



Financial Statements

West Neighbourhood House (formerly The St.
Christopher House)

March 31, 2025

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Independent Auditor's Report

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To the Directors of
West Neighbourhood House (formerly The St. Christopher House)

Opinion

We have audited the financial statements of West Neighbourhood House (formerly The St. Christopher House) (the "Organization"), which comprise the statement of financial position as at March 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 Organization as at March 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 ("ASNPO").

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 Organization 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 these financial statements in accordance with ASNPO, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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. 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 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 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 Organization'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 Organization'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 Organization 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.

Doane Grant Thornton LLP

Toronto, Canada
June 11, 2025

Chartered Professional Accountants
Licensed Public Accountants

West Neighbourhood House
(formerly The St. Christopher House)
Statement of Financial Position

As at March 31

2025

2024

Assets

Current

Cash	\$ 64,094	\$ 1,060,631
Short-term investments (Note 3)	453,850	853,358
Accounts receivable (Note 4)	<u>932,448</u>	<u>989,874</u>
	1,450,392	2,903,863

Due from St. Christopher House Community Endowment (Note 5)	757,830	485,184
Investments (Note 6)	3,693,524	3,275,772
Property and equipment (Note 7)	1,421,893	1,142,880
Intangible assets (Note 8)	<u>-</u>	<u>-</u>
	<u>\$ 7,323,639</u>	<u>\$ 7,807,699</u>

Liabilities

Current

Accounts payable and accrued liabilities (Note 4)	\$ 2,116,315	\$ 2,518,555
Deferred contributions (Note 9)	<u>546,576</u>	<u>996,867</u>
	2,662,891	3,515,422

Deferred capital contributions (Note 10)	<u>1,024,607</u>	<u>925,133</u>
	<u>3,687,498</u>	<u>4,440,555</u>

Net assets

General Fund	-	-
Internally Restricted Funds	<u>3,636,141</u>	<u>3,367,144</u>
	<u>3,636,141</u>	<u>3,367,144</u>
	<u>\$ 7,323,639</u>	<u>\$ 7,807,699</u>

Commitments (Note 11)

On behalf of the Board of Directors

 Director

 Director

West Neighbourhood House (formerly The St. Christopher House) Statement of Operations

Year ended March 31	2025	2024
Revenue		
Federal government (Note 12)	\$ 1,087,517	\$ 1,045,776
Provincial government (Note 12)	9,583,478	9,901,746
City of Toronto (Note 12)	1,169,778	1,162,791
United Way	1,472,774	815,120
Foundations (Note 5)	563,835	529,965
Program fees	2,488,807	1,722,106
Fundraising and donations	226,815	216,216
Amortization of deferred capital contributions (Note 10)	67,607	61,357
Investment income (Note 6)	114,169	120,485
	<u>16,774,780</u>	<u>15,575,562</u>
Expenses		
Salaries, wages and employee benefits	12,410,700	11,656,822
Purchased services	1,569,539	1,051,899
Building occupancy	669,375	684,431
Food services	660,891	489,651
Program	572,821	642,008
Office	432,507	518,509
Fundraising	129,327	117,380
Staff travel	91,257	87,041
Amortization	77,575	64,225
Staff development	80,319	93,754
Transportation	49,466	36,859
Recruitment and education	27,224	22,849
Communication and printing	11,020	14,964
	<u>16,782,021</u>	<u>15,480,392</u>
(Deficiency) excess of revenue over expenses before other items	(7,241)	95,170
Other items		
Realized gains on investments	342,970	7,341
Unrealized (losses) gains on investments	(66,732)	270,489
	<u>276,238</u>	<u>277,830</u>
Excess of revenue over expenses	<u>\$ 268,997</u>	<u>\$ 373,000</u>

See accompanying notes to the financial statements

West Neighbourhood House
(formerly The St. Christopher House)
Statement of Changes in Net Assets

Year ended March 31, 2025

	General Fund	Internally Restricted Funds	2025 Total	2024 Total
Net assets, beginning of year	\$ -	\$ 3,367,144	\$ 3,367,144	\$ 2,994,144
Excess of revenue over expenses	268,997	-	268,997	373,000
Transfer to support capital purchase	150,000	(150,000)	-	-
Transfer to internally restricted fund	<u>(418,997)</u>	<u>418,997</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ 3,636,141</u>	<u>\$ 3,636,141</u>	<u>\$ 3,367,144</u>

West Neighbourhood House (formerly The St. Christopher House) Statement of Cash Flows

Year ended March 31	2025	2024
Increase (decrease) in cash		
Operating		
Excess of revenue over expenses	\$ 268,997	\$ 373,000
Items not involving cash		
Amortization	77,575	64,225
Amortization of deferred capital contributions	(67,607)	(61,357)
Unrealized losses (gains) on investments	<u>66,732</u>	<u>(270,489)</u>
	345,697	105,379
Change in non-cash working capital items		
Accounts receivable	57,426	(30,553)
Due from St. Christopher House Community Endowment	(272,646)	(275,307)
Accounts payable and accrued liabilities	(402,240)	(117,331)
Deferred contributions	<u>(450,291)</u>	<u>275,339</u>
	<u>(722,054)</u>	<u>(42,473)</u>
Investing		
Realized gains on investments reinvested	(342,970)	(7,341)
Net change in investments	(141,514)	(65,274)
Net change in short-term investments	399,508	128,045
Purchase of property and equipment	(356,588)	(214,447)
Deferred capital contributions received or receivable	<u>167,081</u>	<u>227,000</u>
	<u>(274,483)</u>	<u>67,983</u>
(Decrease) increase in cash	(996,537)	25,510
Cash		
Beginning of year	<u>1,060,631</u>	<u>1,035,121</u>
End of year	<u>\$ 64,094</u>	<u>\$ 1,060,631</u>

See accompanying notes to the financial statements

West Neighbourhood House **(formerly The St. Christopher House)** **Notes to the Financial Statements**

March 31, 2025

1. Nature of organization

West Neighbourhood House (formerly The St. Christopher House) (the "Organization") is incorporated as a not-for-profit organization under the laws of Ontario under the Letters of Patent issued August 31, 1963. The Organization is a registered charity under the Income Tax Act (Canada) and accordingly is exempt from income taxes. The Organization provides programs and services to enable less advantaged individuals, families and groups in the community gain greater control over their lives and within their community.

On September 13, 2024, the Organization officially changed its name to West Neighbourhood House.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") as issued by the Canadian Accounting Standards Board. The financial statements include the following significant accounting policies.

Fund accounting

The accounts are maintained in accordance with the principles of fund accounting, whereby net assets of the Organization are classified for accounting and reporting purposes into funds to be used as determined by the Organization.

General Fund

The General Fund reflects amounts available for immediate use for the general purpose of the Organization. According to the Organization's policy, any surplus for the year in the General Fund is transferred to the Internally Restricted Funds and any deficit for the year is covered by a transfer from one of the Internally Restricted Funds as determined by the Board of Directors. As a result, the balance for the General Fund is \$Nil as at each year-end date.

Internally Restricted Funds

The Internally Restricted Funds include the amounts that have been formally set aside by the Organization to be used for specific purposes as approved by the Board of Directors.

Revenue recognition

The Organization follows the deferral method of accounting for contributions and grants. Unrestricted contributions and grants are recognized as revenue when received if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions and grants are recorded as deferred contributions when received and recognized as revenue when the related expenses are incurred.

Externally restricted contributions restricted for the purchase of property and equipment or intangible assets are deferred and amortized into revenue over the same term and on the same basis as the related property and equipment or intangible assets is amortized.

Program fees and investment income are accrued as earned. Investment income includes dividend and interest income.

West Neighbourhood House

(formerly The St. Christopher House)

Notes to the Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Donated services and materials

Volunteers make a substantial contribution of time each year to assist the Organization in carrying out its activities. Due to the difficulty in determining the fair value of such contributed services, they are not recognized in these financial statements. Donated materials received by way of gifts-in-kind are not recorded in the financial statements due to the difficulty in determining their fair value.

Property and equipment and intangible assets

Property and equipment and intangible assets purchased are recorded at cost. Amortization of property and equipment and intangible assets is calculated over their estimated useful lives on a straight-line basis at the following annual rates:

Buildings	5%
Furniture	25%
Automotive equipment	30%
Computer software	25%

Property and equipment and intangible assets are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument. The Organization's financial instruments are comprised of cash, investments accounts receivable, due from St. Christopher House Community Endowment, and accounts payable.

The Organization initially measures its financial assets and liabilities obtained in arm's length transactions at fair value and subsequently at amortized cost, with the exception of investments, which are subsequently measured at fair value. Realized and unrealized gains and losses on investments are recognized in the statement of operations in the year earned. Financial assets and liabilities in related party transactions are initially and subsequently measured at cost.

For financial assets measured at cost or amortized cost, the Organization regularly assesses whether there are any indications of impairment. Any impairment loss is recognized in the statement of operations.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess (deficiency) of revenue over expenses as appropriate in the fiscal year they become known.

West Neighbourhood House (formerly The St. Christopher House) Notes to the Financial Statements

March 31, 2025

3. Short-term investments

	<u>2025</u>	<u>2024</u>
Guaranteed investment certificate ("GIC")	\$ 453,850	\$ 400,000
Term deposit	<u>-</u>	<u>453,358</u>
	<u>\$ 453,850</u>	<u>\$ 853,358</u>

The GIC earns interest at an annual rate of 3.0% (2024 – 3.15%) and matures on November 13, 2025 (2024 - September 12, 2024) while the term deposit earned interest at an annual rate of 3.45% and matured on May 3, 2024.

4. Government remittances receivable and payable

Included in accounts receivable is \$384,664 (2024 - \$250,552) in government remittances receivable.

Included in accounts payable and accrued liabilities is \$81,407 (2024 - \$118,795) in payroll benefit remittances payable.

5. Related party transactions

The Organization is related to St. Christopher House Community Endowment (the "Community Endowment") through common management and purpose. The Community Endowment is an independent legal organization to the Organization with a separate Board of Directors.

The Organization receives annual donations from the Community Endowment, after approval by the Community Endowment's Board of Directors. During the year, a donation of \$250,490 (2024 - \$260,857) was receivable from the Community Endowment recorded in foundations revenue in the statement of operations. The donation has been made in line with the newly revised disbursement quota regulations by the Canada Revenue Agency.

The Organization also receives donations that actually belong to the Community Endowment. As a result, the due from St. Christopher House Community Endowment reflects the net receivable after accounting for the donations owed to the Community Endowment.

In fiscal 2025, the Organization has a receivable of \$757,830 (2024 - \$485,184) from the Community Endowment. The amounts are unsecured, due on demand and non-interest bearing.

West Neighbourhood House (formerly The St. Christopher House) Notes to the Financial Statements

March 31, 2025

6. Investments

Investments consist of pooled funds and cash and cash equivalents of the following:

	<u>2025</u>	<u>2024</u>
Global equities	\$ 1,450,023	\$ 1,328,977
Canadian equities	920,607	827,437
Fixed income	742,404	681,339
Alternative funds	427,734	434,999
Cash and cash equivalents	<u>152,756</u>	<u>3,020</u>
	<u>\$ 3,693,524</u>	<u>\$ 3,275,772</u>

Cash and cash equivalents consist of cash and bankers' acceptances held in the Organization's investment portfolio. As the intention is to hold these amounts for the long-term, they have been classified as such.

Investment income consists of the following:

	<u>2025</u>	<u>2024</u>
Interest income	\$ 76,856	\$ 75,775
Dividend income	<u>37,313</u>	<u>44,710</u>
	<u>\$ 114,169</u>	<u>\$ 120,485</u>

7. Property and equipment

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net</u>	<u>2024 Net</u>
Land	\$ 197,200	\$ -	\$ 197,200	\$ 197,200
Buildings	3,401,668	2,176,975	1,224,693	945,680
Furniture and equipment	160,859	160,859	-	-
Automotive equipment	<u>165,321</u>	<u>165,321</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,925,048</u>	<u>\$ 2,503,155</u>	<u>\$ 1,421,893</u>	<u>\$ 1,142,880</u>

Included in buildings is \$217,074 (2024 - \$145,419) of assets that are not yet in use. Amortization will commence on these assets once the asset is put into use.

8. Intangible assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net</u>	<u>2024 Net</u>
Computer software	\$ 91,526	\$ 91,526	\$ -	\$ -

West Neighbourhood House
(formerly The St. Christopher House)
Notes to the Financial Statements

March 31, 2025

9. Deferred contributions

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 996,867	\$ 721,528
Externally restricted contributions received	446,605	941,027
Deferred contributions recognized	<u>(896,896)</u>	<u>(665,688)</u>
Balance, end of year	<u>\$ 546,576</u>	<u>\$ 996,867</u>

10. Deferred capital contributions

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 925,133	\$ 759,490
Funds received or receivable restricted for capital items	167,081	227,000
Amortization of deferred capital contributions	<u>(67,607)</u>	<u>(61,357)</u>
Balance, end of year	<u>\$ 1,024,607</u>	<u>\$ 925,133</u>

Included in deferred capital contributions is \$33,816 (2024 - \$129,872) of funds received restricted for capital items that have yet to be spent.

11. Commitments

The Organization has entered into various agreements to lease office equipment until October 2028. The Organization is committed to the following future minimum lease payments.

2026	\$ 6,186
2027	6,186
2028	6,186
2029	3,093

West Neighbourhood House (formerly The St. Christopher House) Notes to the Financial Statements

March 31, 2025

12. Revenue from government sources

	<u>2025</u>	<u>2024</u>
Federal government		
Immigration, Refugees and Citizenship Canada	\$ 951,738	\$ 913,632
Employment and Social Development Canada	64,003	57,777
Public Health Agency of Canada	60,237	60,737
Canada Revenue Agency	<u>11,539</u>	<u>13,630</u>
	<u>\$ 1,087,517</u>	<u>\$ 1,045,776</u>
Provincial government		
Ministry of Health and Long-Term Care	\$ 8,215,089	\$ 7,926,976
Ministry of Labour, Immigration, Training and Skills Development	706,157	1,066,960
Ministry of Children, Community and Social Services	431,733	678,528
Ministry of Seniors and Accessibility	153,411	154,314
Ministry of Tourism, Culture and Sport	<u>77,088</u>	<u>74,968</u>
	<u>\$ 9,583,478</u>	<u>\$ 9,901,746</u>
City of Toronto		
Shelter, Support and Housing Administration	\$ 588,396	\$ 523,297
Social Development, Finance and Administration	368,236	421,112
Children's Services	200,662	192,990
Employment and Social Services	10,484	25,392
Miscellaneous	<u>2,000</u>	<u>-</u>
	<u>\$ 1,169,778</u>	<u>\$ 1,162,791</u>

13. Risks arising from financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments. The main risks to which the Organization's financial instruments are exposed are interest rate risk, credit risk, market risk and liquidity risk.

Interest rate risk

Interest rate risk is the risk 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 due to its investments. The interest rate risk is minimized as much as possible by external investment managers investing in a diversified portfolio.

West Neighbourhood House (formerly The St. Christopher House) Notes to the Financial Statements

March 31, 2025

13. Risks arising from financial instruments (continued)

Credit risk

Credit risk is the risk of financial loss occurring as a result of a counter party to a financial instrument failing to discharge an obligation or commitment that it has entered into with the Organization. The Organization's main credit risks relate to its accounts receivable and Due from St. Christopher House Community Endowment.

The Organization's credit risk is limited to its accounts receivable, reducing its exposure to credit risk by ensuring it only provides credit to worthy parties and creating an allowance for doubtful accounts when appropriate. As at March 31, 2025, the allowance for doubtful accounts is \$Nil (2024 - \$Nil).

Market risk

Market risk is the risk the fair value of a financial instrument will fluctuate because of changes in market prices. The Organization's investments are subject to market risk, which includes price risk arising from market volatility and the risk of loss of capital associated with these investments.

The Organization mitigates this risk by holding a diversified portfolio including global and Canadian equities as well as pooled funds. There is no significant concentration risk included in the portfolio.

Liquidity risk

Liquidity risk is the risk the Organization will encounter difficulty in raising funds to meet commitments associated to its financial liabilities. The Organization is exposed to liquidity risk mainly in respect to its accounts payable. The Organization manages its liquidity risk through regular monitoring of forecast and actual cash flows to ensure it has sufficient funds available to meet current and foreseeable financial obligations.

Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate due to changes in the rate of exchange between Canadian and foreign currencies. The Organization is exposed to currency risk mainly through its investments in pooled funds with underlying investments in global fixed income investments and equities. To manage this risk, the Organization follows an investment policy which requires a diversified portfolio meeting specific requirements.