Kehillat Beth Israel Congregation
Annual General Meeting

Thursday November 20, 2025/ 29 Cheshvan 5786
Via Teleconference (Zoom)
Minutes

1. CALL TO ORDER AND WELCOME

Jeremy Rudin, the Chair of the meeting, called the meeting to order at 7:34 pm. He gave an overview of the proceedings, including the method that would be used to vote on the motions that would be put before the Meeting.

With the consent of the members present, the reading of the notice of meeting was dispensed with.

With the consent of the members present, Elisheva Brantz and Yaron Starosta, employees of the Corporation, were appointed to act as scrutineers of the meeting.

Based on the number of members present (52), the Chair declared that the requisite quorum of members was present, and the meeting was duly and properly constituted for the transaction of business.

2. APPROVAL OF AGENDA

A motion was made by Norm Ferkin and seconded by Sheldon Wiseman to adopt the following resolution:

> **BE IT RESOLVED that the agenda for the 2025 Annual General Meeting of Members be approved.**

The motion was carried.

3. D'VAR TORAH

The D'var Torah was delivered by Cantor Jason Green.

4. APPROVAL OF MINUTES FROM THE PREVIOUS ANNUAL GENERAL MEETING

There were no motions made at last year's Annual General Meeting that required follow-up by the Board.

A motion was made by Janice Pleet and seconded by Jeff Greenberg to adopt the following resolution:

> **BE IT RESOLVED that the minutes from last year's Meeting of Members which was held on December 5, 2024 be approved.**

The motion was carried.

5. PRESENTATION OF FINANCIAL STATEMENTS

With the consent of the members present, the reading of the audited financial statements was dispensed with. (Please see the copy of the audited financial statements in **Appendix A**).

David Lyman, the Treasurer, spoke about the financial statements. Highlights included:

- The auditors have provided the Corporation with a clean audit opinion.
- The results of this fiscal year are very similar to last year
- The Treasurer is happy with KBI's current financial position, but pointed out that the revenue from donations is small, and that for a synagogue of our size and composition, it is important to increase donations to be able to maintain the required staffing level, and continue to enjoy rich programming, all while not over-relying on the investment income.
- Operating costs are higher due to increased costs, namely insurance, maintenance and security, legal fees, staffing and programming.
- Our goal should be to increase donations to represent 3% of gross revenue, or face the possibility of higher membership dues in the future.

A motion was made by David Lyman and seconded by Adina Libin to adopt the following resolution:

> **BE IT RESOLVED that the audited financial statements of Kehillat Beth Israel Congregation, together with the report from GGFL LLP, for the year ending June 30, 2025, be received and approved.**

There was one question raised on the financial statements as presented.

Question: “Were funds allocated in the budget for the previous Rabbi Search Project?” The answer was “Yes”. A second question was then asked: “Are there funds allocated to the transition process for the new Rabbi in the budget for the year which will end on June 30, 2026?” The answer was “No, because the transition costs will be incurred in the next fiscal year, not the current one”.

The motion was carried.

6. APPOINTMENT OF AUDITORS

David Lyman explained that a Request for Proposal (RFP) for auditing services had been run in 2021/22 by the Finance and Audit Committee. GGFL LLP was the winning firm and will now enter the third year of a three-year contract.

A motion was made by David Lyman and seconded by Adina Libin to adopt the following resolution:

> **BE IT RESOLVED, that GGFL LLP, of Ottawa, Ontario, be appointed auditors of the Corporation until the next Annual General Meeting.**

The motion was carried.

7. ELECTION OF DIRECTORS AND OFFICERS TO THE BOARD OF DIRECTORS

The Chair started this part of the Meeting by thanking the Nominations Committee for their work in developing the following slate of nominees. The Chair of the Nominations Committee was our Immediate Past President, Victor Rabinovitch. Joining him were Board members Olga Streltchenko, and Ralph Anzarouth, and KBI members-at-large Carol Gradus, and Ilan Shapiro. The President, Jeremy Rudin, served as ex-officio member of the committee.

The Chair noted that all of the officers of the KBI Board are completing their terms today. In particular: the President and Chair of this meeting, Jeremy Rudin, and his nominated replacement is Jaimee Mitzmacher, Norm Ferkin as Vice-President, and his nominated replacement is Sheldon Wiseman, Jaimee Mitzmacher as Secretary, and her nominated replacement is Janice Pleet, David Lyman as Treasurer, and he has been nominated to serve a second two-year term.

There are three Directors-at-large who are leaving that role. Two are nominated to new Officer positions with your approval: Sheldon Wiseman who will become Vice-President, and Janice Pleet who will become Secretary. Sarah Beutel has completed her three-year term as director-at-large and will leave the Board to concentrate on other things.

We therefore need to elect three new members to fill the now vacant roles. The Nominating Committee has nominated the following three new people to join the Board:

Tina Azarin, Emma Mallach, and Judah Silverman.

Gillian Koh has completed her three-year term, and the Nominating Committee has nominated her for a second consecutive term.

Five Directors are in the midst of their terms and do not need to be re-elected at this time: Ralph Anzarouth, Jeff Greenberg, Adina Libin, Arryn Ketter Mills, and Olga Streltchenko.

The current Past President, Jeremy Rudin, has agreed to continue to serve as Past President, and he will be appointed as Immediate Past President at the first Board meeting after the AGM.

The Chair noted that no other nominations had been submitted before the meeting.

A motion was made by Olga Streltchenko and seconded by Arryn Ketter Mills to adopt the following resolution:

> **BE IT RESOLVED, that the following nominees:**
>
> **Jaimee Mitzmacher as President,**
> **Sheldon Wiseman, as Vice-President,**
> **David Lyman, as Treasurer,**
> **Janice Pleet, as Secretary, and**
> **Tina Azarin,**
> **Gillian Koh,**

Emma Mallach, and
Judah Silverman as Directors

be elected as Officers and/or Directors of Kehillat Beth Israel Congregation's Board of Directors.

The motion was carried. The President declared the motion passed.

The incoming Board will therefore have the following four Officers:
Jaimee Mitzmacher,
Sheldon Wiseman,
David Lyman, and
Janice Pleet

And it will have the following nine Directors-at-large:
Ralph Anzarouth,
Tina Azarin,
Jeff Greenberg,
Gillian Koh,
Adina Libin,
Emma Mallach,
Arryn Ketter Mills,
Judah Silverman, and
Olga Streltchenko.

The Chair thanked Immediate Past President, Victor Rabinovitch (who was not in attendance because he was out of the country), for his seven years of service to KBI. Victor successfully led us through and out of COVID, offered much experience and support to the Chair as well as to other Board members, and led the current Nomination Committee.

The Chair also thanked Norm Ferkin for his seven years of service, and for being a stalwart member, proud Minyanaire, Gabbai, Vice-President, and the go-to for questions related to Corporate memory.

The Chair also thanked Sarah Beutel for her three years of service on the Board, and for leading the Executive Director and Rabbi Search Committees.

7. SECURITY, SAFETY AND ACCESSIBILITY – Project Report

The Chair called upon Jay Amdur, the Chair of the Building and Lands Committee (BLC), to provide the Meeting with an update on the project and what we can expect in the coming months.

Jay began by explaining that the BLC is composed of seven members including himself as Chair, Norm Ferkin, Jeff Greenberg, Victor Rabinovitch, David Lyman, Eric Weiner, and Yaron Starosta.

Concerns about physical security, deteriorated and limited parking, aging infrastructure, and site-wide drainage issues at our KBI site were raised, and the Building and Lands Committee was struck to investigate these issues, identify solutions, and have them carried out. Specific issues were identified, solutions were proposed, and work began. As a result of some of the work being done however, other issues were identified and new permits, and increased costs ensued. Just some examples of these surprises included elevation, drainage, and gas line locations. Revised plans, permits and an updated budget are now in place. Work is expected to be completed in the Spring of 2026.

8. OUTGOING PRESIDENT'S REMARKS

The Chair, Jeremy Rudin, thanked the members in attendance for helping to complete the important business of the meeting.

He commented that the meaning of the statement "The pride of the Kehillah is the Kehillah" is now very clear to him. When we no longer had a Rabbi, Cantor Green and many members of our KBI congregation stepped up – they are teaching Torah to other members, reading Torah, writing D'Var Torahs and sermons, and members children are helping younger children prepare for their B'nei Mitzvots. They are further helping out by volunteering in the office, with the Ottawa Kosher Food Bank, and in our own kitchens. Our membership is impressive and dedicated.

Not everything he had planned to accomplish worked out as planned, and some important goals were not met, but the support from the congregation that he felt in the face of the setbacks has meant a great deal to him.

Jeremy said that the best part of his term as President was that he met many of KBI's congregants either while welcoming them to our Shabbat services at the door, or by talking to them at kiddushim. He feels it was his privilege to serve as the President of KBI for the past two years.

9. INCOMING PRESIDENT'S REMARKS

Jaimee Mitzmacher, our incoming President made the following remarks. Her preparations for this new role began with a "listening tour" - reaching out to many different groups of congregants to see how things are going, what was good, and what needed to be better. She has done much work with USCJ in terms of her leadership development. Jaimee read an excerpt from a book named "Relational Judaism" by Ron Wolfson, in which the author suggests that when we show we care about the people we seek to engage by sharing stories together, this allows us to figure out what to do to restore people's spirit. Mr Wolfson wants to engage each person to deepen their commitment to Jewish community and guide them to improve their relationship to Judaism.

Jaimee's goal is to continue to engage with members using questions like: "What do you need?", "what can we do for you? and "What can you offer?". She has many new ideas that she will continue to offer, and is really excited to do great things together with the KBI family.

10. ADJOURNMENT

A motion was made by Jaimee Mitzmacher and seconded by Ralph Anzarouth to adjourn the meeting.

The motion was carried. The meeting was adjourned at 8:28 pm.

11. The meeting was then opened to other questions

Several questions and comments on other business were then raised.

1. Question. Is the relationship with our previous Rabbi resolved?
   Answer. No. We have entered into a Mediation/Arbitration process through the USCJ. The final resolution, when it happens, may include a confidentiality clause. If that is the case, we would be limited in the information that we would be able to share with the congregation.

2. Question. We see that there is new black fencing surrounding KBI, but there are no gates to actually close the perimeter. Why are there no gates yet in-stalled, and when will gates be installed?
   Answer: Many possible choices of gates to meet KBI needs are under consideration, but a tactical decision was made by the BLC to wait until a new Grant request is submitted, a decision on the grant is made, and funds are made available. Gates are expected to be installed in the Spring of 2026.

3. Thanks were offered to Cantor Green for everything he has done, and continues to do, for stepping up the plate in the absence of a Rabbi.

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Janice Pleet, Secretary
November 27, 2025

APPENDICES

The following appendix follows this page:

- Appendix A: Audited financial statements for the year ended June 30, 2025

KEHILLAT BETH ISRAEL CONGREGATION

Non-consolidated Financial Statements
For The Year Ended June 30, 2025

KEHILLAT BETH ISRAEL CONGREGATION

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INDEPENDENT AUDITOR'S REPORT

To the members of
Kehillat Beth Israel Congregation

Opinion

We have audited the non-consolidated financial statements of Kehillat Beth Israel Congregation (the Congregation), which comprise the non-consolidated statement of financial position as at June 30, 2025, and the non-consolidated statements of changes in net assets, operations and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Congregation as at June 30, 2025, and the non-consolidated results of its operations and its non-consolidated 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 Non-consolidated Financial Statements* section of our report. We are independent of the Congregation 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements, management is responsible for assessing the Congregation'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 Congregation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 Congregation'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 Congregation'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 non-consolidated 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 Congregation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

GGFL LLP

Chartered Professional Accountants, Licensed Public Accountants
Ottawa,
November 4, 2025.

KEHILLAT BETH ISRAEL CONGREGATION

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Operating Fund	Capital Fund	Special Purpose Funds	2025 Total	2024 Total
ASSETS					
Current					
Cash	$ 602,962	$ -	$ 76,846	$ 679,808	$ 95,402
Term deposit	-	-	111,069	111,069	106,951
Accounts receivable	15,306	-	-	15,306	14,341
Sales tax recoverable	101,512	-	-	101,512	33,542
Inventory	5,463	-	7,275	12,738	14,569
Prepaid expenses	12,621	-	-	12,621	8,586
Interfund advances (note 6)	(837,145)	751,457	85,688	-	-
Note receivable (note 7)	56,605	-	-	56,605	56,605
Due from controlled related entity (note 5)	45,120	-	-	45,120	39,371
	2,444	751,457	280,878	1,034,779	369,367
Capital assets (note 4)	-	545,742	-	545,742	464,675
Investments - managed funds	-	7,414,635	796,819	8,211,454	8,451,828
	$ 2,444	$ 8,711,834	$ 1,077,697	$ 9,791,975	$ 9,285,870

Approved on behalf of the board:

_____ director

_____ director

KEHILLAT BETH ISRAEL CONGREGATION

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Operating Fund	Capital Fund	Special Purpose Funds	2025 Total	2024 Total
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 103,392	$ -	$ -	$ 103,392	$ 121,559
Deferred annual dues	5,036	-	-	5,036	5,016
	108,428	-	-	108,428	126,575
Commitment (note 8)					
NET ASSETS					
Unrestricted	(105,984)	8,166,092	-	8,060,108	7,739,563
Invested in capital assets	-	545,742	-	545,742	464,675
Internally restricted	-	-	891,956	891,956	790,187
Externally restricted	-	-	185,741	185,741	164,870
	(105,984)	8,711,834	1,077,697	9,683,547	9,159,295
	$ 2,444	$ 8,711,834	$ 1,077,697	$ 9,791,975	$ 9,285,870

KEHILLAT BETH ISRAEL CONGREGATION

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2025

	Operating Fund	Capital Fund	Special Purpose Funds	2025 Total	2024 Total
Net assets, beginning of year	$ (4,406)	$ 8,208,644	$ 955,057	$ 9,159,295	$ 8,727,813
Net result for the year	(371,578)	773,190	122,640	524,252	431,482
Interfund transfer (note 9)	270,000	(270,000)	-	-	-
Net assets, end of year	$ (105,984)	$ 8,711,834	$ 1,077,697	$ 9,683,547	$ 9,159,295

KEHILLAT BETH ISRAEL CONGREGATION

NON-CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2025

	Operating Fund	Capital Fund	Special Purpose Funds (note 10)	2025 Total	2024 Total
Revenue					
Annual dues	$ 865,641	$ -	$ -	$ 865,641	$ 821,474
Donations	111,568	755	201,478	313,801	256,170
Investment income	-	824,005	92,671	916,676	834,521
Other income	12,127	-	-	12,127	81,703
Programs and Kiddushim	223,334	-	68,837	292,171	298,297
Rental	34,398	-	-	34,398	26,700
	1,247,068	824,760	362,986	2,434,814	2,318,865
Expenses					
Amortization	-	9,804	-	9,804	11,392
Bank charges and interest	23,868	-	-	23,868	22,432
Loss on disposal of capital asset	-	3,000	-	3,000	-
Insurance	40,558	-	-	40,558	38,643
Investment management fees	-	38,766	4,166	42,932	40,562
Maintenance and repairs	95,668	-	-	95,668	162,439
Membership fees and dues - USCJ	30,000	-	-	30,000	27,500
Office expenses	160,762	-	-	160,762	197,119
Professional fees	61,373	-	-	61,373	22,566
Programs and Kiddushim	258,695	-	193,882	452,577	399,223
Salaries and benefits	840,359	-	42,298	882,657	866,065
Travel	6,075	-	-	6,075	2,884
Utilities	101,288	-	-	101,288	96,558
	1,618,646	51,570	240,346	1,910,562	1,887,383
Net result for the year	$ (371,578)	$ 773,190	$ 122,640	$ 524,252	$ 431,482

KEHILLAT BETH ISRAEL CONGREGATION

NON-CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
CASH PROVIDED BY (USED IN)		
Operating activities		
Net result for the year	$ 524,252	$ 431,482
Loss on disposal of capital asset	3,000	-
Amortization	9,804	11,392
Unrealized gain on investments	(912,557)	(829,776)
Investment management fees	42,932	40,562
Changes in operating net assets		
Accounts receivable	(966)	215
Sales tax recoverable	(67,971)	21,632
Inventory	1,831	(6,287)
Prepaid expenses	(4,035)	(3,128)
Accounts payable and accrued liabilities	(18,167)	28,053
Deferred annual dues	20	(79,121)
Note receivable	-	2,530
Due from controlled related entity	(5,749)	12,905
	(427,606)	(369,541)
Investing activities		
Proceeds from withdrawal of investments in managed funds	1,110,000	300,000
Proceeds from disposition of capital asset	1,800	-
Purchase of capital assets	(95,670)	(73,575)
	1,016,130	226,425
Increase (decrease) in cash and cash equivalents	588,524	(143,116)
Cash and cash equivalents, beginning of year	202,353	345,469
Cash and cash equivalents, end of year	$ 790,877	$ 202,353
Represented by:		
Cash	$ 679,808	$ 95,402
Term deposit	111,069	106,951
	$ 790,877	$ 202,353

KEHILLAT BETH ISRAEL CONGREGATION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025

1. Purpose of the Congregation

Kehillat Beth Israel Congregation was incorporated without share capital under the Canada Not-for-profit Corporations Act and is a registered charity exempt from income taxes under the *Income Tax Act.* The primary purpose of the Congregation is to provide religious, spiritual, education, social and cultural services to adherents of the Jewish faith.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Purpose of the funds

The Operating fund reports the assets, liabilities, revenues and expenditures related to the general operations of the Congregation.

The Capital fund reports the assets, liabilities, revenue and expenditures related to the investment of the net proceeds arising from a predecessor Congregation's sale of capital assets, as well as the Congregation's capital assets situated at 1400 Coldrey Avenue.

The Special purpose funds report the assets, liabilities, revenue and expenditures of the externally and internally restricted funds of the Congregation.

Revenue recognition

The Congregation follows the restricted fund method of accounting for contributions. Restricted contributions related to particular funds are recognized as revenue in the relevant restricted fund. Restricted contributions for which there is no related restricted fund are deferred and recognized as revenue of the operating fund when the related restrictions have been met. Unrestricted contributions are recognized as revenues in the operating fund.

Donations in kind are recorded at fair value.

Annual dues, programs and kiddushim, and rental revenue are recognized over the terms of the periods as they become due, representative of the time pattern in which the benefits are utilized.

Investment revenue is recognized in accordance with the financial instruments accounting policy.

2. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents can include cash on hand, balances with financial institutions (net of temporary overdrafts) and short-term highly liquid investments. Cash and cash equivalents include amounts that are externally restricted as indicated in the statement of cash flows.

Financial instruments

Initial measurement

The Congregation 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 Congregation is in the capacity of management, are initially measured at cost.

Subsequent measurement

The Congregation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the net result for the year.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the writedown is recognized in the net result for the year.

Transaction costs

Transaction costs are recognized in the net result in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

Inventory

Inventory is valued at the lower of cost and net realizable value with cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of sale.

2. Significant accounting policies (continued)

Capital assets

Land is recorded at cost. The Congregation holds a collection of holy scrolls, prayer books and library related to the Jewish Faith. These assets are recorded at cost and no amortization has been recorded due to the permanent nature of these items. Amortization of depreciable capital assets are recorded at the following rates:

Computer hardware	5 years straight line
Computer software	5 years straight line
HVAC equipment	15 years straight line
Security equipment	20 years straight line
Vehicle	5 years straight line

As at June 30, 2025, property improvements were not completed. Accordingly, no amortization has been recorded on these assets.

Contributed services

Volunteers' contributed services are not recognized in the financial statements because of the difficulty in determining their fair value.

Cloud computing arrangements

The organization applies the simplification approach to account for its expenditures incurred in cloud computing arrangements, whereby such expenditures are treated as the supply of services and recognized as an expense as incurred.

Controlled not-for-profit organizations

The Congregation reports its controlled not-for-profit organization by providing disclosure of its total assets, liabilities and net assets at the reporting date and revenues, expenses and cash flows reported in the period. Details of any restrictions on the resources of the controlled organization and significant differences in accounting policies from those followed by the Congregation are also disclosed, where applicable.

2. Significant accounting policies (continued)

Use of estimates

The preparation of 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 as at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

3. Financial instruments

Risks and concentrations

The Congregation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Congregation's risk exposure and concentrations at June 30, 2025.

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 Congregation's main credit risks relate to its note receivable. The Congregation provides credit to its clients in the normal course of operations.

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 comprises three types of risk: currency risk, interest rate risk, and other price risk.

The Congregation is exposed to market risk on its investment in managed funds. The funds are held with an external organization to manage the investment holdings. The organization which holds the investments has adopted investment policies, standards, and procedures to control the amount of risk to which it is exposed.

3. Financial instruments (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Congregation is exposed to currency risk on its investment in foreign securities. The organization managing the Congregation's investments targets holding 32.5% of investment in foreign equities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Congregation is exposed to interest rate risk on its fixed rate term deposit and fixed income investments. The organization managing the Congregation's investments targets holding 27.5% of investments in fixed income securities and 5.0% in private debt.

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 interest rate risk or currency 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 Congregation is exposed to other price risk through its equity investments. The organization managing the Congregation's investments targets holding 47.5% of investment in equities and 20.0% in real assets.

KEHILLAT BETH ISRAEL CONGREGATION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2025

4. Capital assets

	Cost	2025 Accumulated Amortization	Net Book Value
Building, paving and fence	$ 1,192,187	$ 1,192,187	$ -
Computer hardware	22,475	18,350	4,125
Computer software	78,046	78,046	-
Holy scrolls, prayer books, library	62,386	-	62,386
HVAC equipment	64,645	8,619	56,026
Land	310,024	-	310,024
Property improvements	95,670	-	95,670
Security equipment	30,658	13,147	17,511
	$ 1,856,091	$ 1,310,349	$ 545,742

	Cost	2024 Accumulated Amortization	Net Book Value
Building, paving and fence	$ 1,192,187	$ 1,192,187	$ -
Computer hardware	22,475	14,643	7,832
Computer software	78,046	78,046	-
Holy scrolls, prayer books, library	62,386	-	62,386
HVAC equipment	64,645	4,310	60,335
Land	310,024	-	310,024
Security equipment	30,658	11,360	19,298
Vehicle	6,000	1,200	4,800
	$ 1,766,421	$ 1,301,746	$ 464,675

5. Due from controlled related entity

Ottawa Talmud Torah Afternoon School ("OTT") is an after school community-minded program designed to instill students with a firm sense of pride in their Jewish identities while making the Jewish heritage relevant to today's modern world.

OTT is incorporated without share capital. The Congregation is the sole member of OTT and appoints OTT's Board of Directors. As a result, OTT is controlled by the Congregation and the unaudited financial information of OTT is reported in accordance with the significant accounting policy related to Controlled not-for-profit organizations as outlined in note 2.

The balance due from OTT is non-interest bearing, with no specified terms of repayment, and is included in total liabilities below.

	June 30, 2025 (unaudited)	June 30, 2024 (unaudited)
Balance sheet		
Total assets	$ 184,601	$ 205,303
Total liabilities	$ 52,262	$ 58,111
Total net assets	132,339	147,192
Total liabilities and net assets	$ 184,601	$ 205,303
Income statement		
Total revenues	$ 131,309	$ 139,000
Total operating expenses	(146,162)	(153,270)
Net result for the year	$ (14,853)	$ (14,270)
Cash flows		
Cash flows from operating activities	$ (27,796)	$ (25,937)
Net change in cash for the year	$ (27,796)	$ (25,937)

6. Interfund advances

Interfund advances are non-interest bearing with no specified terms of repayment.

7. Note receivable

The note receivable is non-interest bearing with no specific due date. The note is secured by a mortgage on the property at 15 Chartwell Avenue.

8. Commitment

During the year, the Congregation began a project to improve the property surrounding the synagogue with a total estimated cost of approximately $1,477,000. As of June 30, 2025, the Congregation has incurred $95,670 of costs that have been recorded as an addition to capital assets. The remaining project costs of $1,381,330 are expected to be incurred in fiscal 2026.

9. Interfund transfer

During the year, the Congregation's Board of Directors approved a withdrawal from the investments of the capital fund to support the general operations of the Congregation.

10. Kosher Food Bank operations

The operations of the Kosher Food Bank are included in the special purpose funds on the statement of operations as follows:

	2025	2024
Revenue		
Donations	$ 190,589	$ 136,796
Investment income	4,119	4,576
Programs and Kiddushim	68,837	64,128
	263,545	205,500
Expenses		
Programs and Kiddushim	178,500	152,595
Salaries and benefits	42,298	39,255
	220,798	191,850
Net result for the year	$ 42,747	$ 13,650

11. Contingent liabilities

As of June 30, 2025, the Congregation has the following contingent liabilities:

- The Congregation is involved in a dispute regarding the termination of employment of a former employee. Neither the result of the dispute nor the finanical consequence can be determined at this time. As of June 30, 2025, no provision for a potential gain or loss has been recorded.

- Should the Congregation cease to operate as a Jewish religious entity, then the net assets of the Congregation shall be donated in full to the Ottawa Jewish Community Foundation.

12. The Jewish Memorial Gardens

At the discretion of the Board of Directors of The Jewish Memorial Gardens, any monies accumulated in The Jewish Memorial Gardens Capital Reserve Fund may be distributed to the member synagogues.

During the year, the Congregation received $ nil (2024 - $ 44,853) as a distribution from the fund. Any distributions received in the future will be recorded as other income in the fiscal year it is received.

13. Comparative figures

Certain 2024 comparative figures have been reclassified to conform with the presentation adopted in 2025.