

FINANCIAL STATEMENTS
For
ALLIANCE TO END HOMELESSNESS OTTAWA
For year ended
MARCH 31, 2025

ALLIANCE TO END HOMELESSNESS OTTAWA
INDEX TO FINANCIAL STATEMENTS
MARCH 31, 2025

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 & 2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF OPERATIONS & CHANGES IN NET ASSETS	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 8

INDEPENDENT AUDITOR'S REPORT

To the Members of

ALLIANCE TO END HOMELESSNESS OTTAWA

Opinion

We have audited the financial statements of Alliance to End Homelessness Ottawa (the Organization), which comprise the statement of financial position as at March 31, 2025 and March 31, 2024 and the statements of operations and 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 Organization, as at March 31, 2025 and March 31, 2024 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 company'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 company'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 company 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
September 12, 2025.

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 257,063	\$ 193,737
Investments (note 4)	6,000	5,194
Accounts receivable	25,282	8,874
Prepaid expenses	<u>2,174</u>	<u>1,403</u>
	<u>\$ 290,519</u>	<u>\$ 209,208</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 25,445	\$ 22,207
Deferred contributions (note 5)	<u>65,495</u>	<u>45,825</u>
	90,940	68,032
UNRESTRICTED NET ASSETS	<u>199,579</u>	<u>141,176</u>
	<u>\$ 290,519</u>	<u>\$ 209,208</u>

Approved by the Board:

Mark MacAulay

..... Treasurer



..... Chair

(See accompanying notes)

ALLIANCE TO END HOMELESSNESS OTTAWA
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Donations and fundraising	\$ 200,964	\$ 169,983
Project revenue (note 5)	263,830	248,938
Agency contributions and memberships	116,195	116,050
Other	448	-
	<u>581,437</u>	<u>534,971</u>
Expenses		
Salaries and benefits	426,915	412,348
Professional fees	46,179	15,590
Travel and meetings	24,063	10,815
Office supplies	16,683	10,459
Website	3,177	1,983
Insurance	2,872	2,512
Telecommunications	1,888	1,912
Honoraria	500	1,000
Other operating expenses	450	278
Bank charges	307	1,026
Translation costs	-	7,043
Membership/promo resources	-	339
	<u>523,034</u>	<u>465,305</u>
Excess revenue over expenses	58,403	69,666
Net assets, beginning of year	<u>141,176</u>	<u>71,510</u>
Net assets, end of year	<u>\$ 199,579</u>	<u>\$ 141,176</u>

(See accompanying notes)

ALLIANCE TO END HOMELESSNESS OTTAWA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Excess revenue over expenses	\$ 58,403	\$ 69,666
Adjustment for non-cash items:		
Reinvested interest income	<u>-</u>	<u>(96)</u>
	58,403	69,570
Changes in non-cash working capital		
Accounts receivable	(16,408)	(7,560)
Prepaid expenses	(771)	35
Accounts payable and accrued liabilities	3,238	(5,646)
Deferred contributions	<u>19,670</u>	<u>35,402</u>
	<u>64,132</u>	<u>91,801</u>
INVESTING ACTIVITIES		
Sale of investments	5,194	-
Purchase of investments	<u>(6,000)</u>	<u>-</u>
	<u>(806)</u>	<u>-</u>
INCREASE IN CASH	63,326	91,801
CASH AT BEGINNING OF YEAR	<u>193,737</u>	<u>101,936</u>
CASH AT END OF YEAR	<u>\$ 257,063</u>	<u>\$ 193,737</u>

(See accompanying notes)

ALLIANCE TO END HOMELESSNESS OTTAWA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025

1. NATURE OF OPERATIONS

Alliance to End Homelessness Ottawa ("the Organization") was incorporated without share capital on April 29, 2010 under the Ontario Corporations Act and is not subject to income taxes. The Organization is a non-profit organization whose purpose is to improve the efficiency and effectiveness of member organizations that address homelessness issues in Ottawa.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Use of estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of significant estimates include the collectability of accounts receivable and accrual of liabilities.

Revenue recognition

The Organization follows the deferral method of accounting for grants and other contributions, which include membership fees, donations and fundraising, and project revenue. Restricted grants and contributions are recognized as project revenue in the year in which the related expenses are incurred. Unrestricted grants and contributions are recognized as revenue when received.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost, increased or decreased by the amount of related financing fees and transaction costs.

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations.

Credit risk

The Organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Organization's maximum exposure to credit risk represents the sum of the carrying value of its cash, investment and accounts receivable. The Organization's cash and investments are deposited with a Canadian chartered bank and as a result, management believes the risk of loss of these items to be remote. Accounts receivable balances are managed and analysed on an ongoing basis and accordingly, exposure to bad debts is not considered significant.

Liquidity risk

Liquidity risk is the risk that the Organization cannot meet a demand for cash or fund its obligations as they become due. The Organization's maximum exposure to liquidity risk represents the sum of the carrying value of trade and other operating liabilities. The Organization meets its liquidity requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfil its obligations.

ALLIANCE TO END HOMELESSNESS OTTAWA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

3. FINANCIAL INSTRUMENTS - Cont'd.

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.

i) Currency risk

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Organization's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates. Except for the interest bearing investment in a GIC, the Organization's remaining financial instruments are non-interest bearing, therefore the Organization is not exposed to significant interest rate risk.

iii) Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated will fluctuate because of changes in market prices (other than those arising from currency or interest rate risk), whether those changes are caused by factors specific to the individual instrument to its issuer or factors affecting all similar instruments traded in the market. Since the Organization does not have investments in marketable securities, it is not exposed to other price risk.

Changes in risk

There are no significant changes in risk exposure from the previous year.

4. INVESTMENTS

Investments consist of the following:

	<u>2025</u>	<u>2024</u>
BMO Cashable GIC - maturing April 2026, bearing interest at 2.00%	\$ -	\$ 5,194
Alterna 1 year-term GIC - maturing October 2025, bearing interest at 2.50%	<u>6,000</u>	<u>-</u>
	<u>\$ 6,000</u>	<u>\$ 5,194</u>

5. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 45,825	\$ 10,423
Plus: contributions received in year	283,500	284,340
Less: amounts recognized as project revenue	<u>(263,830)</u>	<u>(248,938)</u>
Balance, ending of year	<u>\$ 65,495</u>	<u>\$ 45,825</u>