

WYNDHAM HOUSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

WYNDHAM HOUSE
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YEAR ENDED MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of: Wyndham House

Qualified Opinion

We have audited the accompanying financial statements of Wyndham House, which comprise the statement of financial position as at March 31, 2024 and the statements of changes in net assets, operations 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 paragraph, these financial statements present fairly, in all material respects, the financial position of Wyndham House as at March 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 Qualified Opinion

In common with many not for profit organizations, the organization derives some of its revenues from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 Wyndham House 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 qualified audit 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 judgement 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 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.

Guelph, Ontario
June 25, 2024



Chartered Professional Accountants
Licensed Public Accountants

WYNDHAM HOUSE
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	2024	2023 (note 10)
ASSETS		
CURRENT		
Cash	\$ 920,096	\$ 1,156,269
Investments - operating	301,536	244,924
Investments - reserve	411,004	399,852
Accounts receivable	284,330	201,596
Prepaid expenses	<u>8,033</u>	<u>8,095</u>
	<u>1,924,999</u>	<u>2,010,736</u>
CAPITAL ASSETS (note 4)	<u>2,735,325</u>	<u>2,426,156</u>
	<u>\$ 4,660,324</u>	<u>\$ 4,436,892</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 344,654	\$ 543,828
Government remittances payable	7,739	7,233
Deferred revenue (note 5)	887,885	864,087
Raffle trust fund	<u>2,184</u>	<u>2,184</u>
	<u>1,242,462</u>	<u>1,417,332</u>
DEFERRED CAPITAL CONTRIBUTIONS (note 6)	<u>2,455,405</u>	<u>2,097,999</u>
NET ASSETS		
UNRESTRICTED OPERATING RESERVE	271,533	193,552
INVESTED IN CAPITAL ASSETS	279,920	328,157
INTERNALLY RESTRICTED RESERVE FUNDS (note 7)	<u>411,004</u>	<u>399,852</u>
	<u>962,457</u>	<u>921,561</u>
	<u>\$ 4,660,324</u>	<u>\$ 4,436,892</u>

APPROVED ON BEHALF OF THE BOARD:

DIRECTOR

DIRECTOR

WYNDHAM HOUSE

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2024

	Invested in Capital Assets	Internally Restricted (note 7)	Unrestricted	2024 Total	2023 Total (note 10)
BALANCE , beginning of year	\$ <u>328,157</u>	\$ <u>399,852</u>	\$ <u>193,552</u>	\$ <u>921,561</u>	\$ <u>885,020</u>
(Deficiency) excess of revenue over expenditure for the year	(3,999)	11,152	33,743	40,896	36,541
Invested in capital assets	<u>(44,238)</u>	<u>0</u>	<u>44,238</u>	<u>0</u>	<u>0</u>
	<u>(48,237)</u>	<u>11,152</u>	<u>77,981</u>	<u>40,896</u>	<u>36,541</u>
BALANCE , end of year	\$ <u><u>279,920</u></u>	\$ <u><u>411,004</u></u>	\$ <u><u>271,533</u></u>	\$ <u><u>962,457</u></u>	\$ <u><u>921,561</u></u>

WYNDHAM HOUSE**STATEMENT OF OPERATIONS****FOR THE YEAR ENDED MARCH 31, 2024**

	2024	2023
REVENUE		
Per diem billings and block funding	\$ 1,499,507	\$ 987,509
Grants - other	595,440	798,789
Grant - Health Canada	547,570	720,633
Grant - City of Guelph	497,890	488,105
Grant - Housing support workers (schedule 1)	154,406	150,000
Donations - general	139,742	87,062
Grant - United Way	72,725	100,355
Bellevue - other grants	62,959	0
Other income	47,339	0
Investment income	26,263	39,078
Donations - Bellevue	9,500	63,263
Grants - pandemic assistance	4,576	3,333
Fundraising (note 8)	<u>(7,334)</u>	<u>(6,983)</u>
	<u>3,650,583</u>	<u>3,431,144</u>
EXPENDITURES		
ADMINISTRATIVE		
Professional fees	68,648	22,000
Office supplies and promotion	59,830	46,929
Rent	25,253	27,030
Telephone	22,771	21,520
Mileage	<u>21,524</u>	<u>20,279</u>
	<u>198,026</u>	<u>137,758</u>
PROGRAM		
Wages	2,597,370	2,351,893
Employee benefits	340,711	264,907
Program supplies	155,451	280,741
Food	62,530	66,208
Rent	39,663	40,493
Staff development	<u>38,253</u>	<u>12,033</u>
	<u>3,233,978</u>	<u>3,016,275</u>
SHELTER		
Amortization	66,958	0
Repairs and replacements	63,493	103,604
Utilities	38,032	31,718
Rent	33,286	76,029
Insurance	<u>10,179</u>	<u>8,880</u>
	<u>211,948</u>	<u>220,231</u>
TOTAL EXPENDITURES	<u>3,643,952</u>	<u>3,374,264</u>
NET SURPLUS FROM OPERATIONS	<u>6,631</u>	<u>56,880</u>
OTHER REVENUE		
Unrealized gain (loss) on investments	<u>23,113</u>	<u>(28,079)</u>
EXCESS OF REVENUE OVER EXPENDITURES for the year	<u>\$ 29,744</u>	<u>\$ 28,801</u>

See notes to the financial statements

WYNDHAM HOUSE**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED MARCH 31, 2024**

	2024 (note 10)	2023
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	\$ 29,744	\$ 28,801
Reserve interest income	11,152	7,740
Items not requiring an outlay of cash		
Amortization	66,958	0
Amortization of deferred capital contributions	(62,959)	0
Unrealized gain (loss) on investments	<u>(23,113)</u>	<u>28,079</u>
	<u>21,782</u>	<u>64,620</u>
Changes in non-cash working capital		
Accounts receivable	(82,734)	(128,159)
Prepaid expenses	62	6,518
Accounts payable and accrued liabilities	(199,175)	423,544
Government remittances payable	506	3,345
Deferred revenue	<u>23,798</u>	<u>107,590</u>
	<u>(257,543)</u>	<u>412,838</u>
	<u>(235,761)</u>	<u>477,458</u>
CASH PROVIDED BY FINANCING ACTIVITIES		
Deferred capital contributions	<u>420,365</u>	<u>899,239</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Investments - operating	(56,612)	(817)
Investments - reserve	11,962	(35,819)
Capital asset additions	<u>(376,127)</u>	<u>(2,139,854)</u>
	<u>(420,777)</u>	<u>(2,176,490)</u>
NET DECREASE IN CASH	(236,173)	(799,793)
CASH, beginning of year	<u>1,156,269</u>	<u>1,956,062</u>
CASH, end of year	<u>\$ 920,096</u>	<u>\$ 1,156,269</u>

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

1. NATURE OF OPERATIONS

Wyndham House is a not for profit organization incorporated under the laws of Ontario without share capital and is a registered charity under the Income Tax Act. Wyndham House is exempt from income tax. Its purpose is to provide young people, aged 16 to 25, with the supports and services needed to overcome challenging times and difficult problems.

2. SIGNIFICANT ACCOUNTING POLICIES

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

(a) CAPITAL ASSETS

Capital assets are recorded at cost and amortized on the basis of their estimated useful life.

Building	- 40	years straight line basis
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Amortization is recorded at 50% of the above rates in the year of addition.

(b) IMPAIRMENT OF LONG LIVED ASSETS

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

(c) USE OF 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include accrued liabilities. Actual results could differ from those estimates.

(d) INVESTMENTS

Investments consist of equity and mutual funds. Investments approximate fair value through the use of accrued interest.

(e) REVENUE RECOGNITION

The organization follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the general fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the general fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net surplus.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 surplus.

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2024 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterpart.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2024	Net 2023 (note 10)
Land	\$ 123,973	\$ 0	\$ 123,973	\$ 123,973
Building - Suffolk	93,666	93,666	0	0
Building - Bellevue	154,280	154,280	0	0
Building project - Bellevue	<u>2,678,310</u>	<u>66,958</u>	<u>2,611,352</u>	<u>2,302,183</u>
	<u>\$ 3,050,229</u>	<u>\$ 314,904</u>	<u>\$ 2,735,325</u>	<u>\$ 2,426,156</u>

During the year, the organization held assets not in use in the amount of \$0 (2023 - \$2,302,183) and, accordingly, were not yet being amortized.

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

5. DEFERRED REVENUE

Deferred revenue consists of the unspent balance of grants which were directed towards specific expenditures. The amount included in deferred revenue is the excess of funds received to date over the amount of expenditures to date. The details are as follows:

	2024	2023
Deferred revenue, opening balance	\$ 864,087	\$ 756,497
Funds recognized in the year	(2,700,659)	(2,425,477)
Funds received for future periods	<u>2,724,457</u>	<u>2,533,067</u>
Deferred revenue, closing balance	<u>\$ 887,885</u>	<u>\$ 864,087</u>

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions, which consist of the unexpended portion of funding received that relates to future periods less related expenditures, is as follows:

	2024	2023
Balance, beginning	\$ 2,097,999	\$ 1,198,760
Plus amounts received related to the following year	420,365	899,239
Less: amounts recognized as revenue	<u>(62,959)</u>	<u>0</u>
Balance, ending	<u>\$ 2,455,405</u>	<u>\$ 2,097,999</u>

7. RESERVE FUNDS

The purpose of the operating and capital replacement funds are to reserve funds for future capital replacements, renovations and major repairs. These are internally restricted by the Board of Directors. During the year, these funds had the following activity:

	2024 Opening	Income	Transfers	2024 Closing
Operating	\$ 339,025	\$ 9,456	\$ 0	\$ 348,481
Capital replacement	<u>60,827</u>	<u>1,696</u>	<u>0</u>	<u>62,523</u>
	<u>\$ 399,852</u>	<u>\$ 11,152</u>	<u>\$ 0</u>	<u>\$ 411,004</u>

8. FUNDRAISING REVENUE

	Gross Proceeds	Cost	2024 Net	2023 Net
Fundraising events	\$ 10,745	\$ 18,922	\$ (8,177)	\$ (8,383)
Third party events	<u>843</u>	<u>0</u>	<u>843</u>	<u>1,400</u>
	<u>\$ 11,588</u>	<u>\$ 18,922</u>	<u>\$ (7,334)</u>	<u>\$ (6,983)</u>

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

9. COMMITMENTS

The organization has two operating leases for the premises. Future minimum lease payments are as follows:

2025	\$	60,326
2026		<u>22,001</u>
	\$	<u>82,327</u>

10. ADJUSTMENT TO PRIOR YEAR FIGURES

An adjustment in the amount of \$79,686 was made to the prior year figures to include the non-refundable HST with the building project - Bellevue capital cost. The result of the correction was an increase to capital assets and invested in capital assets and a decrease to accounts receivable and the unrestricted net assets. There is no effect of the excess of revenue over expenditures for the year.

WYNDHAM HOUSE**SCHEDULE OF MINISTRY OF CHILDREN, COMMUNITY, AND SOCIAL SERVICES***Schedule 1***FOR THE YEAR ENDED March 31, 2024**

	2024	2023
REVENUE		
Grant - Housing support workers	\$ <u>154,406</u>	\$ <u>150,000</u>
EXPENDITURES		
Wages and employee benefits	124,781	124,630
Mileage and telephone	10,838	8,379
Rent and utilities	8,325	10,617
Program supplies	6,601	5,910
Staff development	3,248	198
Office supplies and promotion	<u>1,362</u>	<u>1,302</u>
	<u>155,155</u>	<u>151,036</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES for the year	\$ <u>(749)</u>	\$ <u>(1,036)</u>