



Your Cottage in the City!

Ottawa Tennis Club • 176 Cameron Ave, Ottawa, ON K1S 0X5

(613) 730-7207 • info@ottawatenniscub.ca • www.ottawatenniscub.ca •   

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Annual General Meeting

Ottawa Tennis and Lawn Bowling Club (c.o.b. as Ottawa Tennis Club)

Wednesday, May 14, 2025 at 6:30 pm

In person at 176 Cameron Avenue

Doors open for member registration and complimentary food and drink at 5:15 pm

AGENDA

1. Call to Order at 6:30 pm and confirmation of quorum. (2 min)
2. Adoption of agenda. (3 min)
Motion: BE IT RESOLVED THAT the agenda be adopted as presented.
3. Adoption of Minutes of the Annual General Meeting of May 22, 2024 and business arising from the minutes. (5 min)
Motion: BE IT RESOLVED THAT the Minutes of the Annual General Meeting of May 22, 2024 as enclosed with the Notice of the meeting, be adopted.
4. Consideration of Financial Statements Year Ended November 30, 2024 (10 min)
5. Appointment of the public accountant for ensuing financial year (3 min)
Motion: BE IT RESOLVED THAT Welch LLP be appointed as the public accountant for the ensuing financial year.
6. President, Board Reports and Executive Director Report (12 min)
7. Election of Directors for 2025-2026 (5 min)
Motion: BE IT RESOLVED THAT the individuals on the slate of directors as presented by the Governance and Nominations Committee be elected as Directors.
8. Close of Meeting

There will be a questions and answer session with the Board of Directors after the conclusion of this meeting.



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OTLBC Annual General Meeting Documentation

OTLBC Minutes of Annual General Meeting May 22, 2024

OTLBC Financial Statements for the Fiscal Year-Ending November 30, 2024

Recommended Slate for Board of Directors 2025-2026



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OTTAWA TENNIS AND LAWN BOWLING CLUB

Minutes of AGM

Location: In Person / Zoom

Date: May 22nd, 2024, 6:30-8:30pm

Quorum: Achieved

#1 Adoption of Agenda
Motion: BE IT RESOLVED THAT the agenda be adopted as presented. Seconded: Carol Laurice Comments: None
Action: Approved by vote unanimously
#2 Adoption of the of Minutes
Description: The OTLBC minutes of May 30, 2023, were put forward for approval. Seconded: Will Bradley Comments: A few typos were noticed that will be corrected: <ul style="list-style-type: none">- Item 6 'should be written off as an impairment'; and- Write Off not wright off
Action: Approved by vote unanimously
#3 Approve Financial Statements (Attached)
Discussion: Treasurer walked through the financial statements, clean audit \$381k in excess revenue, making it a positive year, despite less grants received. Positive income from Café, Volleyball... etc Money spent on loan repayment, modifications to the site and club environment. New auditors wrote off impairments etc. Comments: None



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Action: Motion to approve the financial statements. Approved by vote unanimously

#4 Appointment of Auditors

Description:

Welch LLP be appointed as the public accountant for FY24/25.

Seconded: Sue Callaghan

Comments:

None

Action: Motion passed and approved by vote unanimously

#5 Election of Directors

Description:

The following personnel and their roles were proposed to be on the Board of Directors:

President – Muthanna Subbaiah

Vice President – Megan Paterson

Treasurer – Pierrette Richard

Secretary – Dan Kerry

Helen Beck – Chair Diversity

Steve Bickerton – TBC

Andrew Bradley - Chair of Build Committee

William Brown - Chair of Governance

Colin Knight - TBC

Resolution to approve the Board of Directors

Seconded: Don Dobson

Comments: None

Action: Motion passed and approved by vote unanimously

#6 Board reports

Description

The following updates were presented:



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- *Renovations completed* - \$2.2M (members assessment \$235k, donations \$583k, sponsorship \$43k, grants \$100k, \$500k Heritage, \$20k City of Ottawa - \$700k Operational surplus) and no debt associated with this.
- *Taken Ownership of Cameron*: Now directly run by OTLBC.
- *Renamed*: Ottawa Tennis Club (OTC) though legal name of OTLBC will not change
- *Hosting Masters 100*: Tournament in the summer many age groups will be represented.
- *Readiness*: Re-laid courts, lines, irrigation system, ball machines tested and ready, upgrades to pool, courtside café service, completed wellness room
- *Major projects*: There are plans to update the Clubhouse Balcony and deck, redo the backboard/practice wall and a develop a multi-purpose area in the backboard area.
- *New Staff*: New Executive Director Mike Tait, Austin – food and beverage, Kailah – Operations.
- *Recognition for board retirees*: Karen Capen (retired) Sean Whittaker (Retired)
- *Dave Fleming Award for Volunteer*: Ann (Head Gardner) 2021, Jenny Mitchell 2023

Comments:

Plans on replacing the Canopy – will be discussed by the Board

Action: None

#7 Close of meeting

Description: That the meeting be brought to a close.

Seconded: Robert Yip

Action: Motion passed and approved by vote unanimously

FINANCIAL STATEMENTS
For
OTTAWA TENNIS AND LAWN BOWLING CLUB
For year ended
NOVEMBER 30, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of

OTTAWA TENNIS AND LAWN BOWLING CLUB

Opinion

We have audited the financial statements of Ottawa Tennis and Lawn Bowling Club (the Club), which comprise the statement of financial position as at November 30, 2024, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Club'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 Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club'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 Club'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 Club'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 Club 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
March 31, 2025.

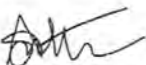
Welch LLP


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OTTAWA TENNIS AND LAWN BOWLING CLUB
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2024

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 366,520	\$ 1,096,849
Short-term investments (note 4)	611,599	-
Accounts receivable	61,688	69,159
Inventory (note 5)	8,960	8,389
Prepaid expenses	<u>27,413</u>	<u>32,837</u>
	1,076,180	1,207,234
LONG-TERM INVESTMENTS (note 4)	300,000	-
TANGIBLE CAPITAL ASSETS (note 7)	<u>3,102,628</u>	<u>3,007,387</u>
	<u>\$ 4,478,808</u>	<u>\$ 4,214,621</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (note 8)	\$ 249,472	\$ 75,183
Government remittances payable	50,937	51,055
Deferred revenue (note 9)	423,494	393,927
Current portion of long term debt (notes 10)	<u>-</u>	<u>115,553</u>
	723,903	635,718
DEFERRED CAPITAL CONTRIBUTIONS (note 11)	1,261,048	1,316,240
LONG TERM DEBT (notes 10)	<u>-</u>	<u>122,917</u>
	<u>1,984,951</u>	<u>2,074,875</u>
NET ASSETS		
Invested in tangible capital assets - internally restricted	1,841,580	1,452,677
Capital reserve - internally restricted	405,848	353,398
Operations - Unrestricted	<u>246,429</u>	<u>333,671</u>
	<u>2,493,857</u>	<u>2,139,746</u>
	<u>\$ 4,478,808</u>	<u>\$ 4,214,621</u>

Approved by the Board:


..... President


..... Treasurer

(See accompanying notes)

OTTAWA TENNIS AND LAWN BOWLING CLUB

STATEMENT OF OPERATIONS

YEAR ENDED NOVEMBER 30, 2024

	<u>2024</u>	<u>2023</u>
Revenue		
Tennis membership	\$ 711,555	\$ 657,831
Food, beverages, and events	573,780	499,711
Day camps	243,735	248,120
Tennis lessons and programs	207,776	187,473
Pool membership	102,430	112,722
Beach sports	108,750	104,760
Special assessment	52,450	52,980
Grants	50,311	40,574
Other revenue	37,941	47,071
Amortization of deferred capital grants (note 11)	<u>66,992</u>	<u>37,509</u>
	<u>2,155,720</u>	<u>1,988,751</u>
Expenses		
Advertising and promotion	5,514	3,364
Amortization	166,261	113,510
Bank charges and credit card fees	30,105	53,712
Contracted services	216,383	221,496
Day camps	5,419	13,399
Food, beverages, and events	233,537	206,350
Insurance	34,657	27,457
Interest on long term debt	7,942	19,018
Maintenance and supplies	107,406	88,336
Miscellaneous	9,513	25,320
Office	47,312	23,855
Professional fees	48,435	58,798
Professional tennis services	159,357	163,092
Property taxes	39,265	34,094
Salaries and benefits (note 14)	653,519	517,297
Special events	5,962	11,038
Telecommunications	7,370	4,554
Utilities	<u>23,652</u>	<u>22,772</u>
	<u>1,801,609</u>	<u>1,607,374</u>
Excess of revenue over expenses	<u>\$ 354,111</u>	<u>\$ 381,377</u>

(See accompanying notes)

Welch LLP

OTTAWA TENNIS AND LAWN BOWLING CLUB
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED NOVEMBER 30, 2024

	2024				
	<u>Balance, beginning of year</u>	<u>Net purchase of tangible capital assets</u>	<u>Interfund transfers (note 12)</u>	<u>Excess of revenue over expenses</u>	<u>Balance, end of year</u>
Operations	\$ 333,671	\$ (261,502)	\$ (226,670)	\$ 400,930	\$ 246,429
Invested in tangible capital assets	1,452,677	261,502	226,670	(99,269)	1,841,580
Capital reserve	<u>353,398</u>	<u>-</u>	<u>-</u>	<u>52,450</u>	<u>405,848</u>
	<u>\$ 2,139,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,111</u>	<u>\$ 2,493,857</u>

	2023				
	<u>Balance, beginning of year</u>	<u>Net purchase of tangible capital assets</u>	<u>Interfund transfers</u>	<u>Excess of revenue over expenses</u>	<u>Balance, end of year</u>
Operations	\$ 130,955	\$ (240,972)	\$ 51,756	\$ 391,932	\$ 333,671
Invested in tangible capital assets	1,339,462	240,972	(51,756)	(76,001)	1,452,677
Capital reserve	<u>287,952</u>	<u>-</u>	<u>-</u>	<u>65,446</u>	<u>353,398</u>
	<u>\$ 1,758,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 381,377</u>	<u>\$ 2,139,746</u>

(See accompanying notes)

OTTAWA TENNIS AND LAWN BOWLING CLUB
STATEMENT OF CASH FLOWS
YEAR ENDED NOVEMBER 30, 2024

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 354,111	\$ 381,377
Adjustments for:		
Amortization	166,261	113,510
Amortization of deferred capital grants	(66,992)	(37,509)
Reinvested interest	<u>(6,950)</u>	<u>-</u>
	446,430	457,378
Changes in non-cash working capital components:		
Accounts receivable	7,471	(45,539)
Inventory	(571)	(1,500)
Prepaid expenses	5,424	6,758
Accounts payable and accrued liabilities	174,289	(15,959)
Government remittances payable	(118)	77,414
Deferred revenue	<u>29,567</u>	<u>(31,318)</u>
	<u>662,492</u>	<u>447,234</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(261,502)	(240,972)
Purchase of investments	(1,304,649)	-
Sale of investments	<u>400,000</u>	<u>-</u>
	<u>(1,166,151)</u>	<u>(240,972)</u>
FINANCING ACTIVITIES		
Capital contributions received (note 11)	11,800	66,626
Loan payments (note 10)	<u>(238,470)</u>	<u>(54,870)</u>
	<u>(226,670)</u>	<u>11,756</u>
INCREASE (DECREASE) IN CASH	(730,329)	218,018
CASH, BEGINNING OF YEAR	<u>1,096,849</u>	<u>878,831</u>
CASH, END OF YEAR	<u>\$ 366,520</u>	<u>\$ 1,096,849</u>

(See accompanying notes)

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED NOVEMBER 30, 2024

1. NATURE OF OPERATIONS

Ottawa Tennis and Lawn Bowling Club Limited was incorporated on March 14, 1939 under Letters Patent of the Ontario Corporations Act. The Club was continued under the Canada Not-for-profit Corporations Act on April 16, 2018 as Ottawa Tennis and Lawn Bowling Club. The Club operates as a not-for-profit organization and as such is exempt from income tax.

The purpose of the organization is to:

- establish, maintain and conduct a club for the accommodation of the members thereof and others and generally to provide for the members and others the usual privileges advantages, conveniences and accommodation of a club;
- provide a club house and other conveniences for the purposes of the members and others;
- promote tennis, and other games or sports and to arrange matches and competitions of every nature and to offer or grant and contribute prizes, awards and distinctions; and
- acquire by purchase or otherwise the lands, premises, goods chattels and assets for the purposes aforesaid.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and the following is a summary of the significant accounting policies used by management in the preparation of these financial statements:

Revenue recognition

The Club follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Membership fees are collected on a fiscal year basis and are recognized as revenue in the year to which the membership relates. Fees collected prior to the membership year ("Early Bird" fees) are recorded as deferred revenue. Special assessment revenue is recorded in the year they are received.

Camp and lesson fees are recorded as revenue based on the camp or lesson delivery. All other forms of revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Inventory

Inventories are valued at the lower of cost and net realizable value. Cost is generally determined on a first-in, first out basis. Inventory consists of Café supplies and merchandise for sale.

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Tangible capital assets

Tangible capital assets are recorded at acquisition cost. Maintenance and supplies are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a tangible capital or intangible asset no longer contributes to the Club's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital and intangible assets are amortized over their estimated useful lives as follows:

Declining balance basis:

Club house and improvements	- 5%
Ground improvements	- 5%
Fencing and lighting	- 5%
Tennis courts	- 5%
POS System	- 55%
Computer	- 55%
Telephone system	- 20%
Pool	- 5%
Equipment, furniture and tools	- 20%

In the year of acquisition, only one-half the annual amortization is taken.

Financial instruments

The Club initially measures its financial assets and financial liabilities at fair value adjusted by transaction costs. Transaction costs associated with the acquisition and disposal of investments are capitalized to the acquisition costs or reduce proceeds on disposal.

Cash and investments are subsequently measured at fair value while all other financial instruments are subsequently measured at cost or amortized cost.

Use of estimates

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant estimates include collectibility of accounts receivable, the useful life of tangible capital assets, valuation of inventory, valuation of standing charges, and the determination of certain accrued liabilities. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period they become known.

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Purpose of funds

Operations fund - unrestricted: All of the revenue and expenses related to the collection of unrestricted donations and fundraising activities are reported in the General fund.

The Club has capped the Operations fund at the equivalent of four (4) months of standing charges. Standing charges are costs that would not be eliminated in the event of a total operational interruption or would not decrease in direct proportion to a partial interruption. During 2024, the Club assessed this value to be \$403,333. Any funds in excess of the capped amount are automatically transferred to the Capital Reserve Fund.

Invested in tangible capital assets - internally restricted: This fund represents the Club's net investment in tangible capital assets, reflecting the portion of net assets tied to long-term physical assets and not available for other purposes. The fund is decreased annually by the amortization of tangible capital assets, offset by the amortization of deferred capital contributions recognized in relation to those assets. The fund will also increase with the acquisition of new capital assets or significant improvements to existing assets, ensuring it accurately reflects the Club's ongoing investment in its infrastructure.

Capital Reserve Fund - internally restricted: The Board of Directors has allocated funds to a capital fund that is designed for purchase or development of additional capital related activity. An amount equal to the current year's club donations, fundraising proceeds, special assessment revenue, and any surplus from the Operations net of club house restoration and capital expenses are allocated to this fund on an annual basis.

The Board of Directors has allocated funds to the Capital Reserve Fund to safeguard the Club's long-term sustainability. This fund has two distinct goals: (1) maintaining and enhancing existing assets, such as tennis courts, upper balcony, and restoring parts of the clubhouse, and (2) enhancing the Club's services, such as, by winterizing the upper floor of the clubhouse.

3. FINANCIAL INSTRUMENTS

The Club is exposed to various risks through its financial instruments. The following analysis provides a measure of the Club's risk exposure and concentrations.

The Club does not use derivative financial instruments to manage its risks.

Credit risk

The Club is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Club's maximum exposure to credit risk is the sum of the carrying value of its cash, investments and its accounts receivable. The Club's cash and investments are deposited with a Canadian chartered bank and as a result, management believes the risk of loss on these items to be remote. The Club manages its credit risk by reviewing accounts receivable aging monthly and following up on outstanding amounts. While management believes that all accounts receivable at year-end are collectible, the Club recognized a bad debt expense of \$ 7,634 (2023 - \$nil) during the year.

Liquidity risk

Liquidity risk is the risk that the Club cannot meet a demand for cash or fund its obligations as they become due. The Club meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipated investing and financing activities and holding assets that can be readily converted into cash.

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

3. FINANCIAL INSTRUMENTS - Cont'd.

Market risk

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

i) *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Club's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates.

The Club is not exposed to significant interest rate risk on its fixed interest rate financial instruments, as this risk is limited to its cash that is held in an interest bearing account and to its investments which include amounts invested in guaranteed investment certificates (GICs) that earn interest market rates.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. Since the Club does not hold any publicly traded investments, it is not exposed to significant other price risk.

Changes in risk

There have been no significant changes in the Club's risk exposures from the prior year, with the exception of the investment in GICs and the repayment of the mortgage during the year.

4. INVESTMENTS

The Club's investments consists of:

	<u>2024</u>	<u>2023</u>
Guaranteed investment certificates	\$ 911,599	\$ -
Less current portion	<u>(611,599)</u>	<u>-</u>
Long-term portion	<u>\$ 300,000</u>	<u>\$ -</u>

These GICs bear interest at rates ranging from 3.75% to 5.10% and have maturity dates between December 2024 and January 2026.

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

5. INVENTORIES

Inventories consist of the following:

	<u>2024</u>	<u>2023</u>
Merchandise	\$ 5,961	\$ 5,257
Café supplies	<u>2,999</u>	<u>3,132</u>
	<u>\$ 8,960</u>	<u>\$ 8,389</u>

The amount of inventories recognized as an expense in the year for the Café was \$233,537 (2023 - \$206,350) and \$12,423 (2023 - \$4,532) related to merchandise.

6. TRUST FUNDS

The Club successfully submitted an application to the National Sport Trust Fund (NSTF) to raise funds to be used for the Clubhouse Restoration Project to assist the organization in promoting amateur athletics in Canada. At November 30, 2024, the NSTF had received donations totaling \$596,834, specifically earmarked for the organization and the Clubhouse Restoration Project. The Clubhouse Restoration Project is complete and the donations have been recorded in these financial statements as deferred capital contributions in respect of these funds. Additionally, \$38,676 of the total donations are in accounts receivable at the end of the year.

7. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Land	\$ 5,000	\$ -	\$ 5,000	\$ -
Grounds improvement	175,626	21,698	175,626	13,597
Clubhouse	2,526,758	254,406	2,450,623	136,812
Fencing and sport lighting	167,122	56,406	167,122	50,579
Tennis courts	270,926	68,012	252,937	57,806
POS system	1,850	509	-	-
Computer	11,988	10,223	11,988	8,067
Telephone system	850	485	850	393
Pool and pool shed	223,889	77,623	223,889	69,925
Equipment, furniture and tools	138,903	68,733	111,186	54,655
Construction in progress	<u>137,811</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,660,723</u>	<u>\$ 558,095</u>	<u>3,399,221</u>	<u>\$ 391,834</u>
Accumulated amortization	<u>558,095</u>		<u>391,834</u>	
	<u>\$ 3,102,628</u>		<u>\$ 3,007,387</u>	

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

8. ACCOUNTS PAYABLE

As at November 30, 2024 accounts payable includes \$163,675 in bills received towards the end of the year related to the construction of the new practice wall. This contributed to the overall increase in accounts payable compared to the prior year. These amounts represent outstanding costs for the project and are expected to be settled in the next fiscal year.

9. DEFERRED REVENUE

Deferred revenue consists of the following:

	<u>2024</u>	<u>2023</u>
"Early Bird" membership fees	\$ 408,744	\$ 361,930
Customer deposits and sponsorship fees	5,000	17,630
Club credits	<u>9,750</u>	<u>14,367</u>
	<u>\$ 423,494</u>	<u>\$ 393,927</u>

10. LONG-TERM DEBT

The Club had a closed term loan payable bearing interest at prime plus 1.45% due April 2034, repayable in blended monthly instalments of \$2,904 principal and interest, secured by a general security agreement as well as a charge on the land and building located at 176 Cameron Avenue, Ottawa, Ontario. The land and building have a net carrying value of \$2,569,091. During the year, the Club fully repaid the mortgage.

11. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred capital contributions represent the unamortized and unspent amounts of grants received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations over the useful lives of the capital assets. The changes in the deferred capital contributions balance for the year are as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,316,240	\$ 1,287,123
Add: Contributions received in year for capital asset purchases	11,800	66,626
Less: Amortization of deferred contributions related to capital assets	<u>(66,992)</u>	<u>(37,509)</u>
Balance, end of year	<u>\$ 1,261,048</u>	<u>\$ 1,316,240</u>

12. INTERFUND TRANSFERS

During the year, the following transfers were made between the funds:

	<u>Operations</u>	<u>Invested in tangible capital assets</u>	<u>Club House restoration</u>
Annual reinvestment to capital reserve fund equal to principal loan payments made	\$ (238,470)	\$ 238,470	\$ -
Annual reinvestment to operations fund equal to capital contributions received	<u>11,800</u>	<u>(11,800)</u>	<u>-</u>
	<u>\$ (226,670)</u>	<u>\$ 226,670</u>	<u>\$ -</u>

OTTAWA TENNIS AND LAWN BOWLING CLUB
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED NOVEMBER 30, 2024

13. CREDIT FACILITY

The Club has access to a credit facility. Outstanding instruments on this facility at November 30, 2024 include the following:

- A line of credit, payable on demand, with interest payable monthly at bank prime rate plus 2.00% per annum and a credit limit of \$75,000. As at November 30, 2024, this credit facility was not in use.
- A Business Credit Card with a credit limit of \$30,000. As at November 30, 2024, the balance on the Credit Card was \$3,636 (2023 - \$10,127).

All facilities are secured by a general security agreement.

14. SALARIES EXPENSE

The increase in salaries expense for the year is due to a number of factors, including minimum wage increase, general wage increases, addition of benefits for full time staff, expanded services, such as extended Courtside Cafe hours, increase in staffing levels to ensure the highest quality of service and the transition of subcontractors to permanent staff to support restaurant operations. These changes contributed to higher salaries expense; however, they also supported increased revenue generated during the year.

15. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.



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Recommended Slate for Board of Directors 2025-2026

The nine (9) nominees for consideration for the 2025-26 year:

***Erika McEachran**

Erika moved to Ottawa in 2005, residing in Old Ottawa East. It took a few years and two children for her to discover the club and the OTLBC community. They first became members in 2017 with the family pool membership, transitioning to full Tennis Membership in 2020. With over 25 years in municipal engineering and project management, she is eager to bring her skills to help support the future of the club. As a passionate tennis player, the Ottawa Tennis Club holds a special place in her heart. She envisions the club continuing to thrive as a welcoming community hub with top-notch facilities and programs for all members. She is excited about the opportunity to contribute to its growth and success and looks forward to being provided an opportunity to make meaningful impact promoting the Ottawa Tennis Club.

***Andrew Donnelly**

Andrew has amassed hundreds of hours on court in his first two seasons back in Ottawa and is eager to contribute more to the club. A graduate of Carleton University and the University of British Columbia, he has extensive experience in finance and consulting. From his experience at Deloitte to other roles, he has experience with a wide range of businesses. With a background in alpine ski racing and competitive sport, Andrew is excited to work with members and the Board on operational analysis and strategy for an organization (and sport community) that we are so passionate about.

***Gary Hawkes**

Gary left his native Winnipeg in 1990 to join Canada's foreign service and spent most of the next 26 years on foreign postings with a few stints in Ottawa. He managed to find a tennis club to join on each of his six foreign postings. He first joined the Ottawa Tennis Club (OTC) in 2003. The club was actually a major reason why Gary and his wife, Valerie Hindle, decided to move to Old Ottawa South! (Truth be told, Valerie's main reason may have been the great dog walking area just south of Brewer Park.) After retiring from the public service in 2016, Gary turned to entrepreneurship and opened Performance Tennis Shop which he continues to operate along with his new business partner, Tait Becke. Gary is thrilled to see the OTC doing so well in recent years and views it as an irreplaceable treasure for the neighbourhood and the greater tennis community! The major clubhouse renovation and the healthy membership numbers are very promising for the future. Gary is pleased to join the Board of Directors to help keep the club the best place in the National Capital Region for tennis, swimming, beach volleyball, beach tennis, various social events, and a great place to connect with people!



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Helen Beck

Helen and her family have lived in Old Ottawa South for almost 40 years and she joined OTLBC upon her retirement 5 years ago. Helen is a retired lawyer who worked with the Federal Government for 35 years. As Senior Legal Counsel with the Privy Council Office and Human Resources and Development Canada, Helen provided strategic and operational legal advice on senior personnel and human resources matters, as well as diverse legislative and policy initiatives. Helen was also the Chair, PCO Employment Equity & Diversity Advisory Committee. Helen has also provided advice on the Canada Labour Code, Employment Equity Act and related legislation, as well as Aboriginal self-government and legislative initiatives. Although Helen took up tennis later in life, Helen now plays year around and you can find her on the OTLBC courts many times a week during the OTLBC tennis season.

Steve Bickerton

Steve and his family have been residents of Old Ottawa East for 17 years and members of the OTLBC for at least 15 years. He is currently employed at SAP. He specializes in databases and analytics. Prior to SAP, Steve worked for 10 years in the Investment Banks of both JPMorgan Chase and Goldman Sachs. When not working, you can typically find Steve at playing tennis most nights at the OTLBC. He enjoys the ladders, playing doubles with friends and is a semi regular at Men's Sunday Night Doubles. Steve also organizes the bottle and can returns from the Cameron Courtside and Cameron Restaurant. Let him know if you'd like to help!

Daniel Kerry

Daniel is a Director within Deloitte's Finance and Performance Management Consulting practice in Ottawa. Daniel transferred to the Canadian Practice in 2015 from London, UK where he was key member of the Finance Strategy Team. Daniel has over 17 years of professional services experience within Finance helping clients improve their performance and effectiveness. Daniel and his family have been OTLBC members for 3 years and are active participants in many of the tennis and family OTLBC programs. His wife Claire is also volunteering on the 100-year anniversary celebration committee. Dan passionately believes in the OTLBC mandate and role the club plays in the neighbourhood. Daniel is a Fellow of the Institute of England and Wales Chartered Accountants (ICAEW). He is graduate of the University of Durham, UK (BA Politics) and the University of York, UK (Master of European Economic and Political Integration - awarded with distinction).



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Colin Knight

Colin was born in Manchester, England, immigrated to Canada in 1987, and has lived with his family in Ottawa for twenty years. He holds a BA Honors Degree in Political Science, and a MA Degree in International Relations. In 1999, Colin joined the Canadian Federal Government. During his government career he worked for the Department of Foreign Affairs, the Canadian International Development Agency, the Public Safety Department, the Royal Canadian Mounted Police, and most recently, the Privy Council Office. Government work and assignments took him to Europe, Asia, Latin America, and the US. Colin plays tennis in the summer, soccer year-round, and squash in the winter. He retired in 2014 to focus on family, writing and life. He has written six books and is working on his seventh.

Megan Paterson

Megan has been a member of OTLBC for close to 8 years, and fully enjoys weekly lessons with Colin and the ladders. The sense of community, and friendly, open environment is what she loves most about the club (and the clay is better for her knees!). Megan has over 25 years of experience in global HR and operations in her day job, combined with multiple not for profit volunteering and board experiences. She also worked on the club's last strategic plan. The things she cannot live without (besides tennis!) include her Kindle, her dog Cassidy, and fast cars.

Pierrette Richard, CPA-CA

Pierrette has been an active member of the OTLBC for over 20 years. Being a passionate tennis player, she has been able to share her enthusiasm for the club with many friends and family. Over the years, her family has participated in many of the summer programs offered, including swimming lessons and tennis camps. Recently retired from Canada Post, Pierrette is now able to leverage her extensive (over 30 years) financial management experience as an OTLBC volunteer board member. She is a CPA-CA who has gained a wealth of knowledge through diverse responsibilities such as, comptroller for a large corporate transformation, financial manager for real estate initiatives and treasurer for United Way campaigns. Pierrette has served as an administrative volunteer for the Mont Tremblant Ski Club and is currently the treasurer of a condo association. Pierrette is a proud Acadian from New Brunswick. She is a graduate of the University of Ottawa and has been living in the neighbouring community of Old Ottawa East with her husband and their two children for many years. During the summer months you will regularly find Pierrette at the OTLBC enjoying a spirited game of tennis with close friends. As an avid skier, the winter months are reserved for her second favorite sport!

*Denotes a new Director for the 2025-2026 season.