

HOME ON THE HILL SUPPORTIVE HOUSING

FINANCIAL STATEMENTS

JUNE 30, 2025

HOME ON THE HILL SUPPORTIVE HOUSING

JUNE 30, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of
Home on the Hill Supportive Housing

We have reviewed the statement of financial position of Home on the Hill Supportive Housing that comprise the statement of financial position as at June 30, 2025, and the operations and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management'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 a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant 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, 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.

M & Co. Chartered Professional Accountants LLP

Mississauga, Canada
November 24, 2025

M & Co. Chartered Professional Accountants LLP
Licensed Public Accountants

HOME ON THE HILL SUPPORTIVE HOUSING

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	2025	2024
ASSETS		
Current Assets		
Cash	\$ 15,453	\$ 164,757
Investments (Note 3)	100,000	-
Accrued interest	2,439	-
Grants receivable	-	2,236
GST recoverable	2,268	4,432
Prepaid expenses	6,414	6,345
	126,574	177,770
	\$ 126,574	\$ 177,770
LIABILITIES AND		
Current Liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ 13,678	\$ 10,465
Deferred grants (Note 5)	37,501	77,001
	51,179	87,466
Net Assets		
Unrestricted	5,395	20,304
Restricted (Note 6)	70,000	70,000
	75,395	90,304
	\$ 126,574	\$ 177,770

Approved on Behalf of the Board

Director

HOME ON THE HILL SUPPORTIVE HOUSING

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2025

	Restricted	Unrestricted	2025	2024
NET ASSETS, BEGINNING OF YEAR	70,000	20,304	90,304	85,267
(Deficiency) excess of revenues over expenses	-	(14,909)	(14,909)	5,037
NET ASSETS, END OF YEAR	\$ 70,000	\$ 5,395	\$ 75,395	\$ 90,304

HOME ON THE HILL SUPPORTIVE HOUSING

STATEMENT OF OPERATIONS RETAINED EARNINGS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
REVENUE		
Fundraising	\$ 136,247	\$ 127,162
Government grants	69,705	182,359
Donations	14,533	13,523
Foundation grants	11,500	500
Rental income	52,803	56,400
Other revenue	2,439	-
Total Revenue	287,227	379,944
OPERATING EXPENSES		
Salaries, wages and benefits	121,232	172,944
Occupancy costs	85,114	81,576
Program support	75,002	86,547
Insurance	12,276	10,323
Professional fees	5,620	8,300
Communication and education	2,387	4,890
Office and general	326	1,723
Repairs and maintenance	179	8,369
Bank charges and Interest	-	235
Total Operating Expenses	302,136	374,907
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	\$ (14,909)	\$ 5,037

The accompanying notes are an integral part of these financial statements

HOME ON THE HILL SUPPORTIVE HOUSING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(deficiency) Excess Of Revenues Over Expenses	\$ (14,909)	\$ 5,037
Changes in operating assets and liabilities		
Grants receivable	2,236	(2,236)
Accrued interest	(2,439)	-
Prepaid expenses	(69)	(537)
GST recoverable	2,164	894
Accounts payable and accrued liabilities	3,214	(4,410)
Deferred grants	(39,500)	(78,108)
Cash Flows Used In Operating Activities	(49,303)	(79,360)
Cash Flows Provided By Financing Activities	-	-
Cash Flow Provided By Investing Activities	-	-
NET DECREASE IN CASH	(49,303)	(79,360)
CASH, BEGINNING OF YEAR	164,757	244,117
CASH, END OF YEAR	\$ 115,454	\$ 164,757

HOME ON THE HILL SUPPORTIVE HOUSING

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

1. NATURE OF ORGANIZATION

Home on the Hill Supportive Housing (the "Organization") was incorporated under the Canada Not-for-Profit Corporations Act on August 2, 2022 in accordance with the laws of the Province of Ontario without share capital as a not-for-profit organization. The Organization is an urban planning and designing organization with an objective to work with local and municipal stakeholders to create a network of vibrant, safe, and people oriented laneways throughout the city of Toronto.

The Organization is a registered not-for-profit corporation under Section 149(1)(l) of the Income Tax Act (Canada) and is therefore exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Cash and Cash Equivalents

The Organization's policy is to present bank balances, including bank overdrafts when bank balances fluctuate frequently from being positive to overdrawn, and term deposits with a maturity period of three months or less from the date of acquisition, under cash and cash equivalents.

b) Contributed Services

Volunteers contribute services to assist the Organization in delivering its services. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

c) Financial Instruments

The Organization 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 Organization is in the capacity of management, are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

d) Capital assets

Capital assets are recorded as expenses in the year they are acquired.

HOME ON THE HILL SUPPORTIVE HOUSING

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Revenue Recognition

The Organization 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 they are 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 in the year.

Revenues from grants are recognized when collection is reasonably assured and terms of the grants have been met.

Revenues from fundraising and activities are recognized when such activities are held.

Revenue from donations are recognized when collected.

Rental income is recognized on a straight-line basis over the term of the lease.

Other income is recognized as revenue when earned, provided that the amount is measurable and collection is reasonably assured. The timing and method of recognition vary according to the nature of each income stream

f) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses for the periods covered. Actual results could differ from those estimates.

3. SHORT TERM INVESTMENTS

Short-term investments are comprised of investments in Guaranteed Investments Certificates (GICs). The Organization purchased a \$100,000 GIC on September 23, 2024 bearing interest at 3.18% per annum, maturing on September 23, 2025. The investment is recorded at cost, which approximates its fair value due to its short-term nature.

4. GOVERNMENT REMITTANCE PAYABLE

Accounts payable includes government remittances payable for employee and employer payroll source deductions in the amount of \$3,380.54.

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NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

5. DEFERRED GRANTS

Deferred grants represent unspent resources externally restricted for specific purposes. These grants are recognized as revenue in the year in which the related expenses are incurred or when the related conditions are fulfilled.

	2025	2024
Balance, beginning of year	\$ 77,001	\$ 155,109
Less: Amounts recognized in revenue in the year	(97,700)	(183,159)
Plus: Amounts received related to the following year	58,200	105,051
	<u>\$ 37,501</u>	<u>\$ 77,001</u>

6. RESTRICTED FUND

Donations received for a specified specific initiative are restricted. In 2025, the organization maintains \$70,000 in restricted contributions designated for the salary reserve. These funds are restricted for the specific purpose of covering employee salaries.

The organization primarily relies on grant funding to support its operations, including employee compensation. However, there are instances when grant funding is delayed or unavailable. To ensure continuity of operations and meet payroll obligations during such periods, the organization maintains a salary reserve

7. LEASE COMMITMENTS

The Organization rents a one bedroom apartment from York Region Housing at 10415 Yonge St, suite 215, Richmond Hill for \$1,108/month. There are no long-term lease commitments as of the current date due to the year-to-year nature of the agreement

The Organization also rents a four bedroom house at 21 Centre St East, Richmond Hill, from the Richmond Hill United Church for \$3,321/month. The Organization also pays all other costs such as utilities and internet. The lease expires in August 2027. Future annual rent increases, beginning on September 1, 2025, will occur on the anniversary of this renewal, and will be based on the Guidelines for Residential Rent Increases in Ontario

The Organization also rents 10825 Yonge St, as their main office for \$1,819/month. The lease expired on April 30, 2025 and now the organization rents the main office on a month-to-month basis as allowed by the landlord.

2026	40,656
2027	<u>41,472</u>
	<u>\$ 82,128</u>

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8. FINANCIAL INSTRUMENTS

Financial assets subsequently measured at amortized cost include cash and grant receivable. Financial liabilities measured at amortized cost include accounts payable and accrued charges.

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Company's risks exposure and concentration at June 30, 2025. There have been no changes to risk exposures from 2024.

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 Organization is exposed to interest rate risk cash balances because the interest rate fluctuates with the prime rate.

Liquidity Risk

Liquidity risk is the risk that an Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Organization manages its liquidity risk by monitoring its operating requirements to ensure financial resources are available. Funding is provided if necessary by the shareholder of the Organization.