

**HOME ON THE HILL SUPPORTIVE HOUSING**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**CONTENTS**

Independent Practitioner's Review Engagement Report	<b>1</b>
Statement of Financial Position	<b>2</b>
Statement of Changes in Net Assets	<b>3</b>
Statement of Operations	<b>4</b>
Statement of Cash Flows	<b>5</b>
Notes to Financial Statements	<b>6 - 9</b>

## 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, 2024 and the statement 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, 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.



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

Toronto, Canada  
October 10, 2024

# HOME ON THE HILL SUPPORTIVE HOUSING

## Statement of Financial Position

June 30, 2024

	2024	2023
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 164,757	\$ 244,117
Grant receivable	2,236	-
HST recoverable	4,432	5,326
Prepaid expenses	6,345	5,808
	<hr/>	<hr/>
	\$ 177,770	\$ 255,251
	<hr/>	<hr/>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued charges	\$ 10,465	\$ 14,875
Deferred grants (Note 4)	77,001	155,109
	<hr/>	<hr/>
	87,466	169,984
	<hr/>	<hr/>
<b>NET ASSETS</b>		
<b>Unrestricted</b>	20,304	50,267
<b>Restricted (Note 5)</b>	70,000	35,000
	<hr/>	<hr/>
	\$ 177,770	\$ 255,251
	<hr/>	<hr/>

Approved on Behalf of The Board -Director

# HOME ON THE HILL SUPPORTIVE HOUSING

## Statement of Changes in Net Assets

Year Ended June 30, 2024

	Restricted	Unrestricted	2024 Total	2023 Total
<b>Net Assets - beginning of year</b>	\$ 35,000	\$ 50,267	\$ 85,267	\$ 49,416
Excess of revenues over expenditures	-	5,037	5,037	35,851
Change in restricted assets	35,000	(35,000)	-	-
<b>Net Assets - end of year</b>	<b>\$ 70,000</b>	<b>\$ 20,304</b>	<b>\$ 90,304</b>	<b>\$ 85,267</b>

# HOME ON THE HILL SUPPORTIVE HOUSING

## Statement of Operations

Year Ended June 30, 2024

	2024	2023
<b>Revenue</b>		
Government grants	\$ 182,359	\$ 92,444
Fundraising	127,162	98,455
Donations	13,523	26,544
Foundation grants	500	17,850
Rental income	56,400	42,700
	<b>379,944</b>	<b>277,993</b>
<b>Expenditures</b>		
Salaries and benefits	172,944	86,632
Program support	86,547	56,294
Occupancy costs	81,576	69,559
Insurance	10,323	9,165
Repairs and maintenance	8,369	1,470
Professional fees	8,300	3,868
Communication and education	4,890	12,899
Office and general	1,723	1,542
Bank charges	235	713
	<b>374,907</b>	<b>242,142</b>
<b>Excess of Revenues over Expenditures</b>	<b>\$ 5,037</b>	<b>\$ 35,851</b>

# HOME ON THE HILL SUPPORTIVE HOUSING

## Statement of Cash Flows

Year Ended June 30, 2024

	2024	2023
<b>Cash Flows from Operating Activities</b>		
Excess of revenues over expenditures	\$ 5,037	\$ 35,851
	5,037	35,851
Changes in non-cash working capital		
Grant receivable	(2,236)	-
HST receivable	894	(3,566)
Prepaid expenses	(537)	(1,978)
Accounts payable and accrued charges	(4,410)	9,951
Deferred grants	(78,108)	130,017
<b>Cash Flows from Operating Activities</b>	<b>(79,360)</b>	<b>170,275</b>
<b>Net (Decrease) Increase in Cash</b>	<b>(79,360)</b>	<b>170,275</b>
<b>Cash - beginning of year</b>	<b>244,117</b>	<b>73,842</b>
<b>Cash - end of year</b>	<b>\$ 164,757</b>	<b>\$ 244,117</b>

# HOME ON THE HILL SUPPORTIVE HOUSING

## Notes to Financial Statements

Year Ended June 30, 2024

### 1. Nature of Organization

The Home on the Hill (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. 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) and include the following significant accounting policies:

#### a) Cash and Cash Equivalents

The Organization's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

#### b) Recognition of Revenue

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.

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

#### c) Capital Assets

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

# HOME ON THE HILL SUPPORTIVE HOUSING

## Notes to Financial Statements

Year Ended June 30, 2024

### Summary of Significant Accounting Policies (Cont'd)

#### d) Financial Instruments

The Organization initially measures its financial assets and financial liabilities originated or exchanged in arm's length transactions at fair value.

Financial assets and financial 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.

#### e) Contributed Services

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

#### f) 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.

### 3. Capital Assets Charged to the Statement of Operations

There were no costs of capital assets expensed to the statement of operations for the years' ended July 31, 2024 or 2023.

### 4. 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.

	2024	2023
Balance, beginning of year	\$ 155,109	\$ 25,088
Less: Amounts recognized in revenue in the year	(183,159)	(101,488)
Plus: Amounts received related to the following year	105,051	231,509
Balance, end of year	\$ 77,001	\$ 155,109

## HOME ON THE HILL SUPPORTIVE HOUSING

### Notes to Financial Statements

Year Ended June 30, 2024

#### 5. Restricted fund

Donations received for a specified specific initiative are restricted. In 2024, the organization contributed an additional \$35,000 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.

#### 6. Lease Commitments

The Organization rents a one bedroom apartment from York Region Housing at 10415 Yonge St, suite 215, Richmond Hill for \$1,081/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 expires in April 30, 2025, and they have an option to extend for another 2 years.

The Company is committed to lease obligations, with future minimal annual payments (exclusive of taxes, insurance, and maintenance costs) as follows:

2025	\$ 57,400
2026	40,656
2027	<u>41,472</u>
	<u>\$ 139,528</u>

## HOME ON THE HILL SUPPORTIVE HOUSING

### Notes to Financial Statements

Year Ended June 30, 2024

#### 7. 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 Significant financial risks to which the Organization is exposed are interest rate 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 Organization is exposed to interest rate risk cash balances because the interest rate fluctuates with the prime rate.

##### b) Liquidity risk

Liquidity risk is the risk that the Organization cannot meet a demand for cash to fund its obligations as they come due. The Organization is exposed to liquidity risk on its accounts payable and accrued charges. The Organization monitors its cash balances and cash flows generated from operations to meet its requirements.