DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

Financial Statements

August 31, 2025

DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Dancer Transition Resource Centre / Centre de Ressources et Transition pour Danseurs

Opinion

We have audited the financial statements of Dancer Transition Resource Centre / Centre de Ressources et Transition pour Danseurs (the "Centre"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at August 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for 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 Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

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

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.

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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 this financial information.

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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Hogg, Shain & Scheck PC

Toronto, Ontario
December 8, 2025

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

Statement of Financial Position

As at August 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	**$ 148,031**	$ 220,555
Short-term investments *(Note 3)*	**235,076**	421,399
Accounts receivable	**128,174**	11,657
Prepaid expenses	**6,357**	12,041
	517,638	665,652
LONG-TERM INVESTMENTS *(Note 3)*	**2,123,141**	1,969,511
	$ 2,640,779	$ 2,635,163
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**$ 35,109**	$ 33,196
Prepaid membership fees	**29,475**	25,570
Deferred revenues *(Note 4)*	**191,139**	383,398
Dancer grants payable	**433,021**	383,271
	688,744	825,435
NET ASSETS		
ENDOWMENT FUND - WALTER CARSEN *(Note 6)*	**200,000**	200,000
ENDOWMENT FUND - AMANDA HANCOX *(Note 6)*	**500,000**	500,000
INTERNALLY DESIGNATED *(Note 7)*	**875,000**	875,000
UNRESTRICTED	**377,035**	234,728
	1,952,035	1,809,728
	$ 2,640,779	$ 2,635,163

COMMITMENT *(Note 8)*

ENDOWMENT HELD BY THE ONTARIO ARTS FOUNDATION *(Note 12)*

APPROVED ON BEHALF OF THE BOARD

Patricia Fraser _____ *Director*

_____ *Director*

See the accompanying notes to these financial statements

DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

Statement of Operations

Year Ended August 31, 2025

	2025	*(Note 14)* 2024
REVENUES		
Grants *(Note 9)*	**$ 750,795**	$ 747,462
Grants – projects *(Note 9)*	**37,226**	-
Donations and fundraising *(Note 10)*	**185,913**	197,290
Donations - projects *(Note 10)*	**52,757**	149,903
Membership fees	**79,885**	76,310
Interest and other *(Notes 5 and 12)*	**79,651**	94,826
	1,186,227	1,265,791
EXPENSES		
Programs and services		
Dancer grants and awards	**441,469**	424,106
Dancer consulting services *(Note 11)*	**160,133**	136,759
Regional programs and services	**128,999**	155,144
Conferences, workshops and outreach	**79,492**	185,154
Digital transformation project *(Note 9)*	**37,226**	-
	847,319	901,163
Administrative		
Salaries and benefits *(Note 11)*	**157,991**	194,216
Office and purchased services	**65,076**	67,479
Professional fees	**44,859**	46,481
Rent *(Note 11)*	**22,767**	26,069
	290,693	334,245
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	**48,215**	30,383
OTHER		
Realized gain on investments	**69,261**	2,432
Unrealized gain on investments	**24,831**	153,417
Strategic Initiative expenses *(Note 7)*	**-**	(5,650)
	94,092	150,199
EXCESS OF REVENUES OVER EXPENSES	**$ 142,307**	$ 180,582

See the accompanying notes to these financial statements

DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

Statement of Changes in Net Assets

Year Ended August 31, 2025

	Endowment Fund - Walter Carsen	Endowment Fund - Amanda Hancox	Internally Designated	Unrestricted	**Total 2025**	Total 2024
NET ASSETS - BEGINNING OF YEAR	$ 200,000	$ 500,000	$ 875,000	$ 234,728	**$ 1,809,728**	$ 1,629,146
Excess of revenues over expenses	-	-	-	142,307	**142,307**	180,582
NET ASSETS - END OF YEAR	$ 200,000	$ 500,000	$ 875,000	$ 377,035	**$ 1,952,035**	$ 1,809,728

See the accompanying notes to these financial statements

DANCER TRANSITION RESOURCE CENTRE / CENTRE DE RESSOURCES ET TRANSITION POUR DANSEURS

Statement of Cash Flows

Year Ended August 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues over expenses	**$ 142,307**	$ 180,582
Items not affecting cash:		
Unrealized gain on investments	**(24,831)**	(153,417)
Forgiveness of Canada Emergency Business Account loan	**-**	(20,000)
	117,476	7,165
Changes in non-cash working capital:		
Accounts receivable	**(116,517)**	13,981
Prepaid expenses	**5,684**	(631)
Accounts payable and accrued liabilities	**1,913**	(10,372)
Prepaid membership fees	**3,905**	1,770
Deferred revenues	**(192,259)**	221,173
Dancer grants payable	**49,750**	863
	(247,524)	226,784
Cash flows from (used by) operating activities	**(130,048)**	233,949
INVESTING ACTIVITIES		
Proceeds from (purchase of) short-term investments (net)	**186,323**	(21,982)
Purchase of long-term investments (net)	**(128,799)**	(128,671)
Cash flows from (used by) investing activities	**57,524**	(150,653)
FINANCING ACTIVITY		
Repayment of Canada Emergency Business Account loan	**-**	(40,000)
NET INCREASE (DECREASE) IN CASH	**(72,524)**	43,296
CASH - BEGINNING OF YEAR	**220,555**	177,259
CASH - END OF YEAR	**$ 148,031**	$ 220,555

See the accompanying notes to these financial statements

1. NATURE AND PURPOSE OF THE ORGANIZATION

Dancer Transition Resource Centre (the "Centre") was incorporated by letters patent as a not-for-profit organization under the Canada Corporations Act and continued under the Canada Not-for-profit Corporations Act. The Centre is exempt from income tax in Canada as a registered national arts organization, which qualifies for tax-exempt status under subsection 149.1(6) of the Income Tax Act (Canada).

The mission of the Centre is to serve professional Canadian dancers from diverse backgrounds, dance forms and practices, both at home and abroad, by being a resource for career development and transition. Dancer members are eligible for various grants and awards, subject to criteria that vary depending on the type of grant or award.

In addition to the Centre's National office in Toronto, there are staffed virtual offices in Vancouver and Montreal along with regional representatives in other provinces, which assist the Centre in carrying out its mandate. The operations, assets and liabilities associated with the activities of all representatives and all offices are included in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements are the representation of management. They have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies.

Net assets

The net assets of the Centre have been divided into three categories that reflect the following:

- Endowment funds - Endowments to be held and invested in perpetuity *(Note 6)*.
- Internally designated - Net assets designated by the Board of Directors to be held as a reserve to provide for future financial stability of the Centre, including a risk contingency reserve for future dancer member obligations and a reserve for strategic initiatives. The investment income earned on designated funds is available for operations *(Note 7)*.
- Unrestricted - The balance of net assets earned from operations.

Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions, including grants, donations and fundraising, 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. Endowment contributions are recognized as direct increases in net assets when received.

Company Membership Fees are recognized when invoiced and collection is reasonably assured. Individual Membership Fees are recognized when earned. Fees clearly indicated for the next fiscal year are recorded as deferred revenues.

Interest and other income are recognized when earned. Realized and unrealized gains (losses) are recognized when they arise. Related investment costs are expensed as incurred.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Donated goods and services

Donated goods and services which are not normally purchased by the Centre, are not recorded in the accounts.

The operations of the Centre depend on the contributions of time by volunteers, the fair value of which cannot be reasonably determined, and are not reflected in these financial statements.

Expense recognition

Expenses are recorded when goods or services are consumed. The full amount of all awards, including special awards, are recorded in the year granted.

Financial instruments

The Centre's financial instruments consist of cash, short-term investments, accounts receivable, long-term investments, accounts payable and dancer grants payable.

All financial instruments are initially measured at fair value, and subsequently, at amortized cost, with the exception of long-term investments, which are measured at fair value. Changes in fair value of long-term investments are recognized as unrealized gains (losses) in the Statement of Operations.

Impairment of financial instruments

Financial assets measured at cost or amortized cost are tested for impairment if there are indications of possible impairment. A previously recognized impairment loss may be reversed to the extent of the improvement, either directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment loss not been recognized previously. The amount of any write down or reversal is recognized in the Statement of Operations.

Allocation of expenses

The Centre allocates certain expenses by function on the Statement of Operations based on estimated time spent, as further summarized on Note 11.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Such estimates are reviewed periodically and any adjustments are reported in the year in which they become known. Such estimates include the collectability of accounts receivable, accrued liabilities and allocation of expenses. Actual results could differ from these estimates.

3. INVESTMENTS

	2025		2024	
	Cost	**Market**	Cost	Market
Cash and short-term investments	**$ 463,620**	**$ 463,620**	$ 752,979	$ 752,938
Canadian equities	**212,094**	**318,301**	162,097	235,821
Global equities	**338,004**	**433,796**	299,341	430,600
Fixed income	**1,099,401**	**1,092,947**	1,004,985	971,551
Other investments	**48,554**	**49,553**	-	-
	2,161,673	**2,358,217**	2,219,402	2,390,910
Less: short-term investments	**$ (235,076)**	**$ (235,076)**	$ (421,399)	$ (421,399)
	$ 1,926,597	**$ 2,123,141**	$ 1,798,003	$ 1,969,511

Investments classified as long-term cover the amounts set aside as endowment and internally designated net assets, including investment income earned and reinvested.

Fixed income investments consist of government and corporate bonds and commercial mortgages, which earn interest ranging from 1.50% to 3.75% (2024 - 1.50% to 3.75%), with maturity dates from June 2027 to June 2035 (2024 - June 2025 to June 2033).

4. DEFERRED REVENUES

Deferred revenues consist of the following:

	2025	2024
Canada Council for the Arts - operating	**$ 17,500**	$ -
Canada Council for the Arts - project	**12,774**	-
Department of Canadian Heritage - core	**-**	213,720
Toronto Arts Council - operating	**28,210**	15,000
Deferred government funding	**58,484**	228,720
Scholarships and award contributions	**120,413**	95,000
Corporate contributions	**4,095**	49,852
Other contributions	**8,147**	9,826
	$ 191,139	$ 383,398

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4. DEFERRED REVENUES *(continued)*

The continuity of deferred revenues is as follows:

	2025	2024
Balance, beginning of year	**$ 383,398**	$ 162,225
Add: funds received from contributors	**834,432**	1,315,828
Less: amounts recognized in revenues in fiscal year		
Grants *(Note 9)*	**(788,021)**	(747,462)
Donations and fundraising	**(238,670)**	(347,193)
Balance, end of year	**$ 191,139**	$ 383,398

5. CANADA EMERGENCY BUSINESS ACCOUNT LOAN PAYABLE

Prior to fiscal 2023, the Centre applied for and received the $60,000 Canada Emergency Business Account ("CEBA") loan. The CEBA loan is non-interest bearing up to the initial term date of December 31, 2023, which was extended to January 18, 2024.

Based on the CEBA loan agreement, if $40,000 of the loan amount was repaid by January 18, 2024, the remaining balance will be forgiven. In fiscal 2024, the Centre repaid $40,000 of the loan prior to the deadline, as a result, the $20,000 forgivable portion was recognized as other revenue.

6. ENDOWMENT FUNDS

In fiscal 2013, the Centre received an endowment to be held and invested in perpetuity as The Walter Carsen Retraining Endowment Fund. Income from the fund supports dancers who qualify for retraining.

In fiscal 2020, the Centre received another endowment to be held and invested in perpetuity as The Amanda Hancox Endowment Fund. Income from the fund provides a scholarship for a dancer for a minimum period of one year to a maximum of $20,000.

7. INTERNALLY DESIGNATED NET ASSETS

During fiscal 2025, the Board approved a transfer of $nil (2024 - $5,800) from internally designated net assets to unrestricted net assets to release certain reserves related to Strategic Initiatives that were undertaken during the year. The Centre undertook one strategic initiative during fiscal 2024. The project involved the engagement of a strategic/equity consultant to lead phase one of the organization's strategic planning process.

8. COMMITMENT

The Centre is committed under the terms of a lease agreement for its Toronto office until August 31, 2028. Rent is adjusted annually to reflect changes in common area costs. The Centre also maintains staffed virtual offices in Vancouver and Montreal with no lease commitment.

Minimum annual lease payments are as follows:

2026	$ 18,702
2027	19,267
2028	19,832
	$ 57,801

9. GRANTS

	2025	2024
Department of Canadian Heritage - core	**$ 625,000**	$ 625,000
Canada Council for the Arts - operating	**50,000**	50,000
Ontario Arts Council - operating	**49,503**	49,503
Cultural Human Resource Council	**11,292**	7,959
Toronto Arts Council - operating	**15,000**	15,000
	750,795	747,462

In addition, the Centre received the following grant for special projects:

	2025	2024
Canada Council for the Arts	**37,226**	-
Grand total	**$ 788,021**	$ 747,462

In fiscal 2025, Canada Council for the Arts funded a project to help build digital capacity for the Centre's service to members. This project will run over two years with a projected completion date in fiscal 2026. The associated expenses are reported in the Statement of Operations as the digital transformation project.

10. DONATIONS AND FUNDRAISING

	2025	2024
Corporate	**$ 61,750**	$ 97,390
Individuals	**81,163**	55,400
Foundations	**43,000**	44,500
	185,913	197,290

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10. DONATIONS AND FUNDRAISING *(continued)*

In addition, the Centre received the following donations for special projects:

Corporate - project	**52,757**	149,903
Grand total	**$ 238,670**	$ 347,193

During fiscal 2025, the Centre continued to receive funding for a multi-year project to support performing dance artists across the country in strengthening their career resiliency. The direct project costs are reported as part of conferences, workshops and outreach expenses in the Statement of Operations. The project was completed in fiscal 2025.

11. COST ALLOCATIONS

Staff perform more than one function within the Centre, and accordingly, their salaries and benefits have been allocated based on an estimate of the time devoted to each of these functions. Rent costs are allocated based on estimated usage of space. These expenses have been allocated in the statement of operations as follows:

	Personnel	Rent	**2025**	2024
Program and services	$ 127,853	$ 32,280	**$ 160,133**	$ 136,759
Administrative	157,991	22,767	**180,758**	220,285
	$ 285,844	$ 55,047	**$ 340,891**	$ 357,044

12. ENDOWMENT HELD BY THE ONTARIO ARTS FOUNDATION

The Ontario Arts Foundation ("OAF") operates an Ontario Arts Endowment Fund Program, in which it holds and administers funds on behalf of arts organizations. The assets held in this Fund, on behalf of the Centre, are controlled and managed by the OAF in accordance with its investment and income distribution policies and, accordingly, are not reflected in these financial statements.

During the fiscal year ended August 31, 2025, the Centre received $10,146 (2024 - $9,368) in investment income from the Fund.

As at August 31, 2025, the market value of the assets held for the Centre by the OAF was $206,543 (2024 - $203,642).

13. FINANCIAL RISKS

Financial instruments expose the Centre to risks which may affect the cash flows of the Centre. The following are those financial instruments considered particularly significant and their related financial risks.

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13. FINANCIAL RISKS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Centre manages its liquidity risk by monitoring actual and projected cash flows to ensure that it will always have sufficient liquidity to meet its liabilities when due. The Centre expects to meet its financial obligations for accounts payable and accrued liabilities and dancer grants payable through cash flows from operations.

Currency risk

Currency risk is the risk to the Centre that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Centre is exposed to foreign currency exchange risk on its investments held in global equities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the market interest rates. The Centre is exposed to interest rate risk on its fixed income investments.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Centre is exposed to other price risk arising from its investments.

It is management’s opinion that the Centre is not exposed to significant credit risk arising from its financial instruments.

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.