Financial statements of

CHRISTIE REFUGEE WELCOME CENTRE INC.

December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
CHRISTIE REFUGEE WELCOME CENTRE INC.

Opinion

We have audited the financial statements of Christie Refugee Welcome Centre Inc. ("the Centre"), which comprise the statement of financial position as at December 31, 2024, and the statements of revenue and expense, 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 Centre as at December 31, 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.

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 Centre 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 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.

In preparing the financial statements, management is responsible for assessing the Centre’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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre’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 Centre'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 doubt on the Centre'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 Centre 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.

TORONTO, Ontario
April 7, 2025

Licensed Public Accountants

CHRISTIE REFUGEE WELCOME CENTRE INC.
Statement of Financial Position

As at December 31,	2024	2023
Assets		
Current		
Cash (note 3)	$ **958,689**	$ 1,184,874
Contributions receivable	**299,973**	
Public service bodies' rebate receivable	**29,498**	30,118
Prepaid expenses	**16,848**	3,883
	1,305,008	1,218,875
Capital assets (note 4)	**1,802,849**	1,974,355
	$ **3,107,857**	$ 3,193,230
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	$ **202,016**	$ 178,662
Deferred contributions (note 6)	**308,427**	447,070
	510,443	625,732
Deferred capital contributions (note 7)	**402,373**	533,910
	912,816	1,159,642
Net assets		
Net investment in capital assets (note 8)	**1,400,476**	1,455,244
Internally restricted (note 9)	**380,000**	230,000
Unrestricted	**414,565**	348,344
	2,195,041	2,033,588
	$ **3,107,857**	$ 3,193,230

Commitments (note 5)

See accompanying notes to financial statements.

On behalf of the Board of Directors:

_______________ Director

_______________ Director

CHRISTIE REFUGEE WELCOME CENTRE INC.
Statement of Revenue and Expense

Year ended December 31,		**2024**		2023 (note 14)
Revenue				
City of Toronto:				
Per diem allowance	**$**	**2,038,037**	$	1,925,888
Housing Help Funding		**148,646**		145,731
Anchor House Funding		**100,566**		-
Confronting Anti-Black Racism Funding		**7,658**		-
		2,294,907		2,071,619
Grants from Government of Ontario		**568,881**		508,906
Grants from foundations and others		**366,027**		424,051
Donations from the public and other charities		**175,523**		211,264
Interest and other income		**53,681**		38,332
Grants from Government of Canada		**10,280**		9,134
		3,469,299		3,263,306
Expense				
Salaries and benefits (note 10)		**2,203,242**		2,087,859
Materials and services		**322,426**		268,854
Client needs		**262,020**		194,044
Food services		**200,821**		184,256
Building maintenance and services		**91,127**		70,375
Utilities		**68,309**		61,053
Insurance		**33,721**		34,612
Transportation and communication		**16,334**		27,049
Interest and bank charges		**2,593**		4,095
		3,200,593		2,932,197
Excess of revenue over expense for the year before undernoted items		**268,706**		331,109
Amortization of deferred capital contributions		**75,237**		73,978
Amortization of capital assets		**(140,735)**		(141,779)
Redevelopment grants (note 12)		**147,478**		-
Redevelopment expenses (note 12)		**(189,233)**		-
Excess of revenue over expense for the year	**$**	**161,453**	$	263,308

See accompanying notes to financial statements.

CHRISTIE REFUGEE WELCOME CENTRE INC.
Statement of Changes in Net Assets

Year ended December 31,	**Net investment in capital assets**	**Internally restricted**	**Unrestricted**	**2024**
Balance, beginning of year	**$ 1,455,244**	**$ 230,000**	**$ 348,344**	**$ 2,033,588**
Excess (deficiency) of revenue over expense (note 8(b))	**(68,668)**	**-**	**230,121**	**161,453**
Net change in investment in capital assets (note 8(b))	**13,900**	**-**	**(13,900)**	**-**
Transfers	**-**	**150,000**	**(150,000)**	**-**
Balance, end of year	**$ 1,400,476**	**$ 380,000**	**$ 414,565**	**$ 2,195,041**

Year ended December 31,	Net investment in capital assets	Internally restricted	Unrestricted	2023
Balance, beginning of year	$ 1,443,680	$ 120,000	$ 206,600	$ 1,770,280
Excess (deficiency) of revenue over expense (note 8(b))	(67,801)	-	331,109	263,308
Net change in investment in capital assets (note 8(b))	79,365	-	(79,365)	-
Transfers	-	110,000	(110,000)	-
Balance, end of year	$ 1,455,244	$ 230,000	$ 348,344	$ 2,033,588

See accompanying notes to financial statements.

CHRISTIE REFUGEE WELCOME CENTRE INC.
Statement of Cash Flows

Year ended December 31,	**2024**	2023
Cash provided (used) by operating activities:		
Excess of revenue over expense for the year	**$ 161,453**	$ 263,308
Items not requiring an outlay of cash:		
Amortization of deferred capital contributions	**(75,237)**	(73,978)
Amortization of capital assets	**140,735**	141,779
Redevelopment grant	**(56,300)**	-
Redevelopment expense	**59,470**	-
	230,121	331,109
Net change in non-cash working capital balances:		
Contributions receivable	**(299,973)**	15,648
Public service bodies' rebate receivable	**620**	(13,257)
Prepaid expenses	**(12,965)**	(73)
Accounts payable and accrued liabilities	**23,354**	92,486
Deferred contributions	**(138,643)**	64,501
	(427,607)	159,305
Net cash provided (used) by operating activities	**(197,486)**	490,414
Cash (used) by investing and financing activities:		
Deferred capital contributions	**-**	80,149
Purchase of capital assets	**(28,699)**	(148,065)
Net cash used by investing and financing activities	**(28,699)**	(67,916)
Increase (decrease) in cash	**(226,185)**	422,498
Cash, beginning of year	**1,184,874**	762,376
Cash, end of year	**$ 958,689**	$ 1,184,874

See accompanying notes to financial statements.

1 Organization

Christie Refugee Welcome Centre Inc. ("the Centre") is a Christian, non-profit, charitable organization serving and advocating for refugee families. Following Christ's example, the Centre serves people through the ownership and operation of a shelter in Toronto, providing temporary housing and follow-up support to refugee claimants regardless of race, religion or gender.

The Centre was previously incorporated under the Canada Corporations Act and was continued under the Canada Not-for-profit Corporations Act in October 2014. The Centre is a registered charity under the *Income Tax Act (Canada)* and accordingly is exempt from income taxes.

2 Significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, except as described below, and include the following significant accounting policies:

(a) Capital assets

The Centre records capital assets at cost. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

When conditions indicate a capital asset no longer contributes to the Centre's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost.

Capital assets are amortized on a straight-line basis over their estimated useful lives at the following annual rates:

Buildings and building improvements	6.7%
Furniture and fixtures	10.0%
Playground	10.0%
Retainer wall	20.0%

(b) Revenue recognition

The Centre follows the deferral method of accounting for contributions which include grants and donations.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight line basis, at a rate corresponding with the amortization rate for the related capital assets.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

(c) Employee pension plan

Eligible employees of the Centre contribute to a multi-employer defined contribution pension plan (the "Plan"). The assets of the Plan are administered by the Canadian Council of Christian Charities Registered Pension Plan. The Plan is funded by contributions made by the employees and matched by the Centre. Defined contribution accounting is applied to the Plan and contributions are expensed when due.

(d) Financial instruments

(i) Measurement

The Centre initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

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

2 Significant accounting policies (continued)

(d) Financial instruments (continued)

(ii) Impairment

At the end of each reporting period, the Centre assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Centre. When there is an indication of impairment, the Centre determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

There are no indications of impairment of financial assets as at December 31, 2024.

(e) Contributed goods and services

The value of contributed goods and services is recorded as revenue and an expense in the financial statements when the fair value can be reasonably estimated, when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

Volunteers provide invaluable donated services to the Centre. Since the fair value of volunteer time is not easily determinable, these contributed services are not recognized in the financial statements.

(f) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the useful lives of capital assets, certain accrued liabilities and settlement amounts with funders.

All estimates are reviewed periodically and adjustments are made to the statement of revenue and expense as appropriate in the year they become known.

3 Cash

Cash consists of amounts on deposit with financial institutions yielding 2.88% (2023 - 4.45%).

4 Capital assets

As at December 31,			**2024**	2023
	Cost	**Accumulated amortization**	**Net book value**	Net book value
Land	**$ 1,125,000**	**$ -**	**$ 1,125,000**	$ 1,125,000
Buildings and building improvements	**3,558,293**	**3,080,601**	**477,692**	707,690
Furniture and fixtures	**199,028**	**104,045**	**94,983**	89,104
Playground	**150,174**	**112,630**	**37,544**	52,561
Retaining wall	**75,144**	**7,514**	**67,630**	-
Telephone and fax	**16,587**	**16,587**	**-**	-
	$ 5,124,226	**$ 3,321,377**	**$ 1,802,849**	$ 1,974,355

5 Commitments

(a) Operating lease

The Centre has entered into a lease agreement to operate a transitional centre, which begins November 1, 2024 and extends until October 31, 2027.

Minimum annual lease payments, excluding the Centre's share of common expenses and taxes required over the remaining term of the lease are as follows:

2025	$156,000
2026	$156,000
2027	$130,000

(b) Operating line of credit

The Centre has an operating line of credit facility available up to $175,000. The revolving credit facility bears interest at the bank's prime rate plus 1.5% per annum. At December 31, 2024, no amounts were drawn on this facility. The Facility is secured by a General Security Agreement and a collateral mortgage on 39-49 Christie Street in the amount of $2,480,000.

6 Deferred contributions

Activity for deferred contributions during the year is as follows:

As at December 31	**2024**	2023
Deferred contributions, beginning of year	**$ 447,070**	$ 382,569
Additional contributions received	**927,121**	1,033,668
Amortized to revenue	**(1,065,764)**	(969,167)
Deferred contributions, end of year	**$ 308,427**	$ 447,070

7 Deferred capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants for the purchase of capital assets and contributed capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of revenue and expense.

As at December 31,	**2024**	2023
Balance, beginning of year	**$ 533,910**	$ 527,739
Additional contributions received	**-**	80,149
Amortized to revenue	**(75,237)**	(73,978)
Amounts recognized as redevelopment grants (note 12)	**(56,300)**	-
Balance, end of year	**$ 402,373**	$ 533,910

8 Investment in capital assets

(a) Net investment in capital assets is calculated as follows:

Year ended at December 31,	2024	2023
Capital assets	**$ 1,802,849**	$ 1,974,355
Amounts financed by deferred capital contributions, net of unspent amounts	**(402,373)**	(519,111)
Balance, end of year	**$ 1,400,476**	$ 1,455,244

(b) Net change in investment in capital assets is calculated as follows:

Year ended at December 31,	2024	2023
Excess (deficiency) of revenue over expense:		
Amortization of capital assets	**$ (140,735)**	$ (141,779)
Amortization of deferred capital contributions	**75,237**	73,978
Reallocation of redevelopment expenses (net) (Note 12)	**(3,170)**	-
	$ (68,668)	$ (67,801)
Net change in investment in capital assets:		
Purchase of capital assets	**$ 28,699**	$ 148,065
Amounts funded by deferred capital contributions	**(14,799)**	(68,700)
Balance, end of year	**$ 13,900**	$ 79,365

9 Internally restricted net assets

The Board of Directors has set aside $380,000 (2023 - $230,000) for the purposes of financing significant capital development projects. The internally restricted net assets can also be used for other Board-approved spending.

10 Employee pension plan

Employer contributions made to the pension plan during the year by the Centre total $32,549 (2023 - $37,402).

11 Economic dependence

The City of Toronto funding represents approximately 66% (2023 - 63%) of total revenue. In management's opinion, the Centre's continuing operations are dependent on the continuance of these grants.

12 Redevelopment project

The Centre is currently exploring a redevelopment project at 43 Christie Street, Toronto, Ontario. The Board of Directors have approved a motion to proceed with the pre-construction design, development, and Municipal Approvals application. Expenses incurred and grants received for this phase have been recognized in revenue and expense.

13 Financial instruments

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre's risk exposure and concentrations. The financial instruments and the nature of the risks to which they may be subject are as follows:

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 Centre is exposed to credit risk through its cash.

The Centre's cash is held at one Canadian financial institution. Funds on deposit, exceed the maximum amount insured and hence there is a concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet a demand for cash or fund its obligations as they come due. The Centre meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipating investing and financing activities and maintaining a line of credit facility.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

The Centre is not exposed to currency risk or other price risk.

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 Centre's cash includes amounts on deposit with financial institutions that earn interest at market rates. The Centre manages its exposure to the interest rate risk of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis.

Changes in risk

There have been no significant changes in the Centre's risk exposures from the prior year.

14 Comparative figures

Certain comparative figures in the statement of revenue and expense have been recast to conform with the financial statement presentation adopted in the current year.