



**Financial Statements**  
**Year ended August 31, 2024**

[www.greekcommunity.org](http://www.greekcommunity.org)

# GREEK COMMUNITY OF TORONTO

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August 31, 2024

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## Independent Auditor's Report

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### To the Directors and Members of Greek Community of Toronto

#### **Qualified Opinion**

We have audited the financial statements of Greek Community of Toronto (the "Organization"), which comprise the following:

- the statement of financial position as at August 31, 2024;
- the statement of changes in net assets for the year then ended;
- the statement of operations for the year then ended;
- the statement of cash flows for the year then ended;
- and notes to the financial statements, including a summary of significant accounting policies;

(hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the *"Basis for Qualified Opinion"* section of our auditor's report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at August 31, 2024, and its results of 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 non-profit organizations, the Organization derives revenue from certain sources, 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 and we were not able to determine whether any adjustments might be necessary to:

- Assets reported in the statements of financial position as at August 31, 2024 and August 31, 2023;
- Net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended August 31, 2024 and August 31, 2023;
- Donations, events and fundraising activities and program services revenue and revenue over expenses reported in the statements of operations for the years ended August 31, 2024 and August 31, 2023;
- Revenue over expenses reported in the statements of cash flows for the years ended August 31, 2024 and August 31, 2023.

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.

*Dixon, Gordon + Co, LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Toronto, Canada  
November 22, 2024

# GREEK COMMUNITY OF TORONTO

## Statement of Financial Position

August 31, 2024, with comparative amounts for 2023

	2024	2023
<b>Assets</b>		
Current assets		
Cash	\$ 763,583	\$ 692,965
Sales tax receivable	20,653	43,674
Accounts receivable	25,350	16,882
Prepaid expenses and other current assets	4,621	4,621
	<b>814,207</b>	758,142
Property and equipment (note 3)	<b>11,829,401</b>	11,744,424
Intellectual property (note 2(d))	<b>364,029</b>	364,029
	<b>\$ 13,007,637</b>	\$ 12,866,595
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 61,241	\$ 109,885
Payroll remittances payable	-	19,446
Current portion of bank loan (note 4)	251,490	240,688
Current portion of deferred revenue (note 6)	118,124	76,590
	<b>430,855</b>	446,609
Bank loan (note 4)	<b>1,942,727</b>	2,194,213
Term loan (note 5)	-	30,000
Deferred revenue (note 6)	<b>465,258</b>	129,011
	<b>2,838,840</b>	2,799,833
<b>Commitments (note 8)</b>		
<b>Net assets</b>		
Unrestricted net assets (page 4)	<b>10,168,797</b>	10,066,762
	<b>\$ 13,007,637</b>	\$ 12,866,595

APPROVED ON BEHALF OF THE BOARD:



George Manikis  
Director, Treasurer



Betty Skoutakis  
Director, President

The accompanying notes are an integral part of these financial statements.

# GREEK COMMUNITY OF TORONTO

## Statement of Changes in Net Assets

For the year ended August 31, 2024, with comparative amounts for 2023

	2024	2023
<b>Net assets, beginning of year</b>	<b>\$ 10,066,762</b>	\$ 9,710,966
Excess of revenue over expenses (page 5)	102,035	355,796
<b>Net assets, end of year</b>	<b>\$ 10,168,797</b>	\$ 10,066,762

The accompanying notes are an integral part of these financial statements.

# GREEK COMMUNITY OF TORONTO

## Statement of Operations

For the year ended August 31, 2024, with comparative amounts for 2023

	2024	2023
<b>Revenue</b>		
Donations	\$ 1,166,724	\$ 1,444,974
General income, tuition and service fees	1,057,821	835,985
Events and fundraising activities	673,072	809,670
Program services	249,146	313,590
Rental	150,897	130,325
	<b>3,297,660</b>	3,534,544
<b>Expenses</b>		
Remuneration	721,058	590,186
Office and general	495,603	565,034
Occupancy	501,343	501,528
Events and fundraising activities	400,306	451,437
Services	317,859	308,259
Supplies	206,235	158,000
Programs and activities	97,891	122,769
Donations	10,396	22,914
Promotion	15,642	19,393
	<b>2,766,333</b>	2,739,520
<b>Excess of revenue over expenses before amortization and interest</b>	<b>531,327</b>	795,024
Amortization	324,031	322,392
Interest expense	105,261	116,836
<b>Excess of revenue over expenses</b>	<b>\$ 102,035</b>	\$ 355,796

The accompanying notes are an integral part of these financial statements.

# GREEK COMMUNITY OF TORONTO

## Statement of Cash Flows

For the year ended August 31, 2024, with comparative amounts for 2023

	2024	2023
<b>Cash from (used in) operating activities</b>		
Excess of revenue over expenses	\$ 102,035	\$ 355,796
Adjustments to derive cash flows		
Amortization of property and equipment	324,031	322,392
Amortization of deferred capital contributions	(6,258)	(46,687)
Forgiven portion of term loan	(7,500)	-
	<b>412,308</b>	631,501
Change in non-cash working capital		
Decrease (increase) in working capital assets		
Restricted term deposits	-	3,811
Sales tax receivable	23,021	(32,142)
Accounts receivable	(8,468)	(8,329)
Prepaid expenses and other current assets	-	7,045
Increase (decrease) in working capital liabilities		
Accounts payable and accrued liabilities	(48,644)	(7,542)
Payroll remittances payable	(19,446)	19,145
Deferred revenue	54,705	63,419
	<b>1,168</b>	45,407
	<b>413,476</b>	676,908
<b>Cash from (used in) investing activities</b>		
Additions to property and equipment	(409,008)	(1,246)
Restricted capital contributions	329,334	18,858
	<b>(79,674)</b>	17,612
<b>Cash from (used in) financing activities</b>		
Repayments on bank loan	(240,684)	(229,112)
Repayment on term loan	(22,500)	-
	<b>(263,184)</b>	(229,112)
<b>Increase in cash</b>	<b>70,618</b>	465,408
Cash, beginning of year	<b>692,965</b>	227,557
<b>Cash, end of year</b>	<b>\$ 763,583</b>	\$ 692,965

The accompanying notes are an integral part of these financial statements.

# GREEK COMMUNITY OF TORONTO

## Notes to Financial Statements

August 31, 2024, with comparative amounts for 2023

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### 1. Nature of the Organization

The Greek Community of Toronto (the "Organization") is a registered non-profit charitable organization established in 1909 and incorporated in 1965 under the laws of the Province of Ontario. The Organization's goals serve in promoting Greek culture, language and culture, thus enriching the social and cultural fabric of Canada.

The Organization owns five properties providing various social and related services, school education and cultural and charitable activities including assistance to those in need.

### 2. Significant accounting policies

These financial statements are presented in accordance with Canadian accounting standards for not-for-profit organizations using the following significant accounting policies:

#### (a) Revenue recognition

The Organization uses the restricted fund method of accounting for contributions revenue. Unrestricted donations, including short-term pledges and bequests and externally restricted donations for which a corresponding restricted fund is maintained are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted donations for a specific purpose for which no corresponding restricted fund is maintained are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the purchase of property and equipment assets that will be amortized are deferred and recognized in revenue on the same basis as the amortization expense related to the acquired assets. Endowment contributions and contributions restricted for the purchase or internal development of intangible assets with indefinite useful lives are recognized as direct increases in net assets in the year.

Tuition fees are deferred and amortized over the period of the academic term.

Revenue from events and program services is recognized in the period in which the events and activities are held. Revenue from fundraising activities is recognized when received. The Organization's recognition of some of its events and program services and fundraising activities revenue is subject to uncertainties as it cannot verify the completeness of the amounts receivable from the associated participants.

Rental revenue is recognized over the period of the lease term.

#### (b) Financial instruments

##### Measurement of financial instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently stated at cost or amortized cost as applicable, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Financial assets measured at cost or amortized cost include cash, sales tax receivable and accounts receivable. Financial liabilities measured at cost or amortized cost include all liabilities except deferred revenue.

##### Transaction costs

Transaction costs related to financial instruments subsequently measured at amortized cost are applied against the original cost of the related asset or liability and are amortized using the effective interest rate method. Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred.

# GREEK COMMUNITY OF TORONTO

## Notes to Financial Statements (continued)

August 31, 2024, with comparative amounts for 2023

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### Impairment

Financial assets stated at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year or if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset, and if so, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) **Property and equipment**

Property and equipment assets are recorded at acquisition cost with amortization provided over their estimated useful lives on a diminishing balance basis at the following annual rates and at one-half such rates in the initial year in which assets are placed into service:

Asset	Annual Rate
Buildings	5%
Paved lots	8%
Equipment	20%
Computer hardware	20%
Computer software	33%
Furniture	20%

Effective September 1, 2023, the annual rate of amortization on paved lots was changed to 8% from the previous rate of 5%. This revision was considered as a change in accounting estimate and accordingly, has been accounted for on a prospective basis.

(d) **Intellectual property**

The Organization's intellectual property assets are comprised of its Paideia curriculum used in its system of teaching Hellenistic culture encompassing multiple subjects including language, grammar, music, mathematics, geography, history and philosophy. As these assets have an indefinite life, they are not subject to amortization.

(e) **Impairment of long-lived assets**

Property and equipment and intellectual property assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset or group of related assets exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset or group of related assets exceeds its fair value. During the years ended August 31, 2024 and 2023, no impairment losses were incurred.

(f) **Contributed services and materials**

Volunteers assist the Organization in carrying out its functions. Such contributed services are not recognized in the financial statements due to the difficulty in determining their fair value. Contributed materials that would otherwise be purchased are recorded at fair value, being the amount required to purchase similar materials.

(g) **Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-

# GREEK COMMUNITY OF TORONTO

## Notes to Financial Statements (continued)

August 31, 2024, with comparative amounts for 2023

for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets, liabilities and commitments 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 adjustments will be made to income as appropriate in the year they become known. Actual results could differ from these estimates.

### 3. Property and equipment

	Cost	Accumulated Amortization	Net Book Value
<b>2024</b>			
Land	\$ 5,936,072	\$ -	\$ 5,936,072
Buildings	13,128,319	7,439,644	5,688,675
Paved lots	84,226	35,562	48,664
Equipment	1,281,022	1,200,227	80,795
Computer hardware and software	189,466	122,286	67,180
Furniture	52,043	44,028	8,015
	<b>\$ 20,671,148</b>	<b>\$ 8,841,747</b>	<b>\$ 11,829,401</b>
<b>2023</b>			
Land	\$ 5,936,072	\$ -	\$ 5,936,072
Buildings	12,846,449	7,152,171	5,694,278
Paved lots	61,650	32,312	29,338
Equipment	1,254,307	1,183,366	70,941
Computer hardware and software	115,949	107,302	8,647
Furniture	47,713	42,565	5,148
	<b>\$ 20,262,140</b>	<b>\$ 8,517,716</b>	<b>\$ 11,744,424</b>

As at August 31, 2024, the cost of buildings includes \$171,501 of expenditures for renovations and an addition to a building. As the project was in-progress as at the fiscal year end, no amortization was recognized on this expenditure amount. The project is expected to be complete during December 2024.

### 4. Bank loan

As at August 31, 2024, the Organization had a bank loan payable in the amount of \$2,194,217 (2023 - \$2,434,901) with a Canadian Chartered bank. The loan originated under a borrowing agreement (the "Borrowing Agreement") entered into in February 2014 for \$4,900,000 and renewed in March 2022 at a balance of \$2,776,249 on a non-revolving basis with interest fixed at 4.54% per annum repayable with monthly blended principal and interest payments of \$28,829.

Scheduled principal payments over the remaining term of the loan are as follows:

2025	\$ 251,490
2026	263,162
2027	1,679,565
<b>Total</b>	<b>\$ 2,194,217</b>

Security under the Borrowing Agreement is provided as follows:

- General security agreement over all present and future personal property with appropriate insurance coverage, with loss if any, payable to the bank.
- Collateral mortgage in the amount of \$6,000,000 providing an inter alia first charge over all of the

# GREEK COMMUNITY OF TORONTO

## Notes to Financial Statements (continued)

August 31, 2024, with comparative amounts for 2023

assets of the Organization and with replacement cost fire insurance coverage, with loss if any, payable to the bank.

In accordance with the Borrowing Agreement, the Organization is required to comply with a financial covenant and certain non-financial covenants.

### 5. Term loan

As at August 31, 2023, the Organization had a term loan of \$30,000 payable to a Canadian Chartered bank facilitated under the federal government's Canada Emergency Business Account program in support of qualifying entities impacted by the COVID-19 pandemic as officially declared on March 11, 2020. The loan provided for 25% of the loan balance to be forgiven provided that 75% of the original loan balance is repaid by January 18, 2024. As a repayment of \$22,500 on the loan was made before this date, the remaining forgiven amount of \$7,500 was recognized as general income during the year ended August 31, 2024.

### 6. Deferred revenue

	Balance, beginning of year	Receipts	Recognized in revenue	Balance, end of year
<b>Year ended August 31, 2024</b>				
Deferred capital contributions	\$ 142,182	\$ 329,334	\$ 6,258	\$ 465,258
Deferred tuition fees revenue	63,419	118,124	63,419	118,124
	<b>\$ 205,601</b>	<b>\$ 447,458</b>	<b>\$ 69,677</b>	<b>\$ 583,382</b>
Year ended August 31, 2023				
Deferred capital contributions	\$ 170,011	\$ 18,858	\$ 46,687	\$ 142,182
Deferred tuition fees revenue	-	63,419	-	63,419
	<b>\$ 170,011</b>	<b>\$ 82,277</b>	<b>\$ 46,687</b>	<b>\$ 205,601</b>
			<b>2024</b>	<b>2023</b>
Comprised as:				
Current liability			\$ 118,124	\$ 76,590
Non-current liability			465,258	129,011
			<b>\$ 583,382</b>	<b>\$ 205,601</b>

### 7. Financial risks and concentration of risk

The Organization is exposed to various risks and concentration of risk through its financial instruments as at August 31, 2024 as described as follows:

#### (a) 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's financial instruments that are exposed to credit risk consist primarily of cash and accounts receivable. The Organization places its cash with high credit quality financial institutions. Generally, such cash amounts will be in excess of the Canadian Deposit Insurance Corporation insurable limit. The Organization generally maintains minimal levels of accounts receivable, as revenues generated from its various activities are collected mostly on merchant accounts of various credit card providers.

# GREEK COMMUNITY OF TORONTO

## Notes to Financial Statements (continued)

August 31, 2024, with comparative amounts for 2023

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(b) Liquidity risk

Liquidity risk is the risk that an entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization is exposed to this risk mainly in respect of its bank loans and accounts payable and accrued liabilities. With the bank loan scheduled to mature in February 2027, the Organization is targeting to generate surpluses from fiscal years 2025 to mid-fiscal year 2027 at amounts that, combined with its existing cash reserves, would allow most or all of the remaining principal amount owing by the maturity date to be repaid.

The Organization considers its financial risks to have moderately reduced from 2023.

### 8. Commitments

As at August 31, 2024, the Organization's future minimum annual payment commitments under operating leases were as follows:

2025	\$ 22,068
2026	22,068
2027	14,693
2028	2,548
<b>Total</b>	<b>\$ 61,377</b>

### 9. Comparative balances

Certain balances for 2023 have been regrouped to conform with the current year's presentation.