
Collingwood Non-Profit Housing Corporation

Financial Statements

For the year ended April 30, 2025

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BEN T. COLE

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INDEPENDENT AUDITOR'S REPORT

To The Members of Collingwood Non-Profit Housing Corporation :

Opinion

I have audited the accompanying financial statements of Collingwood Non-Profit Housing Corporation, which comprise the balance sheet as at April 30, 2025, and the statements of operations, surplus, reserve fund & cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements of the Company for the year ended April 30, 2025 are prepared, in all material respects, in accordance with the financial reporting provisions prescribed by the County of Simcoe.

Basis For Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

I draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions prescribed by the **County of Simcoe**. As a result, the financial statements may not be suitable for another purpose. My report is intended solely for the Company and the **County of Simcoe** and should not be distributed to or used by parties other than the Company or the **County of Simcoe**. My opinion is not modified in respect of this matter.

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 the financial reporting provisions prescribed by the County of Simcoe, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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INDEPENDENT AUDITOR'S REPORT - CONTINUED

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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.

A further description of the auditor's responsibilities for the audit of financial statements is included in Appendix 1 of this Auditor's Report. This description, which is located on the final page of these financial statements, forms part of my auditor's report.

Ben Cole

Ben T. Cole, CPA, CA, Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario.

Orillia, Ontario

September 25, 2025

Collingwood Non-Profit Housing Corporation

Balance Sheet

April 30	2025	2024
Assets		
Current		
Cash	\$ 15,857	\$ 89,658
Accounts Receivable (Note 3)	57,179	49,888
Prepays	6,406	14,189
Subsidy Receivable - April	26,458	25,888
County Loan Advance Receivable	174,812	--
	<hr/>	<hr/>
	280,712	179,623
Reserve Fund Investments (Note 4)	116,990	171,358
Capital Assets (Note 5)	205,797	447,962
Capital Improvements (Note 14)	558,407	200,000
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	\$ 1,161,906	\$ 998,943
<hr/>		
Liabilities and Fund Balances		
Current		
Accounts Payable - General Fund	\$ 27,460	\$ 24,483
Holdbacks Payable - Capital Improvements	64,754	46,655
Accrued Mortgage Payment	20,782	20,782
Last Month Rent Deposits	21,228	20,735
Subsidy Payable to County - A.I.R. (Note 10)	42,298	32,672
Current portion of long-term debt (Note 6)	205,797	242,165
	<hr/>	<hr/>
	382,319	387,492
Long-term Debt (Note 6)	--	205,797
Capital Improvement Loan (Note 14)	605,000	200,000
	<hr/>	<hr/>
	987,319	793,289
<hr/>		
Fund Balances		
General Fund	(1,879)	(21,155)
Replacement Reserve Fund	176,466	226,809
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	174,587	205,654
	<hr/>	<hr/>
	\$ 1,161,906	\$ 998,943

Approved on behalf of the Board:

Director

Director

Collingwood Non-Profit Housing Corporation

Statement of Surplus and Reserve Fund

For the year ended April 30

2025

2024

Surplus (Deficit)

Balance, Beginning of Year	\$ (21,709)	\$ (21,611)
Adjustment - Simcoe County (Note 10)	554	--
Balance, Beginning of Year - as restated	(21,155)	(21,611)
Add: Surplus (Deficit) for the Year	19,276	456
Balance, End of the Year	\$ (1,879)	\$ (21,155)

Replacement Reserve Fund

Balance, Beginning of the Year	\$ 226,809	\$ 281,810
Add: Regular Annual Funding	37,471	36,337
Add: Enbridge Rebate	37,025	--
Add: Interest Income	15,631	3,950
Add: Solar Energy Revenue	9,389	11,229
Less: Capital Expenditures	(149,859)	(106,517)
Balance, End of the Year	\$ 176,466	\$ 226,809

Collingwood Non-Profit Housing Corporation

Statement of Operations

For the year ended April 30	Budget 2025	Actual 2025	Actual 2024
Revenues			
Market Rents	\$ 196,000	\$ 237,436	\$ 216,305
RGI Rents	100,000	104,362	108,848
Subsidy	317,743	317,496	310,652
Non-Rental Revenue	20,755	38,430	35,185
Subsidy Adjustment (Note 10)	--	(42,298)	(28,898)
		<hr/>	<hr/>
Total Revenue	634,498	655,426	642,092
Expenses			
Administrative - Schedule 1	59,500	63,737	65,819
Bad Debt Expense (Recovery)	739	819	--
Amortization	242,165	242,165	237,041
Insurance	20,000	13,320	13,473
Maintenance - Wages and Benefits	73,100	83,481	69,971
Interest on Long Term Debt	7,222	7,222	12,346
Materials and Services - Schedule 1	103,000	86,435	107,198
Municipal Property Taxes	53,500	54,114	52,857
Transfer to Reserve Fund	34,500	37,471	36,337
Utilities - Schedule 1	53,500	47,386	46,594
		<hr/>	<hr/>
Total Expenses	647,226	636,150	641,636
		<hr/>	<hr/>
Surplus (Deficit) For the Year	\$ (12,728)	\$ 19,276	\$ 456

Collingwood Non-Profit Housing Corporation

Cash Flow Statement

For the year ended April 30

2025

2024

Operating Activities

Net Surplus (Deficit)	\$	19,276	\$	456
Add: Non-cash items				
Amortization		242,165		237,041
Transfer to Reserve Fund		37,471		36,337
		298,912		273,834
Changes in non-cash working capital balances				
Accounts Receivable		(7,291)		14,085
Subsidy Receivable		(570)		(4,183)
Prepays		7,783		(279)
Subsidy Payable		(32,672)		17,578
Rent Deposits & Accrued Interest		493		2,805
Accounts Payable		21,065		50,668
County Loan Receivable		(174,812)		--
		112,908		354,508

Financing Activities

Proceeds - Capital Improvement Loan		405,000		200,000
Repayment of long-term debt		(242,165)		(237,041)
		162,835		(37,041)

Investing Activities

Reserve Fund Income transfer into the Operating Fund		70,000		--
Net Transfers (To) Reserve Fund		(61,137)		(95,286)
Capital Improvement Expenses		(358,407)		(200,000)
		(349,544)		(295,286)

Total increase (decrease) in cash		(73,801)		22,181
Cash, beginning of year		89,658		67,477
Cash, end of year	\$	15,857	\$	89,658

Collingwood Non-Profit Housing Corporation

Notes to Financial Statements

April 30, 2025

1. Nature of Business

The company was incorporated under the laws of Ontario by letters patent without share capital to provide and operate housing accommodation for persons of low or modest income. The business of the corporation is carried on without the purpose of gain for its members or directors. The company operates a 45 unit housing complex in Collingwood, Ontario, and is funded by the County of Simcoe.

The company is a non-profit organization and is exempt from paying Canadian income taxes.

2. Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the organization's operating agreement with the County of Simcoe, dated March 15, 2002. The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles because:

a) amortization is not provided on buildings and furniture and equipment purchased from loans over the estimated useful lives of these assets but rather at a rate equal to the annual principal reduction of the mortgage;

b) capital assets:

purchased from accumulated surplus are charged to operations in the year the expenditure is incurred, and

purchased from the replacement reserve are charged against the replacement reserve account, rather than being capitalized on the balance sheet and amortized over their estimated useful lives; and

c) a reserve for future capital replacement is appropriated annually from operations.

Use of Estimates

The preparation of financial statements in accordance with prescribed accounting principles 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.

Collingwood Non-Profit Housing Corporation

Notes to Financial Statements

April 30, 2025

2. Significant Accounting Policies - Continued

Revenue Recognition

Rental revenue is recognized monthly based on housing tenancy. Contributions are recognized using the deferral method in which revenue is recognized in the same period as the related expenses are incurred.

Fund Accounting

The general fund reports assets, liabilities, revenue and expenses related to the company's housing activities.

The replacement reserve fund reports the assets, liabilities, revenues and expenses related to capital asset replacement & major repair activities. Capital asset purchases are charged as expenses to this fund, as well as major repairs to the building and related equipment.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank balances and term deposits with maturities of three months or less.

Financial Instruments

The company initially measures its financial assets and liabilities at fair value. The company subsequently measures all financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in income in the period incurred.

Financial assets measured at amortized cost include cash, term deposits, trade and other accounts receivable and notes receivable.

Financial liabilities measured at amortized cost include the bank overdraft, accounts payable, wages payable, and long-term debt.

Transaction costs related to financial instruments that will be measured at fair value are recognized as income in the period incurred. Costs related to financial instruments measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight line method.

For financial assets measured at cost, the company determines whether there are indications of possible impairment. If there is an indication of impairment, a write-down is recognized in income.

Collingwood Non-Profit Housing Corporation

Notes to Financial Statements

April 30, 2025

3. Accounts Receivable

	2025	2024
Rents	\$ 6,615	\$ 4,488
HST	47,498	43,282
Laundry & Solar Generation	3,066	2,118
	\$ 57,179	\$ 49,888

4. Reserve Fund Investments

	2025	2024
Due from the County of Simcoe	\$ --	\$ --
Equity Fund	34,355	29,398
Short-Term Canadian Bond Fund	965	23,337
Canadian Bond Fund	81,670	118,623
	\$ 116,990	\$ 171,358

5. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 503,620	\$ --	\$ 503,620	\$ --
Building & Equipment	3,958,636	4,256,459	3,958,636	4,014,294
Total	\$ 4,462,256	\$ 4,256,459	\$ 4,462,256	\$ 4,014,294
Net Book Value	\$ 205,797		\$ 447,962	

Collingwood Non-Profit Housing Corporation

Notes to Financial Statements

April 30, 2025

6. Long-Term Debt

	2025	2024
Mortgage payable, Peoples Group, 2.150%, repayments \$ 20,782 per month, due February 1, 2026	\$ 205,797	\$ 447,962
Less: Current Portion	205,797	242,165
Long-Term Portion	\$ --	\$ 205,797

7. Economic Dependence

The company is economically dependent on the County of Simcoe for continuing operations.

8. Budget

The budget figures presented on these financial statements are unaudited.

9. Insurance Coverage

Insurance coverage for the corporation is currently provided by the Social Housing Services Corporation. The current policy expires on November 1, 2025.

10. Subsidy Adjustments - County of Simcoe

Each fiscal year, the company completes an Annual Information Return (A.I.R.) for submission to the County of Simcoe. One of the purposes of this report is to calculate subsidy owing to the County or additional subsidy owing from the County for the current fiscal year. For 2025 the A.I.R has been drafted, and the amount of \$ 42,298 has been recorded as owing to the County. This is subject to review by the County.

The company repaid \$ 28,898 of subsidy for the prior fiscal year. This was \$ 554 less than the amount recorded on the 2024 financial statements. The comparative figures have been restated to reflect this adjustment.

Collingwood Non-Profit Housing Corporation

Notes to Financial Statements

April 30, 2025

11. Canada Ontario Community Housing Initiative (COCHI)

The company received \$ 608,000 of funding to replace the roof of the building during the 2022 fiscal year. Housing providers that receive funding under COCHI must remain affordable for a ten year period after the completion of the funded retrofit work, including a minimum of five years during which it will operate as social housing under the Housing Services Act, 2011.

12. Subsidy Surplus Sharing

As per Directive 2012-12, housing providers can submit a business case to Simcoe County to recover the County's share of prior year operating surpluses. As of April 30, 2024, the company had no available amount in its surplus sharing account with Simcoe County.

13. Property Management Services

The company has hired Bayshore Property Management Inc. to provide management services. In addition, two companies related to Bayshore, (Maplebrook Construction Ltd. & 1176229 Ontario Ltd), provided relief superintendent services, building repair services & Reserve Fund project services, for approximately \$ 16,298.

14. Capital Improvements & Loan from Simcoe County

The company conducted Capital Improvements in 2025 that were funded by a second mortgage from Simcoe County. The maximum loan approved is now \$ 605,000.

The loan is interest free and requires no payments until the company's first mortgage is paid off - (February 1, 2026). At that point, interest will be charged and the company will be required to repay the loan over a fifteen year term. The capital improvements will be amortized at the same rate as the loan is repaid.

15. Related Party Transactions

A construction business owned by one of the directors invoiced the company for a Reserve Fund Project during the year for a total of \$ 426,328. The transactions have been recorded at fair value.

16. Financial Instruments

Credit Risk: The company's credit risk is related to accounts receivable. The company provides credit to its clients in the normal course of operations.

Currency Risk: The company is currently not exposed to any foreign currency risks.

Interest Rate Risk: The company is exposed to interest rate risk on its long-term debt.

Liquidity Risk: The company is exposed to this risk in respect of its accounts payable.

Collingwood Non-Profit Housing Corporation

Schedule 1 - Expenditures

For the year ended April 30	Budget 2025	Actual 2025	Actual 2024
Administrative			
Audit Fees	\$ 6,200	\$ 6,221	\$ 5,496
Legal Fees	--	4,946	--
Management Fees	43,000	44,049	49,612
Materials and Services	10,300	8,521	10,711
	<hr/>	<hr/>	<hr/>
	\$ 59,500	\$ 63,737	\$ 65,819
<hr/>			
Materials and Services			
Building	\$ 59,500	\$ 45,799	\$ 69,335
Elevators	7,800	9,143	6,885
Heating and Plumbing	10,000	--	2,076
Grounds & Snow Removal	16,700	16,470	17,383
Painting	2,000	--	--
Waste Removal	6,500	9,901	10,310
Security	500	5,122	1,209
	<hr/>	<hr/>	<hr/>
	\$ 103,000	\$ 86,435	\$ 107,198
<hr/>			
Utilities			
Electricity	\$ 18,000	\$ 21,001	\$ 13,902
Natural Gas & Oil	10,000	6,463	6,632
Water & Sewer	11,000	7,577	11,939
Internet	14,500	12,345	14,121
	<hr/>	<hr/>	<hr/>
	\$ 53,500	\$ 47,386	\$ 46,594

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Appendix 1 - Auditor's Responsibilities

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the 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.

I 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 I identify during my audit.