

WYNDHAM HOUSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

WYNDHAM HOUSE
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YEAR ENDED MARCH 31, 2025

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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, 2025 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, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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, 2025 and 2024, current assets as at March 31, 2025 and 2024, and net assets as at April 1 and March 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended March 31, 2024 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 24, 2025



Chartered Professional Accountants
Licensed Public Accountants

WYNDHAM HOUSE
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	2025	2024 (note 12)
ASSETS		
CURRENT		
Cash	\$ 1,612,489	\$ 920,096
Investments - operating	0	301,536
Accounts receivable	306,065	284,330
Prepaid expenses	<u>5,870</u>	<u>8,033</u>
	<u>1,924,424</u>	<u>1,513,995</u>
CAPITAL ASSETS (note 4)	<u>3,767,238</u>	<u>2,538,007</u>
RESERVE FUNDS		
Investments - reserve	377,090	411,004
Due to operating	<u>116,551</u>	<u>0</u>
	<u>493,641</u>	<u>411,004</u>
	<u>\$ 6,185,303</u>	<u>\$ 4,463,006</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 144,574	\$ 147,336
Government remittances payable	37,684	7,739
Due from reserve funds	116,551	0
Deferred revenue (note 5)	752,377	887,885
Raffle trust fund	2,184	2,184
Current portion of long term debt (note 7)	<u>948,210</u>	<u>0</u>
	2,001,580	1,045,144
DEFERRED CAPITAL CONTRIBUTIONS (note 6)	2,511,333	2,455,405
LONG TERM DEBT (note 7)	<u>587,228</u>	<u>0</u>
	<u>5,100,141</u>	<u>3,500,549</u>
NET ASSETS		
UNRESTRICTED OPERATING RESERVE	874,301	468,851
INVESTED IN CAPITAL ASSETS	(282,780)	82,602
INTERNALLY RESTRICTED RESERVE FUNDS (note 8)	<u>493,641</u>	<u>411,004</u>
	<u>1,085,162</u>	<u>962,457</u>
	<u>\$ 6,185,303</u>	<u>\$ 4,463,006</u>

APPROVED ON BEHALF OF THE BOARD:

DIRECTOR

DIRECTOR

WYNDHAM HOUSE

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2025

	Invested in Capital Assets	Internally Restricted (note 8)	Unrestricted	2025 Total	2024 Total (note 12)
BALANCE , beginning of year	\$ <u>82,602</u>	\$ <u>411,004</u>	\$ <u>468,851</u>	\$ <u>962,457</u>	\$ <u>921,561</u>
(Deficiency) excess of revenue over expenditure for the year	(10,180)	12,637	120,248	122,705	40,896
Transfer to reserves	0	70,000	(70,000)	0	0
Invested in capital assets	<u>(355,202)</u>	<u>0</u>	<u>355,202</u>	<u>0</u>	<u>0</u>
	<u>(365,382)</u>	<u>82,637</u>	<u>405,450</u>	<u>122,705</u>	<u>40,896</u>
BALANCE , end of year	\$ <u>(282,780)</u>	\$ <u>493,641</u>	\$ <u>874,301</u>	\$ <u>1,085,162</u>	\$ <u>962,457</u>

WYNDHAM HOUSE**STATEMENT OF OPERATIONS****FOR THE YEAR ENDED MARCH 31, 2025**

	2025	2024 (note 11)
REVENUE		
Per diem billings and block funding	\$ 1,778,017	\$ 1,499,507
Grants - other	786,196	662,975
Grant - City of Guelph	511,666	497,890
Grant - Guelph Community Health Centre	252,374	0
Grant - Housing support workers (schedule 1)	153,240	154,406
Donations - general	98,872	149,242
Fundraising (note 9)	84,394	(7,334)
Grant - United Way	71,016	72,725
Investment income	23,291	26,263
Rental income	11,100	0
Grant - Health Canada	0	547,570
Other income	0	47,339
	<u>3,770,166</u>	<u>3,650,583</u>
EXPENDITURES		
ADMINISTRATIVE		
Office supplies and promotion	89,826	59,830
Professional fees	51,108	68,648
Rent	30,865	25,253
Telephone	29,009	22,771
Donations	20,000	0
Mileage	17,912	21,524
	<u>238,720</u>	<u>198,026</u>
PROGRAM		
Wages	2,584,265	2,597,370
Employee benefits	312,792	340,711
Program supplies	141,910	155,451
Food	73,110	62,530
Staff development	49,002	38,253
Rent	28,301	39,663
	<u>3,189,380</u>	<u>3,233,978</u>
SHELTER		
Repairs and replacements	81,045	63,493
Amortization	69,891	66,958
Rent	38,400	33,286
Utilities	37,789	38,032
Mortgage interest	16,365	0
Insurance	12,236	10,179
Capital improvements	4,835	0
	<u>260,561</u>	<u>211,948</u>
TOTAL EXPENDITURES	<u>3,688,661</u>	<u>3,643,952</u>
NET SURPLUS FROM OPERATIONS	81,505	6,631
OTHER REVENUE		
Unrealized gain on investments	<u>28,563</u>	<u>23,113</u>
EXCESS OF REVENUE OVER EXPENDITURES for the year	<u>\$ 110,068</u>	<u>\$ 29,744</u>

See notes to the financial statements

WYNDHAM HOUSE**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED MARCH 31, 2025**

	2025	2024 (note 12)
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	\$ 110,068	\$ 29,744
Reserve interest income	12,637	11,152
Items not requiring an outlay of cash		
Amortization	69,891	66,958
Amortization of deferred capital contributions	(62,959)	(62,959)
Unrealized gain on investments	<u>(28,563)</u>	<u>(23,113)</u>
	<u>101,074</u>	<u>21,782</u>
Changes in non-cash working capital		
Accounts receivable	(21,735)	(82,734)
Prepaid expenses	2,163	62
Accounts payable and accrued liabilities	(2,761)	(199,175)
Government remittances payable	29,945	506
Deferred revenue	<u>(135,508)</u>	<u>23,798</u>
	<u>(127,896)</u>	<u>(257,543)</u>
	<u>(26,822)</u>	<u>(235,761)</u>
CASH PROVIDED BY FINANCING ACTIVITIES		
Deferred capital contributions	118,887	420,365
Increase in long term debt	<u>1,535,438</u>	<u>0</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	<u>1,654,325</u>	<u>420,365</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Investments - operating	301,536	(56,612)
Investments - reserve	62,478	11,962
Capital asset additions	<u>(1,299,124)</u>	<u>(376,127)</u>
	<u>(935,110)</u>	<u>(420,777)</u>
NET INCREASE (DECREASE) IN CASH	692,393	(236,173)
CASH, beginning of year	<u>920,096</u>	<u>1,156,269</u>
CASH, end of year	<u>\$ 1,612,489</u>	<u>\$ 920,096</u>

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

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, 2025

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

At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. If there are any indicators of impairment, and the organization determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized. If circumstances change, a previously recognized impairment may be reversed.

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

Credit risk management

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 2025 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 2025	Net 2024 (note 11)
Land	\$ 380,721	\$ 0	\$ 380,721	\$ 123,973
Building - Suffolk	93,666	93,666	0	0
Building - Bellevue	2,635,272	278,330	2,356,942	2,414,034
Building - Waterloo	<u>1,042,374</u>	<u>12,799</u>	<u>1,029,575</u>	<u>0</u>
	<u>\$ 4,152,033</u>	<u>\$ 384,795</u>	<u>\$ 3,767,238</u>	<u>\$ 2,538,007</u>

During the year, the organization held assets not in use in the amount of \$528,878 (2024 - \$0) and, accordingly, were not yet being amortized.

WYNDHAM HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

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:

	2025	2024
Deferred revenue, opening balance	\$ 887,885	\$ 864,087
Funds recognized in the year	(2,934,016)	(2,700,659)
Funds received for future periods	<u>2,798,508</u>	<u>2,724,457</u>
Deferred revenue, closing balance	\$ <u>752,377</u>	\$ <u>887,885</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:

	2025	2024
Balance, beginning	\$ 2,455,405	\$ 2,097,999
Plus amounts received related to the following year	118,887	420,365
Less: amounts recognized as revenue	<u>(62,959)</u>	<u>(62,959)</u>
Balance, ending	\$ <u>2,511,333</u>	\$ <u>2,455,405</u>

7. LONG TERM DEBT

	2025	2024
Installment Loan, Meridian Credit Union, 5.25%, repayable in blended monthly instalments of \$3,595 principal and interest, due December 7 2029. Secured by land and building with a net book value of \$46,833 and an appraised value of \$840,000.	\$ 599,195	\$ 0
Installment Loan, Meridian Credit Union, 5.25%, repayable in blended weekly instalments of \$5,618 principal and interest, due December 7, 2025. Secured by land and building with a net book value of \$1,286,323.	<u>936,243</u>	<u>0</u>
	1,535,438	0
Less portion due within one year	<u>(948,210)</u>	<u>0</u>
	\$ <u>587,228</u>	\$ <u>0</u>

The principal repayment left on the mortgages payable is as follows:

2026	\$ 948,210
2027	12,611
2028	13,208
2029	13,999
2030	<u>547,410</u>
	\$ <u>1,535,438</u>

WYNDHAM HOUSE**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED MARCH 31, 2025****8. 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:

	2025 Opening	Income	Transfers	2025 Closing
Operating	\$ 348,481	\$ 10,714	\$ 0	\$ 359,195
Capital replacement	<u>62,523</u>	<u>1,923</u>	<u>70,000</u>	<u>134,446</u>
	<u>\$ 411,004</u>	<u>\$ 12,637</u>	<u>\$ 70,000</u>	<u>\$ 493,641</u>

9. FUNDRAISING REVENUE

	Gross Proceeds	Cost	2025 Net	2024 Net
Fundraising events	\$ 68,973	\$ 24,579	\$ 44,394	\$ (8,177)
Third party events	<u>40,000</u>	<u>0</u>	<u>40,000</u>	<u>843</u>
	<u>\$ 108,973</u>	<u>\$ 24,579</u>	<u>\$ 84,394</u>	<u>\$ (7,334)</u>

10. COMMITMENTS

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

2026	\$ 44,825
2027	22,824
2028	<u>5,706</u>
	<u>\$ 73,355</u>

11. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform to the current year's presentation.

12. ADJUSTMENT TO PRIOR YEAR FIGURES

An adjustment in the amount of \$197,318 was made to the prior year figures to correct the Bellevue - renovation balance. The results of the correction was a decrease to capital assets and accounts payable and accrued liabilities.

WYNDHAM HOUSE

SCHEDULE OF MINISTRY OF CHILDREN, COMMUNITY, AND SOCIAL SERVICES

Schedule 1

FOR THE YEAR ENDED March 31, 2025

	2025	2024
REVENUE		
Grant - Housing support workers	\$ <u>153,240</u>	\$ <u>154,406</u>
EXPENDITURES		
Wages and employee benefits	123,100	124,781
Rent and utilities	10,118	8,325
Mileage and telephone	9,722	10,838
Program supplies	5,319	6,601
Staff development	2,266	3,248
Office supplies and promotion	<u>2,715</u>	<u>1,362</u>
	<u>153,240</u>	<u>155,155</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES for the year	<u>\$ 0</u>	<u>\$ (749)</u>