

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

FINANCIAL STATEMENTS

DECEMBER 31, 2024

Independent Auditor's Report	1
Statement of Financial Position	3
Statement of Accumulated Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Members of
Windsor Baptist Refugee Ministries (o/a Matthew House)

Qualified Opinion

We have audited the accompanying financial statements of the Windsor Baptist Refugee Ministries (o/a Matthew House) which comprise the statement of financial position as at December 31, 2024, and the statement of operations, accumulated net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024, and the result 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 charitable organizations, the Organization derives revenue from contributions and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue 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 contributions and other fundraising revenues, excess of revenues over expenditures and cash flows for the years ended December 31, 2024 and 2023 and accumulated net assets as at December 31, 2024 and 2023. Our conclusion on the financial statements as at and for the year ended December 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 the Association 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 Financial Statements

Management are 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 are 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 intend to liquidate the Association or to cease operations, or have 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 Association'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 Association'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 Association 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.

Windsor, Ontario
Insert Date

Chartered Professional Accountants
Licensed Public Accountants

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

STATEMENT OF FINANCIAL POSITION

	Year Ended December 31	
	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 223,877	\$ 249,010
Investments--Note D	-	136,948
HST receivable	16,830	11,619
Prepaid expenses and deposits	<u>61,750</u>	<u>50,958</u>
	<u>302,457</u>	<u>448,535</u>
EQUIPMENT AND LEASEHOLDS--NOTE C		
Furniture and equipment	82,777	55,841
Leasehold improvements - 3185 Forest Glade Dr.	<u>26,375</u>	<u>26,375</u>
	109,152	82,216
Less accumulated amortization	<u>51,530</u>	<u>37,316</u>
	<u>57,622</u>	<u>44,900</u>
	<u>\$ 360,079</u>	<u>\$ 493,435</u>
LIABILITIES AND ACCUMULATED NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 19,539	\$ 30,677
Government remittances payable	720	-
Deferred revenue--Note E	32,873	45,613
Rent deposits	<u>1,672</u>	<u>6,800</u>
	<u>54,804</u>	<u>83,090</u>
ACCUMULATED NET ASSETS		
Equity in equipment and leaseholds	57,622	44,900
Unrestricted	<u>247,653</u>	<u>365,445</u>
	<u>305,275</u>	<u>410,345</u>
	<u>\$ 360,079</u>	<u>\$ 493,435</u>

COMMITMENTS--NOTE G

APPROVED BY THE BOARD

Director

Director

See notes to financial statements

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

STATEMENT OF ACCUMULATED NET ASSETS

YEAR ENDED DECEMBER 31, 2024

	Equity in Equipment and <u>Leaseholds</u>	<u>Unrestricted</u>	Total <u>2024</u>	Total <u>2023</u>
Balance at beginning of year	\$ 44,900	\$ 365,445	\$ 410,345	\$ 408,218
Excess of revenue over expenditures	(14,214)	(90,856)	(105,070)	2,127
Net additions to equipment and leaseholds	<u>26,936</u>	<u>(26,936)</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u><u>\$ 57,622</u></u>	<u><u>\$ 247,653</u></u>	<u><u>\$ 305,275</u></u>	<u><u>\$ 410,345</u></u>

See notes to financial statements

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

STATEMENT OF OPERATIONS

	Year Ended December 31	
	<u>2024</u>	<u>2023</u>
Revenue		
Rental income	\$ 283,319	\$ 212,125
Donations		
Individuals	209,045	126,818
Churches	70,964	178,438
Associations	17,461	18,050
Corporate	30,541	48,422
Other	38,759	14,292
Fundraising	12,912	17,870
Grants--Note F	57,556	40,292
Laundry machine	4,205	5,826
Interest	7,360	4,031
Miscellaneous	1,097	275
	<u>733,219</u>	<u>666,439</u>
Expenditures		
Wages and benefits	416,448	324,155
Lease expense--Note G	137,755	116,123
Utilities	94,870	63,305
Property taxes	51,092	46,886
Refugee food, transportation and services	43,777	26,539
Insurance	26,276	22,164
Repairs and maintenance	15,817	11,906
Non-recoverable HST	10,359	9,109
Telephone and internet	7,481	6,121
Marketing and fundraising	4,673	5,592
Professional fees	4,500	3,139
Office supplies and miscellaneous	4,040	5,746
Membership fees and dues	3,986	4,330
Interest and bank charges	1,372	1,182
Travel and mileage	1,029	3,992
Donations to other charities	600	3,150
Amortization	14,214	10,873
	<u>838,289</u>	<u>664,312</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(105,070)	2,127
Accumulated net assets at beginning of year	<u>410,345</u>	<u>408,218</u>
ACCUMULATED NET ASSETS AT END OF YEAR	<u><u>\$ 305,275</u></u>	<u><u>\$ 410,345</u></u>

See notes to financial statements

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

STATEMENT OF CASH FLOWS

	Year Ended December 31	
	<u>2024</u>	<u>2023</u>
CASH FLOWS PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ (105,070)	\$ 2,127
Charges to income not affecting cash		
Amortization	14,214	10,873
Changes in non-cash components of working capital		
HST receivable	(5,211)	(4,635)
Prepaid expenses and deposits	(10,792)	(20,614)
Accounts payable and accrued liabilities	(11,138)	17,886
Government remittances payable	720	-
Deferred revenue	(12,740)	45,613
Rent deposits	(5,128)	6,800
	<u>(135,145)</u>	<u>58,050</u>
FINANCING ACTIVITIES		
Decrease in CEBA loan payable	-	(40,000)
INVESTMENT ACTIVITIES		
Decrease (increase) in investments	136,948	(53,328)
Additions to equipment and leaseholds	<u>(26,936)</u>	<u>(36,875)</u>
	<u>110,012</u>	<u>(90,203)</u>
DECREASE IN CASH	(25,133)	(72,153)
Cash at beginning of year	<u>249,010</u>	<u>321,163</u>
CASH AT END OF YEAR	\$ <u>223,877</u>	\$ <u>249,010</u>

See notes to financial statements

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

A. GENERAL

Windsor Baptist Refugee Ministries is a not-for-profit religious organization whose mission is to:

- (1) provide temporary homes and settlement support for refugee claimants;
- (2) orientating refugee claimants to Canadian life

The Organization is incorporated without share capital in the Province of Ontario and is a registered charity under the Income Tax Act.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING: These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

REVENUE RECOGNITION: The Organization follows the deferral method of accounting for contributions. Under the deferral method, amounts received in the year for expenses to be incurred in the following year are recorded as deferred revenue.

Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions to the various initiatives which have been internally designated as restricted are recognized as revenue in the year in which the related expenses are incurred.

USE OF ACCOUNTING ESTIMATES: The preparation of financial statements requires management and the Board of Directors to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent 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 these estimates.

INVESTMENTS: Investments are recorded at cost. Short-term investments are those with maturity dates within one year of the Organization's year end date while long-term investments have maturity dates beyond one year.

CONTRIBUTED SERVICES: The operation of the Organization relies upon the many hours of service provided by its members. Because of the difficulties of determining their fair value, contributed services are not recognized in these financial statements. Directors are not remunerated for their services.

FINANCIAL INSTRUMENTS: The Organization's financial instruments consist of cash, HST receivable, prepaid expenses and deposits, accounts payable and accruals. The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost.

EQUIPMENT AND LEASEHOLDS: Equipment and leaseholds are recorded at cost. Amortization is calculated by using the following methods and annual rates:

Leasehold improvements	20 %	straight-line
Furniture and equipment	20 %	declining balance

The Organization reviews the carrying value of equipment and leasehold improvements for impairment when events or changes in circumstances indicate an asset's value may not be recoverable.

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

NOTES TO FINANCIAL STATEMENTS (Continued)

DECEMBER 31, 2024

C. EQUIPMENT AND LEASEHOLDS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2024 Net</u>	<u>2023 Net</u>
Furniture and equipment	\$ 82,777	\$ 25,872	\$ 56,905	\$ 40,828
Leasehold improvements	<u>26,375</u>	<u>25,658</u>	<u>717</u>	<u>4,072</u>
	<u>\$ 109,152</u>	<u>\$ 51,530</u>	<u>\$ 57,622</u>	<u>\$ 44,900</u>

D. INVESTMENTS

During the year, the following investments matured and were redeemed.

	<u>Amount</u>	<u>Maturity Date</u>	<u>Rate</u>
<u>Current</u>			
Windsor Family Credit Union	\$ 100,000	December 29, 2024	5.90%
Windsor Family Credit Union	<u>36,948</u>	December 29, 2024	3.25%
	<u>\$ 136,948</u>		

E. DEFERRED CONTRIBUTIONS

Deferred contributions represent externally restricted funding received for specific purposes.

	<u>2024</u>	<u>2023</u>
Deferred contributions, beginning of year	\$ 45,613	\$ -
Add amounts received for current and future purposes	44,816	85,905
Less amounts recognized as revenue in the year	<u>(57,556)</u>	<u>(40,292)</u>
Deferred contributions, end of year	<u>\$ 32,873</u>	<u>\$ 45,613</u>

Deferred contributions are comprised of the following:

	<u>2024</u>	<u>2023</u>
Windsor Essex Community Foundation	\$ -	\$ 35,613
Caesars Windsor	-	10,000
City of Windsor	19,800	-
Anti-Hate Security and Prevention Grant	<u>13,073</u>	<u>-</u>
	<u>\$ 32,873</u>	<u>\$ 45,613</u>

WINDSOR BAPTIST REFUGEE MINISTRIES
(o/a MATTHEW HOUSE)

NOTES TO FINANCIAL STATEMENTS (Continued)

DECEMBER 31, 2024

F. GRANT REVENUE

Grant revenue is derived from the following sources:

	<u>2024</u>	<u>2023</u>
Windsor Essex Community Foundation	\$ 35,613	\$ 32,332
Caesars Windsor	10,000	-
Women's Enterprise Skills Training of Windsor Inc.	4,000	3,570
Summer student grant	3,816	-
South Essex Community Council Incorporation	-	1,890
Benefaction Foundation	-	2,500
City of Windsor	2,200	-
Anti-hate Security and Prevention Grant	1,927	-
	<u>\$ 57,556</u>	<u>\$ 40,292</u>

G. COMMITMENTS

On April 1, 2019, the Organization entered into a 20 year lease for its premises at 3185 Forest Glade Drive. The rent is payable in monthly installments of \$7,105 (2023 - \$7,105) plus HST. The base rent will increase yearly by the greater of 1.5% over the previous year's base rent or the increase in the Ontario Works Shelter allowance over the previous year.

On April 13, 2023 the Organization entered into an agreement to lease a building on 1771 Chappell Avenue. Monthly lease payments will be \$3,900 plus HST. The initial lease term is for one year from May 1, 2023 to April 30, 2024, with an option to renew the lease for an additional 36 months at a monthly base rent of \$4,000 for year one, increasing by 2% in years two and three.

The Organization has entered into an operating lease with RCAP leasing for the use of a photocopier machine. Annual payments over the remaining term of the lease are as follows:

2025	\$ 590
2026	590
2026	197

Future minimum payments total \$617,979 over the next five years.

H. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments.

CREDIT RISK: The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its HST receivable. It is the Board of Directors' opinion that the Organization is not exposed to significant credit risk.

LIQUIDITY RISK: Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Accounts payable and accrued liabilities are generally paid within 30 days. It is the Board of Directors' opinion that the Organization is not exposed to significant liquidity risk.

INTEREST RATE RISK: The Organization has interest-bearing investments. The Board of Directors do not consider this a significant risk at this time.

I. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with the current year's presentation.