

Street Haven at the Crossroads
Financial Statements
For the year ended March 31, 2024

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Independent Auditor's Report

To the Board of Directors of Street Haven at the Crossroads

Opinion

We have audited the financial statements of Street Haven at the Crossroads (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in fund balances 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, 2024 and its results of operations and its 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 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.

Other Matter

The financial statements for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on August 28, 2023.

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 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 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.



Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
September 23, 2024

Street Haven at the Crossroads
Statement of Financial Position

March 31

2024

2023

	General	Capital	Contingency Reserve	Total	Total
Assets					
Current					
Cash	\$ 995,007	\$ 56,255	\$ 156,304	\$ 1,207,566	\$ 1,314,473
Investments (Note 2)	3,276,576	510,849	1,952,833	5,740,258	3,097,875
Grants receivable	353,979	-	-	353,979	4,850
Rebates receivable	67,930	-	-	67,930	72,633
Interfund (payable)/receivable	128,382	(128,382)	-	-	-
Prepaid expenses	31,357	32,813	-	64,170	71,685
	<u>4,853,231</u>	<u>471,535</u>	<u>2,109,137</u>	<u>7,433,903</u>	<u>4,561,516</u>
Capital assets (Note 3)	<u>-</u>	<u>1,913,350</u>	<u>-</u>	<u>1,913,350</u>	<u>2,044,591</u>
	\$ 4,853,231	\$ 2,384,885	\$ 2,109,137	\$ 9,347,253	\$ 6,606,107
Liabilities and Fund Balances					
Current					
Accounts payable and accrued liabilities	\$ 2,348,687	\$ -	\$ -	\$ 2,348,687	\$ 291,677
Deferred revenue (Note 4)	269,067	-	-	269,067	327,854
Rent deposits	3,936	-	-	3,936	5,861
Current portion of mortgages payable (Note 5)	-	63,594	-	63,594	97,343
	<u>2,621,690</u>	<u>63,594</u>	<u>-</u>	<u>2,685,284</u>	<u>722,735</u>
Mortgages payable (Note 5)	<u>-</u>	<u>40,701</u>	<u>-</u>	<u>40,701</u>	<u>104,291</u>
	<u>2,621,690</u>	<u>104,295</u>	<u>-</u>	<u>2,725,985</u>	<u>827,026</u>
Fund balances					
Internally restricted	-	-	2,109,137	2,109,137	2,078,778
Externally restricted	-	25,377	-	25,377	25,377
Capital reserve fund (Note 7)	-	413,345	-	413,345	261,968
Invested in capital assets	-	1,841,868	-	1,841,868	1,882,332
Unrestricted	2,231,541	-	-	2,231,541	1,530,626
	<u>2,231,541</u>	<u>2,280,590</u>	<u>2,109,137</u>	<u>6,621,268</u>	<u>5,779,081</u>
	\$ 4,853,231	\$ 2,384,885	\$ 2,109,137	\$ 9,347,253	\$ 6,606,107

On behalf of the Board:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

Street Haven at the Crossroads
Statement of Changes in Fund Balances

For the year ended March 31

2024

2023

	General	Capital	Contingency Reserve	Total	Total
Balance, beginning of year	\$ 1,530,626	\$ 2,169,677	\$ 2,078,778	\$ 5,779,081	\$ 4,772,559
Excess (deficiency) of revenue over expenses for the year	900,917	(89,089)	30,359	842,187	1,006,522
Appropriation (Note 1)	(102,663)	102,663	-	-	-
Mortgage principal payments	(97,339)	97,339	-	-	-
Balance, end of year	\$ 2,231,541	\$ 2,280,590	\$ 2,109,137	\$ 6,621,268	\$ 5,779,081

The accompanying notes are an integral part of these financial statements.

Street Haven at the Crossroads Statement of Operations

For the year ended March 31

2024

2023

	General	Capital	Contingency Reserve	Total	Total
Revenue					
Government funding (Note 8)	\$ 4,619,461	\$ 128,272	\$ -	\$ 4,747,733	\$ 5,587,200
Donations and fundraising	459,399	-	-	459,399	278,348
Operating grants	637,676	-	-	637,676	356,872
Room and board	160,662	-	-	160,662	136,013
Interest and other income	187,861	28,322	30,359	246,542	99,467
	6,065,059	156,594	30,359	6,252,012	6,457,900
Expenses					
Amortization	-	230,216	-	230,216	263,523
Communications	25,462	-	-	25,462	45,606
Food and medication	381,839	-	-	381,839	297,397
Household operating and supplies	85,436	-	-	85,436	118,900
Insurance	54,001	-	-	54,001	34,423
Lease	158,067	6,562	-	164,629	126,373
Maintenance and design	115,615	-	-	115,615	77,328
Mortgage interest	2,628	-	-	2,628	3,654
Office and general	147,039	-	-	147,039	131,338
Professional services	260,344	-	-	260,344	168,251
Promotion	9,816	-	-	9,816	5,595
Realty taxes	20,098	-	-	20,098	19,276
Resident activity	57,133	-	-	57,133	29,269
Salaries and benefits	3,564,314	8,905	-	3,573,219	3,907,762
Staff development and recruitment	118,246	-	-	118,246	69,059
Transportation and travel	66,474	-	-	66,474	63,995
Utilities	97,630	-	-	97,630	89,629
	5,164,142	245,683	-	5,409,825	5,451,378
Excess (deficiency) of revenue over expenses for the year	\$ 900,917	\$ (89,089)	\$ 30,359	\$ 842,187	\$ 1,006,522

The accompanying notes are an integral part of these financial statements.

Street Haven at the Crossroads Statement of Cash Flows

For the year ended March 31	2024	2023
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 842,187	\$ 1,006,522
Adjustments required to reconcile excess of revenue over expenses with net cash provided by operating activities		
Amortization of capital assets	230,216	263,523
Changes in non-cash working capital balances		
Accounts receivable	(349,129)	21,735
Government grants and rebates receivable	4,703	107,238
Prepaid expenses	7,515	(4,856)
Accounts payable and accrued liabilities	2,057,010	(45,049)
Deferred revenue	(58,787)	245,592
Rent deposits	(1,925)	(2,468)
	2,731,790	1,592,237
Investing activities		
Purchase of capital assets	(98,975)	(173,546)
Purchase of investments, net	(2,642,383)	(1,101,737)
	(2,741,358)	(1,275,283)
Financing activity		
Mortgage principal repayments	(97,339)	(105,948)
Increase (decrease) in cash during the year	(106,907)	211,006
Cash, beginning of year	1,314,473	1,103,467
Cash, end of year	\$ 1,207,566	\$ 1,314,473

The accompanying notes are an integral part of these financial statements.

Street Haven at the Crossroads

Notes to Financial Statements

March 31, 2024

1. Summary of Significant Accounting Policies

Nature of Operations

Street Haven at the Crossroads (the "Organization") is incorporated in Ontario as a not-for-profit charitable organization without share capital. It was founded in 1965 to serve women in need in Toronto. The Organization's vision is to build an inclusive community that empowers women to grow and thrive. The Organization offers assistance to women coping with the effects of poverty, homelessness, unemployment, mental illness, substance abuse or physical or mental abuse, by such means as: accommodation, meals and clothing, health care, counselling and other social support services, and literacy and skills-related training.

The Organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Funds

The General Fund accounts for the Organization's operating activities. This fund reports the assets and liabilities of the Organization, and the unrestricted revenues, restricted operating revenues and expenses incurred in the Organization's operating activities.

The Capital Fund accounts for the Organization's capital activities. This includes the Organization's capital assets, assets restricted for capital use, liabilities incurred for capital use, and revenues restricted for capital use. The Ontario Ministry of Health approved an appropriation of funds to the Capital fund to be utilized for future capital expenditures.

The internally restricted Contingency Reserve Fund accounts for a contingency reserve for the Organization and requires Board of Director approval to withdraw funds for any purpose. Interest and other income earned on the assets of the Contingency Reserve Fund are reported in this fund.

Revenue Recognition

The Organization follows the restricted fund method of accounting for contributions, whereby:

- a) restricted contributions are reported as revenue in the appropriate restricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured, however, if no appropriate restricted fund is presented, then the restricted contribution is recognized as revenue of the General Fund in the year in which the related expenses are incurred; and
- b) unrestricted sources of revenue are recognized as revenue of the General Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government funding and operating grants are recorded in revenue in the year in which expenditures related to a particular program being funded are incurred. Government funding and operating grants restricted for capital use are recognized in revenue in the Capital fund when received or receivable if the amount to be received is readily determinable and collection is reasonably assured. Amounts received in advance are recorded as deferred revenue when no restricted fund exists for the revenue received.

Street Haven at the Crossroads

Notes to Financial Statements

March 31, 2024

1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (continued)

Donations and fundraising revenue are recorded in revenue in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations include those received as gifts in kind. Gifts in kind revenue during the year totaled \$33,004 (2023 - \$Nil).

Room and board revenue is recorded in the period to which it relates when the amount can be reasonably estimated and collection is reasonably assured.

Interest and other income is recorded in the period in which it is earned.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Buildings	5 - 40 years
Vehicles	5 years
Appliances and furnishings	5 years
HVAC and security systems	10 years

When tangible capital assets no longer contribute to the Organization's ability to provide services, or the future economic benefits or service potential of the tangible capital asset is less than its carrying value, the excess of its net carrying amount over its fair value or replacement cost is recognized as an expense in the statement of operations. The Organization did not recognize any impairment write downs for tangible capital assets in the current fiscal year.

Street Haven at the Crossroads Notes to Financial Statements

March 31, 2024

1. Summary of Significant Accounting Policies (Continued)

Donated and Volunteer Services

The value of donated materials received is not recorded in the accounts unless their value is readily determinable and unless the items would have been purchased had they not been donated. The work of the Organization relies on volunteers who contribute many hours per year to assist the Organization in carrying out its activities. Because these services are not normally purchased by the Organization, and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

2. Investments

Investments consist of guaranteed investment certificates maturing within one year, with interest rates ranging from 4.35% to 5.50% (2023 - 4.36% to 5.29%).

3. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 540,000	\$ -	\$ 540,000	\$ -
87 Pembroke St. Toronto - House	1,340,482	662,064	1,323,116	601,577
144 Roxborough St. W. Toronto - House	724,533	560,627	721,423	538,998
91 Pembroke St. Toronto - House	579,255	407,485	506,780	390,784
607 St. Clair Ave. W Toronto - Apartment Building	1,490,781	1,293,981	1,490,781	1,249,796
Appliances and furnishings	242,748	225,469	237,383	177,201
HVAC and security systems	389,473	244,296	388,813	205,349
Vehicles	32,405	32,405	32,405	32,405
	\$ 5,339,677	\$ 3,426,327	\$ 5,240,701	\$ 3,196,110
Net book value		\$ 1,913,350		\$ 2,044,591

Street Haven leases the land at 607 St. Clair Avenue West upon which it constructed an apartment building. Under the terms of the lease, the land and apartment building will revert to the lessor at the conclusion of the 40 year lease term in 2029.

Street Haven at the Crossroads Notes to Financial Statements

March 31, 2024

4. Deferred Revenue

	2024	2023
City of Toronto	\$ 50,000	\$ 227,854
Operating grants	219,067	100,000
	\$ 269,067	\$ 327,854

5. Mortgages Payable

Mortgages payable are composed of the following:

	2024	2023
1.72% CMHC mortgage due November 1, 2024 repayable at the rate of \$5,902 per month including principal and interest. The land and building at 607 St. Clair Avenue West, Toronto, are pledged as collateral	\$ 35,360	\$ 104,809
1.628% Scotiabank mortgage due April 1, 2026 repayable at the rate of \$2,429 per month including principal and interest. The land and building at 91 Pembroke Street, Toronto, are pledged as collateral	68,935	96,825
	104,295	201,634
Less: Current portion	(63,594)	(97,343)
Long-term portion	\$ 40,701	\$ 104,291

Principal payment due in the next two years are as follows:

2025		\$	63,594
2026			40,701
		\$	104,295

Street Haven at the Crossroads Notes to Financial Statements

March 31, 2024

6. Line of Credit

The Organization has a line of credit available up to a maximum of \$200,000, repayable on demand with interest payable monthly at the bank prime rate plus 1.00%. The line of credit is secured by a first collateral charge against the 87 Pembroke Street, Toronto, Ontario property. As at March 31, 2024, the Organization had no outstanding balance on the line of credit (2023 - \$Nil).

7. Capital Reserve Fund

Under the funding agreement with the Ministry of Health and Long-term Care, Street Haven is required to maintain a capital reserve fund for its portfolio of houses, which consists of the property at 144 Roxborough Street West, the 607 St. Clair Avenue West apartment building property and the property at 91 Pembroke Street. All capital expenditures must be funded from the Capital Fund and not the operating budget. All income earned by the cash and investments of the Capital Fund accrues to the fund.

The Ministry approved partial funding of the capital reserve fund through the capital reserve allowance.

The continuity of the fund is as follows:

	2024	2023
Balance, beginning of year	\$ 261,968	\$ 259,799
Add: Capital reserve funding	128,272	69,272
Investment income earned	28,322	2,950
Ministry of Health appropriation	102,663	-
Less: Capitalized expenditures	(98,975)	(63,685)
Administration fee	(8,905)	(6,368)
	\$ 413,345	\$ 261,968

These restricted funds are included in the Capital Fund Balance

The remaining externally restricted funds in the Capital Fund balance represent unspent contributions from other funders towards specific capital projects.

Street Haven at the Crossroads Notes to Financial Statements

March 31, 2024

8. Government Funding

Street Haven recognized government funding from the following sources.

	2024	2023
General operating:		
City of Toronto	\$ 2,943,649	\$ 3,696,169
Ontario Health	1,179,186	1,117,939
Ontario Ministry of Health and Long-term Care	192,500	426,360
Ministry of the Solicitor General	121,920	58,200
Ministry of Labour, Immigration, Training and Skills Development	92,717	119,672
Toronto Community Housing	79,578	85,240
Federal employment grant	9,911	14,348
	4,619,461	5,517,928
Capital:		
Ontario Ministry of Health and Long-term Care	128,272	69,272
	\$ 4,747,733	\$ 5,587,200

9. Financial Instrument Risks

Liquidity Risk

Liquidity risk is the risk that an entity 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 and mortgages payable. The Organization expects to meet its obligations as they come due primarily from cash flow from operations. If that is insufficient, the Organization has access to a line of credit (Note 6). This risk has not changed from the prior year.

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 Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable.

Periodically, the Organization assesses the collectibility of its accounts receivable and provides an allowance for doubtful accounts as appropriate. At March 31, 2024, the allowance for doubtful accounts was \$Nil (2023 - \$Nil). This risk has not changed from the prior year.

Street Haven at the Crossroads Notes to Financial Statements

March 31, 2024

9. Financial Instrument Risks (Continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on its investments.

The Organization is not exposed to interest rate risk on its mortgages payable because interest rates are fixed until the dates that the mortgages come due. This risk has not changed from the prior year.

10. Comparative Figures

Certain comparative figures have been reclassified to conform to the method of presentation adopted for the current year.