$ 687,934	\$ 631,548

SCHEDULE B - MUSIC PROGRAMS		
Salaries and fringe benefits - artistic	\$ 236,488	\$ 146,000
Salaries and fringe benefits - hotel services	147,217	107,083
Salaries and fringe benefits - musicothèque	14,662	10,342
Food	92,319	59,352
Bursaries	20,449	4,350
Laundry	5,517	7,382
Maintenance	2,460	5,129
Artistic expenses	36,034	27,030
Other expenses	24,825	14,323
Music library	1,564	4,548
Other	11,825	5,519
	\$ 593,360	\$ 391,058

SCHEDULE C - RENTALS		
Salaries and fringe benefits - hotel services	\$ 136,234	\$ 127,779
Food	82,036	53,537
Laundry	9,660	15,481
Other expenses	9,038	6,951
Other	154	586
	\$ 237,122	\$ 204,334

CAMMAC

ADDITIONAL INFORMATION

Year ended December 31, 2023

	2023	2022
SCHEDULE D - FINANCIAL EXPENSES		
Interest and bank charges	\$ 36,968	\$ 26,481
Interest on long-term debt	43,042	49,258
	\$ 80,010	\$ 75,739

CAMMAC

ADDITIONAL INFORMATION

Year ended December 31, 2023

SCHEDULE E - NET INCOME BY ACTIVITY

	2023			2022		
	Revenues	Expenses	Net income	Revenues	Expenses	Net income
Music programs	\$ 665,273	\$ 593,360	\$ 71,913	\$ 398,215	\$ 391,058	\$ 7,157
Rentals	414,466	237,122	177,344	298,189	204,334	93,855
Tuck shop	53,634	27,012	26,622	29,577	20,445	9,132
Regional operations	71,994	54,595	17,399	43,577	39,337	4,240
Concerts	34,097	30,138	3,959	16,418	16,869	(451)
	\$ 1,239,464	\$ 942,227	\$ 297,237	\$ 785,976	\$ 672,043	\$ 113,933