

HOME ON THE HILL SUPPORTIVE HOUSING

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

UNAUDITED

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors of Home on the Hill Supportive Housing

We have reviewed the accompanying financial statements of Home on the Hill Supportive Housing, which comprise the statement of financial position as at June 30, 2021 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express an opinion on these financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements. Those standards require that we comply with ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Home on the Hill Supportive Housing as at June 30, 2021, 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.



CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION

AUTHORIZED TO PRACTICE PUBLIC ACCOUNTING BY THE
CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

Toronto, Canada
July 27, 2021

HOME ON THE HILL SUPPORTIVE HOUSING
(Incorporated under the Canada Not-for-Profit Corporations Act)

Statement of Financial Position

June 30, 2021

Unaudited

	2021	2020
ASSETS		
Current		
Cash	\$ 33,479	\$ 14,940
Grant receivable	3,275	-
HST recoverable	2,186	2,908
Prepaid expenses	5,498	6,312
	<u>44,438</u>	<u>24,160</u>
Equipment (Note 3)	<u>200</u>	<u>200</u>
	<u>\$ 44,638</u>	<u>\$ 24,360</u>

LIABILITIES		
Current		
Accounts payable and accrued charges	\$ 2,610	\$ 3,043
Deferred revenue (Note 6)	21,900	-
	<u>24,510</u>	<u>3,043</u>

NET ASSETS		
Unrestricted (Note 4)	<u>20,128</u>	<u>21,317</u>
	<u>\$ 44,638</u>	<u>\$ 24,360</u>


Approved on Behalf of The Board -Director

HOME ON THE HILL SUPPORTIVE HOUSING

Statement of Changes in Net Assets

Year Ended June 30, 2021

Unaudited

	Restricted	Unrestricted	2021 Total	2020 Total
Net Assets - beginning of year	\$ -	\$ 21,319	\$ 21,319	\$ 29,790
Excess of revenues over expenditures	-	(1,191)	(1,191)	(8,473)
Net Assets - end of year	\$ -	\$ 20,128	\$ 20,128	\$ 21,317

HOME ON THE HILL SUPPORTIVE HOUSING

Statement of Operations

Year Ended June 30, 2021

Unaudited

	2021	2020
Revenue		
Fundraising events	\$ 26,932	\$ 44,286
Government grants	55,716	1,929
Unrestricted donations	25,056	8,211
Rental income	33,100	9,540
	<u>140,804</u>	<u>63,966</u>
Expenditures		
Communication and education	1,254	7,140
Insurance	6,611	702
Occupancy costs	46,154	11,940
Office and general	855	825
Professional fees	1,403	1,500
Program support	60,354	30,556
Renovations to rental house	-	18,759
Salaries and benefits	25,364	931
Amortization	-	86
	<u>141,995</u>	<u>72,439</u>
Excess of Revenues over Expenditures	<u>\$ (1,191)</u>	<u>\$ (8,473)</u>

HOME ON THE HILL SUPPORTIVE HOUSING

Statement of Cash Flows

Year Ended June 30, 2021

Unaudited

	2021	2020
Cash Flows from Operating Activities		
Excess of revenues over expenditures	\$ (1,191)	\$ (8,473)
Amortization of property and equipment	-	86
Changes in non-cash working capital		
Grant receivable	(3,275)	372
HST receivable	722	(2,062)
Prepaid expenses	814	(5,132)
Accounts payable and accrued charges	(429)	2,863
Cash Flows from Operating Activities	(3,359)	(12,346)
Net Increase (Decrease) in Cash	18,541	(12,346)
Cash - beginning of year	14,938	27,284
Cash - end of year	\$ 33,479	\$ 14,938

HOME ON THE HILL SUPPORTIVE HOUSING

Notes to Financial Statements

Year Ended June 30, 2021

Unaudited

1. Nature of Organization

The Home On the Hill Supportive Housing (the "Charity") was incorporated under the Canada Not-for-Profit Corporations Act on August 2, 2011 in accordance with the laws of the Province of Ontario without share capital as a charitable organization. The purpose of the Charity is to support and educate people with mental illness in York Region.

The organization is a registered charity under the Income Tax Act (Canada) and is exempt from income taxes and is authorized to issue tax receipts for donations received.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO) in Part III of the CICA Handbook and include the following significant accounting policies:

a) Recognition of Revenue

The Charity follows the deferral method of accounting for donations. Donations containing conditions as to their use are deferred until the conditions are fulfilled. Donations not containing conditions as to their use are recorded in the period in which they are received since pledges are not legally enforceable claims. Unrestricted contributions, including fundraising, are recognized as revenue when initially recorded in the accounts. Investment income is recognized as it is earned. Investment income includes dividend and interest income, and realized and unrealized gains and losses.

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

b) Equipment and amortization

Equipment are recorded at acquisition cost, less accumulated amortization. Amortization is calculated using the following methods and annual rates:

Computer equipment	30%	Declining balance
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Additions during the year are amortized at one half the normal rate.

HOME ON THE HILL SUPPORTIVE HOUSING

Notes to Financial Statements

Year Ended June 30, 2021

Unaudited

Summary of Significant Accounting Policies (Cont'd)

c) Financial instruments

The organization's financial assets are comprised of cash and accounts receivable. Financial liabilities are comprised of accounts payable and accrued liabilities and loans payable.

The financial assets and liabilities are measured at amortized cost except for restricted cash. Restricted cash is measured at fair market value.

d) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles, 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 revenues and expenditures during the reporting period. Actual results could differ from those estimates.

e) Capital management

The Charity's objective is to have sufficient resources to continue operations in accordance with its mission. The need for sufficient resources is considered when preparing an annual budget and monitoring its cash flows. In addition, the Charity manages its capital primarily through its investments in marketable securities and adheres to its investment policies.

f) Financial instruments

The Charity derives a significant benefit from volunteer services. Since these services are not normally purchased by the Charity and due to the difficulty in determining their fair value, donated services are not recognized in these financial statements.

3. Equipment

Equipment consists of the following:

	2021			2020		
	Cost	Accumulated Amortization		Cost	Accumulated Amortization	
Computer equipment	\$ 2,018	\$ 1,818	\$	2,018	\$ 1,818	\$
Net carrying amount		<u>\$ 200</u>			<u>\$ 200</u>	

HOME ON THE HILL SUPPORTIVE HOUSING

Notes to Financial Statements

Year Ended June 30, 2021

Unaudited

4. Unrestricted fund

Donations received from various sources other than restricted for acquisition of supportive housing are unrestricted.

5. Restricted fund

Donations received for the acquisition of supportive housing are restricted.

6. Lease Commitments

Home on the Hill (HOH) rents a one bedroom apartment from York Region Housing at 10415 Yonge St, suite 215, Richmond Hill for \$995/month and sublets it to a client they support for \$800/month.

HOH also rents a 4 bedroom house at 21 Centre St East, Richmond Hill, from the Richmond Hill United Church for \$3000/month. The 4 tenants that are supported at this house each pay \$800/month for a total of \$3200/month. HOH also pays all other costs such as utilities and internet. The lease expires in August 2023.

7. Financial instruments

The Significant financial risks to which the company is exposed are interest rate risk, credit risk, and liquidity risk.

a) 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 Project is exposed to interest rate risk on its cash balances because the interest rate fluctuates with the prime rate.

b) Credit risk

Credit risk is the potential for financial loss should a counterparty in a transaction fail to meet its obligations. The Project is exposed to credit risk through accounts receivable.

c) Liquidity risk

Liquidity risk is the risk that the Project cannot meet a demand for cash to fund its obligations as they come due. The Institute monitors its cash balances and cash flows generated from operations to meet its requirements.