



Financial Statements

St. Catharines Mainstream Non-Profit Housing Project

March 31, 2020

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Independent Auditor's Report

To the Members of
St. Catharines Mainstream Non-Profit Housing Project

Qualified opinion

We have audited the financial statements of St. Catharines Mainstream Non-Profit Housing Project, which comprise the statement of financial position as at March 31, 2020, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, 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 qualified opinion

Note 1 describes the property, equipment and amortization accounting policy of St. Catharines Mainstream Non-Profit Housing Project. The original buildings, furniture and equipment were capitalized, and amortization taken in accordance with reporting policies as required with the Ministry of Municipal Affairs and Housing, and the Ministry of Children, Community and Social Services. Subsequent additions to the buildings and equipment are expensed in the year of acquisition. No amortization is taken on the building at 8 Avalon Place. Under Canadian accounting standards for not-for-profit organizations, all property and equipment should be capitalized and amortized over their estimated useful lives. Furthermore, the policy should be applied on a retroactive basis. The effects of not following Canadian accounting standards for not-for-profit organizations have not been determined on the statement of financial position as at March 31, 2020 and March 31, 2019 and on the statement of operations for the years ended March 31, 2020 and March 31, 2019.

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 of St. Catharines Mainstream Non-Profit Housing Project for the year ended March 31, 2019 were audited by Partridge Iggulden LLP Chartered Professional Accountants who expressed a qualified opinion on those financial statements, for the same reasons discussed above, on June 27, 2019. The partners and staff of Partridge Iggulden LLP joined Grant Thornton LLP subsequent to December 31, 2019.

Responsibilities of management and those charged with governance for the financial statements

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

Independent Auditor's Report (continued)

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.

Grant Thornton LLP

St. Catharines, Canada
September 16, 2020

Chartered Professional Accountants
Licensed Public Accountants

St. Catharines Mainstream Non-Profit Housing Project

Statement of Financial Position

March 31

2020

2019

Assets

Current

Cash	\$ 80,435	\$ 83,368
Bingo Fund cash	25,916	19,339
Accounts receivable	30,496	18,534
Sales tax recoverable	15,763	21,982
Prepaid expenses	10,150	9,912
Due from Homes for the Homeless Project	8,157	-
Supported Living Program current assets (Note 2)	81,846	63,302
Homes for the Homeless Project current assets (Note 3)	<u>38,998</u>	<u>47,085</u>
	291,761	263,522
 Replacement reserve funds on deposit	 40,680	 48,214
Homes for the Homeless Project property (Note 3)	123,719	123,719
Property and equipment - Project 3000 (Schedule 1)	<u>259,849</u>	<u>315,476</u>
	<u>\$ 716,009</u>	<u>\$ 750,931</u>

Liabilities

Current

Accounts payable and accrued liabilities (Note 5)	\$ 95,026	\$ 66,540
Deferred income	7,448	4,050
Due to Homes for the Homeless Project	-	4,661
Due to Supported Living Program	2,335	47,925
Due to Mainstream: An Unsheltered Workshop	46,778	17,764
Supported Living Program accounts payable (Note 2)	88,298	69,556
Current portion of mortgages payable - Project 3000 (Note 6)	<u>56,785</u>	<u>232,597</u>
	296,670	443,093
 Mortgages payable - Project 3000 (Note 6)	 <u>207,748</u>	 <u>87,563</u>
	<u>504,418</u>	<u>530,656</u>

Net assets (liabilities)

Operating Fund	(11,270)	(11,828)
Replacement Reserve Fund	40,680	48,214
Homes for the Homeless Project Fund	162,717	170,804
Supported Living Program Fund	(6,452)	(6,254)
Bingo Fund	<u>25,916</u>	<u>19,339</u>
	<u>211,591</u>	<u>220,275</u>
	<u>\$ 716,009</u>	<u>\$ 750,931</u>

Subsequent events (Note 9)

On behalf of the board

_____ Director _____ Director

St. Catharines Mainstream Non-Profit Housing Project

Statement of Operations

Year ended March 31

2020

2019

Revenue

Ministry of Children, Community and Social Services		
Operating	\$ 2,047,017	\$ 2,013,380
Minor capital	7,000	19,281
MCCSS Modernization Grant	104,356	157,240
Employment and Social Development Canada	11,150	10,865
Client-resident income	275,265	257,010
Other income	3,105	16,978
Rental income	52,826	51,059
Bingo fundraising	13,629	7,685
	2,514,348	2,533,498

Expenditures

Advertising/memberships	2,000	4,350
Agency governance costs	295	134
Amortization	55,627	54,587
Bank charges	4,371	4,273
Capital expenditures		
Minor	12,279	30,210
Fire renovations	-	13,039
Equipment/Other	9,553	12,759
Capital reserve allowance	6,369	6,369
Comfort allowances	22,499	21,723
Consulting fees	78	3,522
Groceries	43,398	40,034
Insurance	24,182	25,278
Interest on long-term debt	6,246	6,998
Municipal taxes	31,375	30,633
Office, program supplies and stipends	51,932	53,743
Professional fees	9,500	6,500
Purchased services	73,666	150,260
Occupancy costs	107,118	99,756
Repairs and maintenance	42,428	17,875
Salaries and benefits	1,957,857	1,899,361
Staff training	7,923	10,078
Travel and communications	22,966	22,847
Utilities	30,696	32,441
	2,522,358	2,546,770

Excess (deficiency) of revenue over expenditures

	\$ (8,010)	\$ (13,272)
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The allocation of the excess (deficiency) of revenue over expenditures in the various funds is as follows:

Operating Fund		
- Project 3000	\$ 18	\$ (12,999)
- Supportive Independent Living Program	59	-
- Community Participation Strategic Alliance Program	-	(219)
Homes for the Homeless Project Fund	(8,087)	(67)
Supported Living Program Fund	-	13
	\$ (8,010)	\$ (13,272)

St. Catharines Mainstream Non-Profit Housing Project

Statement of Changes in Net Assets

Year ended March 31

2020

2019

Operating Fund

Project 3000

Balance (deficit), beginning of year	\$ (18,099)	\$ (5,100)
Excess (deficiency) of revenue over expenditures	18	(12,999)
Recovery of prior year's subsidy	<u>729</u>	<u>-</u>
Balance (deficit), end of year	<u>(17,352)</u>	<u>(18,099)</u>

Supportive Independent Living Program

Balance, beginning of year	6,271	6,490
Excess of revenue over expenditures	59	-
Community Participation Strategic Alliance	-	(219)
Repayment of prior year's subsidy	<u>(248)</u>	<u>-</u>
Balance, end of year	<u>6,082</u>	<u>6,271</u>

Operating Fund balance (deficit)	<u>\$ (11,270)</u>	<u>\$ (11,828)</u>
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Replacement Reserve Fund

Balance, beginning of year	\$ 48,214	\$ 44,881
Allocation from Project 3000	6,369	6,369
Interest earned	1,321	1,002
Expenditures	<u>(15,224)</u>	<u>(4,038)</u>
Balance, end of year	<u>\$ 40,680</u>	<u>\$ 48,214</u>

Homes for the Homeless Project Fund (Avalon)

Balance, beginning of year	\$ 170,804	\$ 170,871
Excess (deficiency) of revenue over expenditures	<u>(8,087)</u>	<u>(67)</u>
Balance, end of year	<u>\$ 162,717</u>	<u>\$ 170,804</u>

Supported Living Program Fund

Balance (deficit), beginning of year	\$ (6,254)	\$ (6,267)
Excess of revenue over expenditures	-	13
Repayment of prior year's subsidy	<u>(198)</u>	<u>-</u>
Balance (deficit), end of year	<u>\$ (6,452)</u>	<u>\$ (6,254)</u>

Bingo Fund

Receipts for year	\$ 20,206	\$ 16,031
Transfer to Supportive Independent Living Program	-	(2,058)
Transfer to Supported Living Program	<u>(13,629)</u>	<u>(5,627)</u>
Net receipts	6,577	8,346
Balance, beginning of year	<u>19,339</u>	<u>10,993</u>
Balance, end of year	<u>\$ 25,916</u>	<u>\$ 19,339</u>

St. Catharines Mainstream Non-Profit Housing Project Statement of Cash Flows

Year ended March 31

2020

2019

Increase (decrease) in cash

Operating

Excess (deficiency) of expenditures over revenue - Operating Fund	\$	77	\$	(13,218)
Add amortization not affecting cash		55,627		54,587
Less prior year subsidy recovery		<u>481</u>		<u>-</u>
		56,185		41,369
Effects on cash from changes in operating assets and liabilities				
Accounts receivable		(11,962)		93
Sales tax recoverable		6,219		(16,175)
Prepaid expenses		(238)		222
Accounts payable and accrued liabilities		28,486		13,981
Deferred income		3,398		(29,306)
Due to Supported Living Program		(45,590)		(9,985)
Due to Mainstream: An Unsheltered Workshop		29,014		5,410
Due to/from Homes for the Homeless Project		<u>(12,818)</u>		<u>1,159</u>
		52,694		6,768

Financing

Repayment of mortgages payable		<u>(55,627)</u>		<u>(54,587)</u>
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Increase (decrease) in cash

(2,933)

(47,819)

Cash

Beginning of year		<u>83,368</u>		<u>131,187</u>
End of year	\$	<u>80,435</u>	\$	<u>83,368</u>

St. Catharines Mainstream Non-Profit Housing Project

Notes to the Financial Statements

Year ended March 31, 2020

General

St. Catharines Mainstream Non-Profit Housing Project was incorporated to provide residential accommodation and incidental facilities for persons who have a developmental difference and of low income. The Organization was granted charitable status on June 26, 2009.

The Operating Fund consists of the Project 3000 housing project which commenced operations on October 1, 1988, and the Supportive Independent Living Program which offers affordable housing to borderline or mildly developmental difference individuals and assists them in acquiring the skills necessary to develop their potential as individuals in the community.

Homes For The Homeless Project provides permanent affordable housing for individuals with a primary concern of a borderline or mildly developmental difference and a secondary concern of substance abuse. It provides assistance in acquiring the skills necessary to develop their potential in the community. The Homes for the Homeless Project Fund represents the initial forgivable interest-free loan received from the Ontario Ministry of Municipal Affairs and Housing and net revenue or expenses from operations under the Homes For The Homeless Project.

Geneva, Shoreline, and Rykert residences provide Supported Living Programs for adults with a developmental difference with an emphasis on life enhancement and leisure activities. This program is designed for individuals with a developmental difference over the age of forty-five.

The Replacement Reserve Fund is to be used for the replacement of equipment, fixtures and renovations of homes owned by the corporation.

1. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

Revenue recognition

Government funding is recognized in the year to which the approved budget relates. Subsequent adjustment by the government, if any, based on their review of actual expenses versus the approved budget will be reflected by the Organization in the year of adjustment to the statement of operations.

Other income is reported in the period it relates to.

The Organization uses the deferral method of accounting for its revenue contributions, in which restricted contributions related to expenditures of future periods are deferred and recognized as revenue in the period in which the related expenditures are incurred. Funding received to operate specific projects is recognized in the period the project expenses are incurred.

Contributions related to the purchase of fixed assets are recognized as revenue in the period in which the fixed asset is expensed or amortized.

Revenue and expenditures are recorded based on the accrual method of accounting.

Property, equipment and amortization

Property and equipment are stated at cost. The original buildings, furniture and equipment were acquired and financed in accordance with an agreement with the Ontario Ministry of Municipal Affairs and Housing which dictates that amortization is taken only to the extent of principal repaid on the financing.

Subsequent additions to the buildings and equipment are expensed in the year of acquisition.

No amortization is taken on the building at 8 Avalon Place, St. Catharines, since the property was acquired from funds provided by a forgivable loan issued by the Ontario Ministry of Municipal Affairs and Housing.

St. Catharines Mainstream Non-Profit Housing Project

Notes to the Financial Statements

Year ended March 31, 2020

1. Significant accounting policies (continued)

Start-up costs

All costs associated with the start-up of a new program are funded through operating grants from the Ministry of Community and Social Services and are expensed in the year incurred.

Financial instruments

The Organization's financial instruments consist of cash, subsidy and other receivables, funds on deposit, accounts payable and accrued liabilities, deferred income, due to related parties, due to other programs, and mortgages payable.

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

When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Estimates

The preparation of financial statements 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 revenue and expenses during the reporting period. The main estimates include the fair value of assets acquired, liabilities assumed, collectability of accounts receivable, and the useful life of property and equipment. Actual results could differ from those estimates.

2. Supported Living Program

The Supported Living Program is funded by the Ministry of Community and Social Services. The net assets (liabilities) of the program are as follows:

	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ 73,702	\$ 9,941
Prepaid expenses	5,809	5,436
Due from Operating Fund	<u>2,335</u>	<u>47,925</u>
Total current assets	<u>81,846</u>	63,302
Accounts payable	<u>(88,298)</u>	<u>(69,556)</u>
Net assets (liabilities)	<u>\$ (6,452)</u>	<u>\$ (6,254)</u>

St. Catharines Mainstream Non-Profit Housing Project

Notes to the Financial Statements

Year ended March 31, 2020

3. Homes for the Homeless Project

The net assets of the Home for the Homeless project are as follows:

	<u>2020</u>	<u>2019</u>
Cash	\$ 20,373	\$ 31,666
Replacement reserve cash	11,356	11,052
Accounts receivable	16,613	-
Due from (due to) Operating Fund	(8,157)	4,661
Prepaid expense	546	531
Accounts payable	<u>(1,733)</u>	<u>(825)</u>
Net current assets	38,998	47,085
Land and building - 8 Avalon Place, St. Catharines	<u>123,719</u>	<u>123,719</u>
Net assets	<u>\$ 162,717</u>	<u>\$ 170,804</u>

4. Bank indebtedness

The Organization has an authorized line of credit in the amount of \$100,000. Interest is charged at prime plus 2.0% and is secured by a general security agreement over all personal property of the Organization.

5. Accounts payable and accrued liabilities

	<u>2020</u>	<u>2019</u>
Trade payables	\$ 36,271	\$ 15,978
Accrued wages	52,505	43,137
Accrued utilities	5,341	5,754
Other accrued expenses	<u>909</u>	<u>1,671</u>
	<u>\$ 95,026</u>	<u>\$ 66,540</u>

St. Catharines Mainstream Non-Profit Housing Project

Notes to the Financial Statements

Year ended March 31, 2020

6. Mortgages payable - Project 3000

	2020	2019
Royal Bank of Canada, mortgage payable, repayable in monthly instalments of \$ 4,336 including interest calculated at 2.89%, due October 1, 2023, secured by rental properties	\$ 176,968	\$ 223,484
Canada Mortgage and Housing Corporation, mortgage payable, repayable in monthly instalments of \$ 845 including interest calculated at 1.11%, due April 1, 2021, secured by rental properties	87,565	96,676
	264,533	320,160
Less: current portion of mortgages payable	56,785	232,597
	\$ 207,748	\$ 87,563
Estimated principal repayments over the next four years are as follows:		
Year ending March 31, 2021	\$ 56,785	
2022	127,305	
2023	50,380	
2024	30,063	
	\$ 264,533	

7. Financial risks

The significant financial risks to which the Organization is exposed are credit risk, interest rate risk and liquidity risk. There have been no changes to risk exposures from prior year.

Credit risk exposure

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge the obligation. The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. These accounts are generally rent and program fees settled monthly and the Organization does not anticipate any significant loss for non-performance.

Interest rate risk exposure

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 currently holds long-term debt that accrues interest at fixed rates and are renewable in 2021 and 2023.

Liquidity risk exposure

Liquidity risk is the risk that the Organization will not be able to meet its obligations associated with financial liabilities. Operating funding from the Ministry provides funding for the Organization's various programs. Management believes that annual budgeted cash flows are sufficient to meet its current operating liabilities.

St. Catharines Mainstream Non-Profit Housing Project

Notes to the Financial Statements

Year ended March 31, 2020

8. Comparative figures

Comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

9. Subsequent events

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

Although the COVID-19 pandemic commenced during the Organization's fiscal period, the Organization did not experience a significant impact on its operations during this period as it continued to receive provincial funding for its programs and delivered these programs within budget for the fiscal period ending March 31, 2020.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

St. Catharines Mainstream Non-Profit Housing Project Property and Equipment - Project 3000

Year ended March 31, 2020

	4 Mildred Avenue	174 Lake Street	15 Verdun Avenue	626 Geneva Street	71 Lafayette Drive	12 Shoreline Drive	33 Fawell Avenue	212 Rykert Street	2020 Total	2019 Total
Property acquisition										
Cost	77,695	73,115	85,685	134,638	111,460	133,627	123,431	71,661	811,312	811,312
Building additions										
Renovation	15,494	18,474	4,577	1,494	4,447	5,940	24,749	127,932	203,107	203,107
Stove and fridges	1,312	1,327	1,327	1,342	1,342	1,754	3,158	1,597	13,159	13,159
Laundry equipment	1,263	1,264	1,264	1,264	1,264	1,264	1,264	1,004	9,851	9,851
Furniture	3,856	3,634	4,574	5,530	3,910	4,072	6,307	13,435	45,318	45,318
	21,925	24,699	11,742	9,630	10,963	13,030	35,478	143,968	271,435	271,435
Total allocated costs	99,620	97,814	97,427	144,268	122,423	146,657	158,909	215,629	1,082,747	1,082,747
Other capitalized costs										
Fees & insurance	2,952	2,953	2,953	2,953	2,953	2,953	3,049	11,176	31,942	31,942
Total capital costs	102,572	100,767	100,380	147,221	125,376	149,610	161,958	226,805	1,114,689	1,114,689
Less: accumulated amortization	82,257	80,808	80,498	118,061	100,543	119,977	129,879	142,817	854,840	799,213
Net book value	\$ 20,315	\$ 19,959	\$ 19,882	\$ 29,160	\$ 24,833	\$ 29,633	\$ 32,079	\$ 83,988	\$ 259,849	\$ 315,476

**Report of the Independent Auditor on the
Supplementary Financial Information**

To the Members of
St. Catharines Mainstream Non-Profit Housing Project

Opinion

The supplemental financial information, which comprise the statement of revenue and expenditures by program, are derived from the audited financial statements of St. Catharines Mainstream Non-Profit Housing Project (the Organization) for the year ended March 31, 2020.

In our opinion, the accompanying supplementary financial information is a fair summary of the audited financial statements.

Emphasis on Matter

The supplemental financial information includes budgeted figures which have not been audited.

Supplementary financial information

The supplementary financial information does not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the supplemental financial information is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed a qualified audit opinion on the audited financial statements in our report dated September 16, 2020. The basis for our qualified opinion was the Organization follows the accounting policies of expensing fixed assets in the year acquired and recognizing funding designated for fixed assets as income in the year received. Canadian accounting standards for not-for-profit organizations require that property and equipment should be capitalized and amortized over their estimated useful lives, and the funding designated for property and equipment be deferred and recognized as income over the estimated useful lives of the related assets.

Management's responsibility for the supplementary financial information

Management is responsible for the preparation of the supplementary financial information.

Auditor's responsibility

Our responsibility is to express an opinion on whether the supplementary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian generally accepted auditing standards.

St. Catharines, Canada
September 16, 2020

Grant Thornton LLP
Chartered Professional Accountants
Licensed Public Accountants

St. Catharines Mainstream Non-Profit Housing Project Project 3000

Year ended March 31

2020

2019

Revenue

Ministry of Children, Community and Social Services	\$ 152,054	\$ 151,891
Rental income	<u>40,898</u>	<u>37,752</u>
	<u>192,952</u>	<u>189,643</u>

Expenditures

Amortization	55,627	54,587
Capital reserve allowance	6,369	6,369
Insurance	8,726	8,713
Interest on long-term debt	6,246	6,998
Municipal taxes	28,233	27,561
Office, program supplies and stipends	1,328	1,399
Professional fees	3,000	3,000
Occupancy costs	4,200	4,200
Repairs and maintenance	14,932	16,458
Salaries and benefits	32,258	39,115
Travel and telephone	4,599	4,585
Utilities	<u>27,416</u>	<u>29,657</u>
	<u>192,934</u>	<u>202,642</u>

Excess (deficiency) of revenue over expenditures

<u>\$ 18</u>	<u>\$ (12,999)</u>
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St. Catharines Mainstream Non-Profit Housing Project Supportive Independent Living Program

Year ended March 31	2020	2019
Revenue		
Ministry of Children, Community and Social Services	\$ 583,341	\$ 583,341
Social Housing Infrastructure Funding - Minor capital	7,000	-
Employment and Social Development Canada	11,150	10,865
Client - resident income	32,515	25,294
Donations	997	200
Other income	1,804	3,379
Bingo fundraising	-	2,058
	636,807	625,137
Expenditures		
Advertising/memberships	2,000	4,023
Agency governance costs	102	91
Bank charges	1,731	1,874
Capital expenditures	12,453	4,380
Consulting fees	-	1,893
Insurance	6,312	6,333
Office, program supplies and stipends	7,560	6,756
Professional fees	3,500	1,500
Purchased services	5,516	-
Occupancy costs	31,893	24,948
Salaries and benefits	555,390	558,339
Staff training	2,590	4,530
Travel and telephone	7,701	10,470
	636,748	625,137
Excess of revenue over expenditures	\$ 59	\$ -

St. Catharines Mainstream Non-Profit Housing Project
Homes for the Homeless Project

Year ended March 31

2020**2019****Revenue**

Rental income	\$ 11,928	\$ 13,307
Other income	<u>304</u>	<u>190</u>
	<u>12,232</u>	<u>13,497</u>

Expenditures

Bank charges	59	60
Capital expenditures	125	5,353
Insurance	804	795
Municipal taxes	3,142	3,072
Professional fees	1,000	-
Repairs and maintenance	11,909	1,417
Salaries and benefits	-	225
Utilities	<u>3,280</u>	<u>2,642</u>
	<u>20,319</u>	<u>13,564</u>

Excess (deficiency) of revenue over expenditures**\$ (8,087)****\$ (67)**

St. Catharines Mainstream Non-Profit Housing Project Supported Living Project

Year ended March 31

2020

2019

Revenue

Ministry of Children, Community and Social Services		
Operating	\$ 1,311,622	\$ 1,278,148
Social Housing Infrastructure Funding - Minor capital	-	19,281
Client - resident income	242,750	231,716
Other income	-	13,209
Bingo fundraising	13,629	5,626
	<u>1,568,001</u>	<u>1,547,980</u>

Expenditures

Advertising/memberships	-	327
Agency governance costs	193	43
Bank charges	2,580	2,338
Capital expenditures		
Social Infrastructure	2,853	19,254
Renovations	-	5,603
Fire renovations	-	13,039
Equipment / Other	2,663	8,379
Comfort allowances	22,499	21,723
Consulting fees	78	1,629
Groceries	43,398	40,034
Insurance	8,340	9,438
Office, program supplies and stipends	40,578	44,699
Professional fees	2,000	2,000
Purchased services	-	6,437
Occupancy costs	71,025	70,608
Repairs and maintenance	15,587	-
Salaries and benefits	1,340,207	1,289,135
Staff training	5,334	5,548
Travel and communications	10,666	7,733
	<u>1,568,001</u>	<u>1,547,967</u>

Excess of revenue over expenditures

\$ -

\$ 13

**St. Catharines Mainstream Non-Profit Housing Project
Community Participation Strategic Alliance**

Year ended March 31

2020**2019****Revenue**

Ministry of Children, Community and Social Services	<u>\$ 104,356</u>	<u>\$ 157,240</u>
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Expenditures

Capital expenditures	3,738	-
Office, program supplies and stipends	2,466	1,027
Purchased services	68,150	143,823
Salaries and benefits	30,002	12,549
Travel and telephone	-	60
	<u>104,356</u>	<u>157,459</u>

Excess (deficiency) of revenue over expenditures

	<u>\$ -</u>	<u>\$ (219)</u>
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