

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

ANNUAL FINANCIAL REPORT

December 31, 2024

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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, 2024, 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, 2024, 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Report "2024 Annual Report", but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.s.l.*¹

Sainte-Agathe-des-Monts
April 16, 2025

¹ By CPA auditor, public accountancy permit No. A115332

CAMMAC

STATEMENT OF REVENUES AND EXPENSES

Year ended December 31, 2024

	2024	2023
REVENUES		
General donations and fundraising	\$ 224,215	\$ 180,984
Membership dues	22,034	25,539
Government grants:		
Ministère de la Culture et des Communications - Operations	87,166	101,102
Fixed asset financing	40,988	43,066
MRC d'Argenteuil - Annual contribution	5,000	5,000
MRC d'Argenteuil - Concerts pour aînés	6,622	678
MRC d'Argenteuil - Journée de la culture Hydro-Québec	2,750	-
Canada Council for the Arts	15,085	34,915
Regional grants	4,432	-
Employment Canada	-	4,936
Other grants	4,500	1,000
Amortization of deferred contributions	103,089	102,614
Fondation du Grand Montréal contributions	30,300	28,260
Music programs	772,681	665,273
Rentals	389,338	414,466
Tuck shop	55,289	53,634
Concerts	21,226	34,097
Regional operations	66,276	71,994
Miscellaneous	4,331	6,720
	1,855,322	1,774,278
EXPENSES		
General expenses (schedule A)	665,144	686,564
Music programs (schedule B)	659,202	591,360
Concerts	24,909	30,138
Rentals (schedule C)	229,343	237,122
Tuck shop	21,240	27,012
Regional operations	76,383	54,595
Projects	28,561	38,964
Financial expenses (schedule D)	91,756	80,010
Amortization of fixed assets	201,181	194,846
	1,997,719	1,940,611
DEFICIENCY OF REVENUES OVER EXPENSES BEFORE DONATIONS	(142,397)	(166,333)
DONATIONS	(17,720)	-
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (160,117)	\$ (166,333)

CAMMAC

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31, 2024

	Endowment	Invested in fixed assets	Unrestricted	2024 Total	2023 Total
BALANCE, BEGINNING OF YEAR	30,038	1,441,652	(228,287)	1,243,403	1,409,736
Deficiency of revenues over expenses	-	(100,251)	(59,866)	(160,117)	(166,333)
Investment in fixed assets	-	84,630	(84,630)	-	-
BALANCE, END OF YEAR	30,038	1,426,031	(372,783)	1,083,286	1,243,403

CAMMAC

BALANCE SHEET

December 31, 2024

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 65,179	\$ 101,615
Accounts receivable (note 3)	55,571	8,129
Grants	-	2,070
Inventories	44,364	32,321
Prepaid expenses	13,852	23,328
Current portion of grants receivable (note 4)	180,957	172,721
	359,923	340,184
GRANTS RECEIVABLE (note 4)	502,437	685,586
FIXED ASSETS (note 5)	3,967,973	4,089,425
	\$ 4,830,333	\$ 5,115,195

ON BEHALF OF THE BOARD,

_____, Director

_____, Director

CAMMAC

BALANCE SHEET

December 31, 2024

	2024	2023
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable (note 6)	\$ 466,969	\$ 308,293
Customer deposits	50,541	10,720
Deferred revenue	4,200	46,698
Current portion of long-term debt (note 7)	149,521	143,523
	671,231	509,234
Long-term debt claimable during next year (note 7)	574,811	602,224
	1,246,042	1,111,458
LONG-TERM DEBT (note 7)	89,982	239,502
DEFERRED CONTRIBUTIONS (note 8)	2,411,023	2,520,832
	3,747,047	3,871,792
NET ASSETS		
Endowment	30,038	30,038
Invested in fixed assets	1,426,031	1,441,652
Unrestricted	(372,783)	(228,287)
	1,083,286	1,243,403
	\$ 4,830,333	\$ 5,115,195

CAMMAC

STATEMENT OF CASH FLOW

Year ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (160,117)	\$ (166,333)
Non-cash items:		
Amortization of fixed assets	201,181	194,846
Amortization of deferred contributions	(103,089)	(102,614)
Amortization of deferred donations	(7,995)	(9,394)
	(70,020)	(83,495)
Net change in non-cash items related to operating activities	108,060	247,664
	38,040	164,169
FINANCING ACTIVITIES		
Repayment of debts	(179,428)	(220,159)
Receipt of deferred contributions	1,275	30,368
Additional financing	8,493	127,309
	(169,660)	(62,482)
INVESTING ACTIVITIES		
Acquisition of fixed assets	(79,729)	(237,963)
Receipt of grants receivable	174,913	169,793
	95,184	(68,170)
INCREASE (DECREASE) IN CASH	(36,436)	33,517
CASH, BEGINNING OF YEAR	101,615	68,098
CASH, END OF YEAR	\$ 65,179	\$ 101,615

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

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, 2024

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
Equipment, materials and tools	5 years
Office equipment	5 years
Musical instruments	5 years and 10 years
Computer, hardware and software	5 years
Landscaping and restoration	5 years
Cultural equipment	5 years
Furniture	5 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 report.

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 ten 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, 2024

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.

Cash and cash equivalents

The Organization's policy is to present bank balances under cash and cash equivalents, including bank overdrafts when bank balances that fluctuate frequently from being positive to overdrawn, and term deposits with a maturity period of three months or less from the date of acquisition. In addition, term deposits that the Organization cannot use for current transactions because they are pledged as collateral are excluded from cash and cash equivalents.

3. ACCOUNTS RECEIVABLE

	2024	2023
Client accounts	\$ 13,631	\$ 8,129
Client accounts - Region of Ottawa-Gatineau	16,940	-
Donations	25,000	-
	<u>\$ 55,571</u>	<u>\$ 8,129</u>

4. GRANTS RECEIVABLE

	2024	2023
Amount receivable for repayment of long-term debt by the "Gouvernement du Québec (ministère de la Culture et des Communications)" - Reconstruction project	\$ 219,383	\$ 358,392
Amount receivable for repayment of long-term debt the "Gouvernement du Québec (ministère de la Culture et des Communications)" - Infrastructure upgrade work	464,011	499,915
	<u>683,394</u>	<u>858,307</u>
Current portion of grants receivable	180,957	172,721
	<u>\$ 502,437</u>	<u>\$ 685,586</u>

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

5. FIXED ASSETS

		2024		2023
	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	6,326,474	2,617,614	3,708,860	3,827,921
Landscaping and restoration	1,000	664	336	418
Cultural equipment	6,925	6,846	79	2,425
Office equipment	8,129	4,138	3,991	5,617
Computer, hardware and software	16,463	9,038	7,425	8,829
Equipment, materials and tools	49,951	29,436	20,515	26,366
Furniture	67,186	36,971	30,215	44,947
Musical instruments	111,590	36,863	74,727	51,077
Art works	63,971	-	63,971	63,971
Music library	1	-	1	1
	\$ 6,709,543	\$ 2,741,570	\$ 3,967,973	\$ 4,089,425

6. ACCOUNTS PAYABLE

	2024	2023
Suppliers	\$ 175,287	\$ 133,223
Salaries	37,815	32,609
Fringe benefits	1,612	4,783
Taxes	13,658	15,744
Accrued liabilities	8,597	6,934
Due to an individual, without interest	230,000	115,000
	\$ 466,969	\$ 308,293

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

7. LONG-TERM DEBT

	2024	2023
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)	\$ 219,382	\$ 358,391
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 \$33,326 including interest at 6.6%, renewable in March 2029, maturing in March 2034 ^{(a) (b)}	464,011	499,915
Loan, unsecured, repayable, starting on December 2025, by monthly instalments of \$2,076 including interest at rates varying between 0% and 6%, maturing in Novembre 2030, initially evaluated at fair value with an interest rate of 8% ^(b)	110,801	102,309
Loans, unsecured, repayable by instalments totaling \$474 including interest at rates varying between 5% and 6%, maturing in November 2028	20,120	24,634
	814,314	985,249
Current portion of long-term debt	149,521	143,523
Long-term debt claimable during next year ^(b)	574,811	602,224
	\$ 89,982	\$ 239,502

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

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 \$219,382 and \$464,011 loans as long as CAMMAC remains a charitable organization.

b) The credit agreements are subject to restrictive covenants providing for the maintenance of certain ratios, which were not maintained as at December 31, 2024, and the creditors would therefore be entitled to demand early repayment. As a result, the loans were reclassified under current liabilities.

CAMMAC

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

8. 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.

	2024	2023
Balance, beginning of year	\$ 2,520,832	\$ 2,602,472
Plus: Contributions received during the year	1,275	30,368
Less: Amortization for the year	(111,084)	(112,008)
Balance, end of year	\$ 2,411,023	\$ 2,520,832

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

CAMMAC Forever 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 ten years. As at December 31, 2024, the fair market value of the amounts transferred to "Fondation du Grand Montréal" was \$633,103 (2023 - \$573,934).

Infrastructure fund

During the financial year 2022, the Organization 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 five years. During the financial year, the organization made an additional donation of \$7,720. As at December 31, 2024, the fair market value of the amounts transferred to "Fondation du Grand Montréal" was \$233,747 (2023 - \$203,906).

CAMMAC Crescendo fund

During the financial year, the Organization donated \$10,000 to "Fondation du Grand Montréal" for the creation of a perpetual fund designated 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" in perpetuity. As at December 31, 2024, the fair market value of the amounts transferred to "Fondation du Grand Montréal" was \$10,376 (2023 - \$0).

10. 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 flow.

11. COMPARATIVE FIGURES

Certain figures for 2023 have been reclassified to conform to the presentation adopted in 2024.

CAMMAC

ADDITIONAL INFORMATION

Year ended December 31, 2024

	2024	2023
SCHEDULE A - GENERAL EXPENSES		
Salaries and fringe benefits - administration	\$ 307,231	\$ 294,516
Insurance	73,745	66,809
Electricity	46,077	49,548
Dues	4,963	6,081
Bad debts	360	79
Maintenance and repairs including salaries and fringe benefits	108,972	148,729
Training	1,248	1,195
Office supplies and stationery	7,299	8,753
Travelling	980	512
Computer programs and supplies	22,782	25,828
Transport fees	2,275	2,098
Professional fees	27,548	22,825
Advertising and promotion	21,400	23,764
Taxes and permits	29,780	27,922
Telecommunications	10,484	7,905
	\$ 665,144	\$ 686,564

SCHEDULE B - MUSIC PROGRAMS

Salaries and fringe benefits - artistic	\$ 242,532	\$ 241,461
Salaries and fringe benefits - hotel services	193,657	147,217
Salaries and fringe benefits - musicothèque	11,665	14,662
Food	120,923	92,319
Bursaries	5,460	20,449
Laundry	47	5,517
Maintenance	3,688	2,460
Artistic expenses	47,724	36,034
Other expenses	25,685	24,825
Music library	5,295	1,564
Other	2,526	4,852
	\$ 659,202	\$ 591,360

SCHEDULE C - RENTALS

Salaries and fringe benefits - hotel services	\$ 150,036	\$ 136,234
Food	69,938	82,036
Laundry	2,109	9,660
Other expenses	7,253	9,038
Other	7	154
	\$ 229,343	\$ 237,122

CAMMAC

ADDITIONAL INFORMATION

Year ended December 31, 2024

	2024	2023
SCHEDULE D - FINANCIAL EXPENSES		
Interest and bank charges	\$ 40,614	\$ 36,968
Interest on long-term debt	51,142	43,042
	\$ 91,756	\$ 80,010