

**CENTRAL HASTINGS SUPPORT NETWORK**

**FINANCIAL STATEMENTS**

March 31, 2025

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
**CENTRAL HASTINGS SUPPORT NETWORK**

### **Qualified Opinion**

We have audited the financial statements of **CENTRAL HASTINGS SUPPORT NETWORK**, 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 possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2025, and its results of 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 revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, 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 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 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 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 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, 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 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.

## INDEPENDENT AUDITOR'S REPORT (continued)

### 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 organization's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by .
- ◆ Conclude on the appropriateness of '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.

Trent Hills, Ontario  
September 9, 2025

*Welch LLP*  
CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

**CENTRAL HASTINGS SUPPORT NETWORK**  
*(Incorporated without share capital under the laws of Ontario)*  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2025**

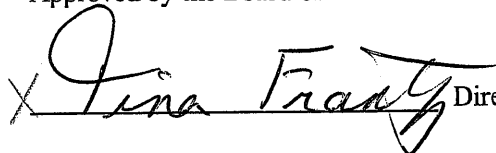
**ASSETS**


	<u>2025</u>	<u>2024</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 64,124	\$ 49,376
Accounts receivable	66,628	73,177
Prepaid expenses	3,347	2,102
HST receivable	25,552	36,794
Government assistance receivable - note 4	<u>201,793</u>	<u>201,793</u>
	361,444	363,242
<b>CAPITAL ASSETS - note 5</b>	<u>353,975</u>	<u>378,304</u>
	<u>\$ 715,419</u>	<u>\$ 741,546</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 45,090	\$ 55,083
Deferred funding	7,469	38,475
Rent deposits	4,490	2,550
Current portion of long-term debt	<u>5,395</u>	<u>68,069</u>
	62,444	164,177
<b>LONG-TERM DEBT - note 6</b>	58,155	-
<b>DEFERRED CONTRIBUTIONS - CAPITAL ASSETS - note 7</b>	<u>138,689</u>	<u>146,573</u>
	<u>259,288</u>	<u>310,750</u>
<b>NET ASSETS</b>		
Invested in capital assets	151,737	163,664
Unrestricted	<u>304,394</u>	<u>267,132</u>
	<u>456,131</u>	<u>430,796</u>
	<u>\$ 715,419</u>	<u>\$ 741,546</u>

Approved by the Board of Directors:

 Director

 Director

*(See accompanying notes)*

**CENTRAL HASTINGS SUPPORT NETWORK  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED MARCH 31, 2025**

	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	<u>Total 2025</u>
BALANCE, beginning of year	\$ 163,664	\$ 267,132	\$ 430,796
Excess of revenues over expenditures	-	25,335	25,335
Amortization of capital assets	(24,330)	24,330	-
Mortgage repayment	4,519	(4,519)	-
Amortization of deferred contributions	<u>7,884</u>	<u>(7,884)</u>	<u>-</u>
BALANCE, end of year	<u>\$ 151,737</u>	<u>\$ 304,394</u>	<u>\$ 456,131</u>

	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	<u>Total 2024</u>
BALANCE, beginning of year	\$ 122,636	\$ 312,345	\$ 434,981
Deficiency of revenues over expenditures	-	(4,185)	(4,185)
Amortization of capital assets	(21,690)	21,690	-
Additions of capital assets	49,206	(49,206)	-
Mortgage repayment	5,629	(5,629)	-
Amortization of deferred contributions	<u>7,883</u>	<u>(7,883)</u>	<u>-</u>
BALANCE, end of year	<u>\$ 163,664</u>	<u>\$ 267,132</u>	<u>\$ 430,796</u>

*(See accompanying notes)*

**CENTRAL HASTINGS SUPPORT NETWORK  
STATEMENT OF OPERATIONS  
YEAR ENDED MARCH 31, 2025**

	<u>2025</u>	<u>2024</u>
<b>REVENUES</b>		
Transportation program fees	\$ 387,870	\$ 374,098
HRDC - grant	-	4,503
HUB rental revenue	34,800	32,350
Transit program - fares	79,552	77,100
Transit program - United Way grant	20,000	25,000
Transit program - government grants	243,189	253,543
General fundraising	51,700	64,764
Helping Hands program - fundraising	112,527	71,654
Helping Hands program - United Way grant	<u>15,000</u>	<u>15,000</u>
	944,638	918,012
HST rebate	<u>54,831</u>	<u>58,652</u>
	<u>999,469</u>	<u>976,664</u>
<b>EXPENDITURES</b>		
Administrative salaries, wages and benefits	146,779	168,172
General administration	30,015	37,083
HUB expenses	33,792	32,887
Helping Hands program	68,227	45,670
Transit program	380,944	379,511
Transportation	<u>297,931</u>	<u>303,719</u>
	<u>957,688</u>	<u>967,042</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER ITEMS</b>	<u>41,781</u>	<u>9,622</u>
<b>OTHER EXPENDITURES/(REVENUES)</b>		
Amortization of capital assets	24,330	21,690
Amortization of deferred contributions	<u>(7,884)</u>	<u>(7,883)</u>
	<u>16,446</u>	<u>13,807</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 25,335</u>	<u>\$ (4,185)</u>

*(See accompanying notes)*

**CENTRAL HASTINGS SUPPORT NETWORK  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2025**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenditures	\$ 25,335	\$ (4,185)
Adjustment for:		
Amortization of capital assets	<u>24,330</u>	<u>21,690</u>
	49,665	17,505
Change in non-cash working capital components:		
Accounts receivable	6,549	(39,861)
Prepaid expenses	(1,245)	(2,102)
HST receivable	11,242	(2,386)
Government assistance receivable	-	(5,259)
Accounts payable and accrued liabilities	(9,994)	(24,150)
Deferred funding	(31,006)	8,550
Rent deposits	<u>1,940</u>	<u>-</u>
	<u>27,151</u>	<u>(47,703)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of capital assets	<u>-</u>	<u>(49,206)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in long-term debt	(4,519)	(5,629)
Deferred contributions related to capital assets	<u>(7,884)</u>	<u>(7,883)</u>
	<u>(12,403)</u>	<u>(13,512)</u>
<b>INCREASE (DECREASE) IN CASH</b>	14,748	(110,421)
<b>CASH, beginning of year</b>	<u>49,376</u>	<u>159,797</u>
<b>CASH, end of year</b>	<u>\$ 64,124</u>	<u>\$ 49,376</u>

*(See accompanying notes)*

**CENTRAL HASTINGS SUPPORT NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2025**

**1. DESCRIPTION OF THE ORGANIZATION**

Central Hastings Support Network is an organization that sponsors a local food bank, a volunteer fee-for-service transportation system for persons on a low or fixed income, provides resource, referral and crisis management assistance in obtaining and filing applications for service and sponsors income tax preparation clinics.

Central Hastings Support Network provides a fee-for-service public transit system, which enables people without access to transportation to seek employment opportunities; gives them access to higher education; and access to medical and social services and opportunities not available within their immediate neighbourhood.

Central Hastings Support Network was incorporated on October 30, 1985 under the laws of the Province of Ontario as a not-for-profit organization and is a registered charity under the Income Tax Act, and accordingly, is exempt from income taxes.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The organization applies the Canadian accounting standards for not-for-profit organizations.

**Financial instruments**

The organization initially measures its financial assets and financial liabilities at fair value adjusted by transaction costs in the case where a financial asset or liability is subsequently measured at amortized cost. The organization subsequently measures all of its financial assets and financial liabilities at amortized cost. Transaction costs associated with the acquisition and disposal of investments are expensed when incurred.

Financial assets measured at fair value include cash.

Financial assets measured at amortized cost include amounts receivable.

Financial liabilities measured at amortized cost include amounts payable, deposits, deferred funding, and long-term debt.

**Revenue recognition**

Unrestricted grants and donations are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted grants and donations are deferred and recognized as revenue when the related expenses are incurred.

**CENTRAL HASTINGS SUPPORT NETWORK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2025**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Contributed materials and services**

Volunteers contribute time to assist the organization in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are reported when a fair value can be reasonably estimated and the organization would have otherwise purchased the materials.

Donated food, for which charitable receipts are issued, are recorded at 100% of fair market value. During the year, the organization recognized \$21,330 in in-kind purchases.

**Accounting 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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Management makes estimates when determining the collectability of its accounts receivable and the useful life of capital assets.

**Capital assets**

Capital assets are stated at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution when a fair value can be reasonably estimated. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Building	- 25 years
Office equipment	- 5 years
Vehicles	- 10 years

Amortization is recorded at one half of the full rate in the year that the asset is put into use.

**CENTRAL HASTINGS SUPPORT NETWORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2025**

**3. FINANCIAL INSTRUMENTS**

The organization is exposed to risks through its financial instruments as follows:

**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 comprises three types of risk: currency risk, interest rate risk and other price risk.

It is management's opinion that the organization does not hold any financial instruments that would expose it to significant market risk.

**Credit risk**

The organization is exposed to credit risk resulting from the possibility that clients may default on their financial obligations or if there is a concentration of transactions carried out with the same party.

It is management's opinion that the organization is not exposed to significant credit risk.

**Liquidity risk**

Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. The organization's management manages this risk by reviewing future cash flow requirements and by holding cash reserves.

Management is of the opinion that the organization will be able to meet all of its cash flow obligations as they come due.

**Other risks**

The organization is not exposed to significant currency, interest rate, or other price risk.

**Changes in risk**

There have been no changes in the organization's risk exposure during the year.

**CENTRAL HASTINGS SUPPORT NETWORK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2025**

**4. GOVERNMENT ASSISTANCE RECEIVABLE**

Government assistance consists of the following:

	<u>2025</u>	<u>2024</u>
Provincial gas tax funding	<u>\$ 201,793</u>	<u>\$ 201,793</u>

**5. CAPITAL ASSETS**

Capital assets consist of the following:

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Land	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
Building	340,196	83,025	257,171	270,779
Office equipment	22,578	20,695	1,883	-
Vehicles	<u>100,321</u>	<u>30,400</u>	<u>69,921</u>	<u>82,525</u>
	<u>\$ 488,095</u>	<u>\$ 134,120</u>	<u>\$ 353,975</u>	<u>\$ 378,304</u>

**6. LONG-TERM DEBT**

The organization has a mortgage payable against a building purchased in 2014. The mortgage was payable in blended monthly payments of \$853 bearing interest at 8.60%, with a renewal date of March 1, 2025.

The mortgage was renewed and is repayable in blended monthly payments of \$784 beginning April 1, 2025, bearing interest at 6.65%, with a renewal date of March 1, 2028.

	<u>2025</u>	<u>2024</u>
Mortgage payable	\$ 63,550	\$ 68,069
Less current portion	<u>5,395</u>	<u>68,069</u>
	<u>\$ 58,155</u>	<u>\$ -</u>

**CENTRAL HASTINGS SUPPORT NETWORK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2025**

**6. LONG-TERM DEBT (continued)**

Estimated principal repayments until maturity are as follows:

2026		\$ 5,395
2027		5,760
2028		<u>52,395</u>
		<u>\$ 63,550</u>

As collateral for the mortgage, the bank holds a security interest in the land and building for which the mortgage was used to purchase. The land and building has a carrying value of \$282,171.

**7. DEFERRED CONTRIBUTIONS - CAPITAL ASSETS**

Deferred contributions related to capital assets represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of contributions related to capital assets is recorded as revenue in the statement of operations. The changes in the deferred contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 146,573	\$ 154,456
Amortization of deferred contributions related to capital assets	<u>(7,884)</u>	<u>(7,883)</u>
Balance, end of year	<u>\$ 138,689</u>	<u>\$ 146,573</u>

**8. COMPARATIVE FIGURES**

Certain figures have been reclassified to conform with the financial statement presentation adopted for the current year.