

Financial Statements

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

Toronto, Ontario

March 31, 2024

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Independent Auditors' Report

**To the Members of Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House) and to the City of Toronto:**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) (the Organization), which comprise the statement of financial position as at March 31, 2024 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 section of our report, the financial statements present fairly, in all material respects, the financial position of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) as at March 31, 2024, and its results of operations and cash flows for the year then ended in accordance with the financial reporting requirements of the Housing Services Act (HSA).

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we are not able to determine whether any adjustments might be necessary to donations revenue, surplus and cash flows from operations for the year ended March 31, 2024, and current assets and net assets as at March 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero 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 opinion.

Independent Auditors' Report - continued

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) to meet the financial reporting requirements of the HSA. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for members of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) and the City of Toronto and should not be distributed to parties other than the members of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) and the City of Toronto. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) for the year ended March 31, 2023 were audited by another auditor who expressed a similar qualified opinion on those statements on June 5, 2023.

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 requirements of the HSA, 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 Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House)'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 Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House)'s financial reporting process.

Auditors' 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 auditors' 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.

Independent Auditors' Report - continued

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 Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House)'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 Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House)'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.

Toronto, Ontario
June 3, 2024



Chartered Professional Accountants, Licensed Public Accountants

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Statement of Financial Position	2024	2023
		Note 12
Current Assets		
Cash, Note 3	\$ 259,485	\$ 252,116
Temporary investments, Note 3	98,498	228,175
Accounts receivable		
Subsidy	25,850	25,247
HST	17,276	11,322
Refugee Housing Hub and miscellaneous	14,504	1,082
Prepaid expenses	16,331	2,680
	431,944	520,622
Total Current	431,944	520,622
Long-Term Investments , Note 3	357,731	242,214
Capital Assets , Note 5	916,945	964,772
Reserve Funds , Note 3	64,703	107,768
	1,771,323	1,835,376

Approved by The Board

Director: Lorraine Neale

Director: Kathy Butkovich

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Statement of Financial Position	2024	2023
		Note 12 and Note 13, Restated
Current Liabilities		
Accounts payable and accrued liabilities	\$ 63,460	\$ 49,343
Due to City of Toronto, Note 4	1,529	12,138
Due to City of Toronto - Ontario Priorities Housing Initiative (OPHI)	22,623	22,623
Deferred contributions, Note 6	68,532	25,533
	156,144	109,637
Mortgages Payable , Note 8	315,026	387,873
Deferred Capital Contributions , Note 7	432,661	436,522
	903,831	934,032
Contingencies , Note 11		
Net Assets		
<i>Restricted</i>		
Capital reserve fund, per statement, Note 9	45,973	92,672
Bloor Centre reserve fund, per statement	18,730	15,096
<i>Unrestricted</i>		
Accumulated surplus, per statement	802,789	793,576
	867,492	901,344
	1,771,323	1,835,376

The notes on pages 11 through 20 form an integral part of these financial statements.

Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House)

Year ended March 31, 2024

Statement of Changes in Net Assets

				2024	2023
	Capital Reserve Fund	Bloor Centre Reserve Fund	Unrestricted	Total	Total
					Note 12 and Note 13, Restated
Balance, beginning of year	\$ 92,672	\$ 15,096	\$ 766,286	\$ 874,054	\$ 868,125
Prior period adjustment, Note 13	0	0	27,290	27,290	27,290
	92,672	15,096	793,576	901,344	895,415
Add (deduct)					
Surplus	0	0	9,213	9,213	19,124
Reserve funding	9,226	3,088	0	12,314	11,947
Investment income (loss) earned in reserves	3,236	546	0	3,782	(4,024)
Capitalize basement renovations funded by Canada-Ontario Community Housing Initiative (COCHI)	20,697	0	0	20,697	0
Prior year subsidy surplus transfer	0	0	0	0	2,348
Reserve expenditures, Note 10	(79,858)	0	0	(79,858)	(10,920)
Bloor property renovations	0	0	0	0	(12,546)
<i>Balance, End of Year</i>	45,973	18,730	802,789	867,492	901,344

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

Year ended March 31, 2024

Statement of Operations	2024	2023	2024	2023	2024	2023
	Social Housing		Refugee Services, Bloor Centre and Other		Total	Total Note 12
Revenues						
Occupancy charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Social housing rent	51,240	51,170	0	0	51,240	51,170
Social housing subsidies	245,249	249,064	0	0	245,249	249,064
Other rental income	0	0	12,599	13,187	12,599	13,187
Rent supplement subsidy	0	0	71,081	64,834	71,081	64,834
Amortization of deferred capital contributions, Note 7	0	0	24,540	37,883	24,540	37,883
Donations	0	0	268,059	289,953	268,059	289,953
Grants	0	0	248,460	128,554	248,460	128,554
Interest	0	0	16,610	10,825	16,610	10,825
Other	0	1,100	6,841	5,857	6,841	6,957
Total Revenues	296,489	301,334	648,190	551,093	944,679	852,427
Expenses						
Amortization	72,772	70,328	29,621	21,850	102,393	92,178
Consultants	8,356	9,709	23,550	34,716	31,906	44,425
General and administrative	4,241	3,073	19,780	34,113	24,021	37,186
Home maintenance	58,765	50,409	27,399	25,065	86,164	75,474
Insurance	3,569	8,390	1,190	2,776	4,759	11,166
Mortgage interest	15,161	17,155	0	0	15,161	17,155
Office expenses	2,640	2,885	36,804	28,131	39,444	31,016
Salaries and benefits	104,579	97,935	342,016	269,147	446,595	367,082
Transportation	0	0	17,390	24,453	17,390	24,453
Utilities	21,083	21,991	25,665	26,314	46,748	48,305
Program expenses	0	0	25,968	19,078	25,968	19,078
Resettlement	0	0	95,103	55,863	95,103	55,863
Replacement reserve	9,226	8,560	3,088	3,387	12,314	11,947
Total Expenses	300,392	290,435	647,574	544,893	947,966	835,328
Surplus (Deficit)	(3,903)	10,899	616	6,200	(3,287)	17,099
Other						
Prior year's subsidy adjustment, Note 4	0	2,025	0	0	0	2,025
Bequest	0	0	12,500	0	12,500	0
Surplus (Deficit)	(3,903)	12,924	13,116	6,200	9,213	19,124

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

Year ended March 31, 2024

Statement of Cash Flows	2024	2023
		Note 12
Operating Activities		
Surplus	\$ 9,213	\$ 19,124
Non-cash items		
Amortization of deferred capital contributions	(24,540)	(21,850)
Deferred contributions recognized	(62,525)	(64,260)
Amortization	102,393	92,178
Appropriation to replacement reserve	12,314	11,947
	<u>36,855</u>	<u>37,139</u>
Net change in non-cash working capital		
Account receivable	(19,378)	10,397
Subsidy	(603)	(537)
Prepaid expenses	(13,651)	(2,680)
Account payable and accrued liabilities	14,117	15,300
Due to City of Toronto	(10,609)	(2,321)
Deferred contributions received	105,524	31,445
Due to City of Toronto - OPHI	0	(22,623)
	<u>75,400</u>	<u>28,981</u>
Cash Provided By Operating Activities	<u>112,255</u>	<u>66,120</u>
Investing Activities		
Capital reserve expenditures	(79,858)	(10,920)
Bloor property renovations	0	(12,546)
Increase (decrease) in investments	57,225	(3,676)
Investment income (loss) earned in reserves	3,782	(4,024)
Increase in prior year subsidy surplus transfer	0	2,348
Purchase of property and equipment	(33,867)	(18,000)
	<u>(52,718)</u>	<u>(46,818)</u>
Cash Used In Investing Activities	<u>(52,718)</u>	<u>(46,818)</u>
Financing Activities		
Principal portion of mortgage payments	(72,847)	(70,328)
Increase in COCHI funding	20,679	18,000
	<u>(52,168)</u>	<u>(52,328)</u>
Cash Used In Financing Activities	<u>(52,168)</u>	<u>(52,328)</u>
Net cash increase (decrease) during the year	7,369	(33,026)
Cash position beginning of year	252,116	285,142
Cash Position End Of Year	<u>259,485</u>	<u>252,116</u>

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

Year ended March 31, 2024

Notes to Financial Statements

Status and Nature of Activities

Toronto Refugee Community Non-Profit Homes and Services (operating as Romero House) (the Organization) was incorporated under the laws of Ontario, as a corporation without share capital to provide subsidized housing and services for refugees and is a registered charitable organization that is exempt from taxes under the Income Tax Act.

The Organization is economically dependent on the continued financial support of the City of Toronto and the private sector to meet its ongoing commitments.

Note 1 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 financial reporting framework prescribed by the Housing Services Act (HSA) and the City of Toronto. This framework requires the financial statements to be prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations subject to the following significant exceptions:

- (a) amortization of capital assets includes amortization of land and is equal to the principal repaid on the mortgage rather than on the useful lives of the related assets;
- (b) capital expenditures may be charged to the replacement reserve rather than capitalized and amortized over their estimated useful lives;
- (c) a replacement reserve is appropriated from operations; and
- (d) interest earned on replacement reserve funds is credited directly to the reserve rather than to operations.
- (e) long-term debt is not segregated between current and long-term on the statement of financial position.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 1 Significant Accounting Policies - continued

Revenue Recognition

The Organization follows the deferred method of accounting for contributions. Government subsidies, externally restricted grants and externally restricted donations are recognized as revenue in the year in which the related expenses are incurred.

Externally restricted donations for property and equipment are deferred and recognized as revenue on the same basis as the related amortization expense.

Unrestricted donations and bequests 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.

Occupancy charges are recognized when due at the beginning of each month. Other income is recognized as earned.

Investment income includes interest from cash and fixed income investments, reinvested distributions from mutual funds and realized gains and losses on the disposal of investments and unrealized gains and losses resulting from the changing value of investments. Revenue is recognized on an accrual basis. Interest from fixed income investments is recognized over the term of these investments using the effective interest method.

Capital Reserve Fund

This fund includes an annual provision externally restricted to this fund and charges for property maintenance expenditures for all except the Bloor Centre, which are long-term in nature, and which do not represent day-to-day maintenance. The current year provision of \$9,226 (2023 - \$8,560) is based on the capital reserve provision of the prior year, multiplied by an index dictated by the Ontario Ministry of Municipal Affairs and Housing as communicated by the City of Toronto.

Bloor Centre Reserve Fund

This fund includes an annual provision externally restricted to this fund and charges for property maintenance expenditures related to the Bloor Centre, which are long-term in nature, and which do not represent day-to-day maintenance. The current year provision of \$3,088 (2023 - \$3,387) is based on 4% of rent supplement subsidy estimate for the fiscal year as communicated by the City of Toronto.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 1 Significant Accounting Policies - continued

Interfund Transfer

Transfers between funds are required when resources of one fund have been authorized to finance activities and acquisitions in another fund.

Contributed Goods

Contributed goods and capital donations are recorded at fair market value at the date of contribution if the fair value can be reasonably estimated.

Contributed Services

The Organization receives donations in the form of services from volunteers and its Board of Directors. The fair value of these services cannot be reasonably estimated and is not recorded in the financial statements.

Property and Equipment

Property and equipment include social housing properties which consists of houses, furniture, and fixtures. The HSA requires such property and equipment to be amortized in annual amounts equal to the principal mortgage repayments. Amortization is not provided for over the estimated useful life of the property and equipment.

Other property and equipment, other than land which is not amortized, are recorded at cost, and are amortized over their estimated useful life on a straight-line basis as follows:

Building	40 years
Housing improvements - Canada-Ontario Community	
Housing Initiative (COCHI) funding	20 years
Vehicles	5 years

Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to its fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 1 Significant Accounting Policies - continued

Financial Instruments

(a) Measurement of Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash, guaranteed investments certificates and accounts receivable.

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

(b) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Use of Estimates

The preparation of financial statements requires management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure 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.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 2 Financial Instruments

Risk Management Policy

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2024:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a loss.

The Organization is subject to concentrations of credit risk through its cash accounts. The Organization maintains all of its cash at a single Canadian financial institution. The maximum credit risk is equivalent to the carrying value. It is the opinion of the management that the Organization is not exposed to significant credit risk on its cash.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period and are summarized below:

Interest Rate Risk

The Organization manages its investments based on its cash flow needs and with a view to optimizing its investment income. The Organization has invested its excess cash in low risk interest bearing vehicles such as guaranteed investment certificates as the means for managing its interest rate risk.

The effective interest rate realized on long term investments during the year varied from 1.5% to 4.6% (2023, 1.5% to 3.0%). The average interest rate was 2.1% (2023, 1.8%). These investments have maturity dates between July 22, 2024 and March 9, 2027.

The mortgage bears a fixed interest rate.

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its long-term debt. This risk is reduced because Organization has enough cash and investments to meet its short-term obligations.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 3 Cash, Investments and Reserve Funds

	2024	2023
Cash		
Petty cash	\$ 500	\$ 500
Operating current account	64,791	114,271
Savings account	173,961	137,345
Brokers cash account	20,233	0
	259,485	252,116
Temporary Investments		
Canadian bond funds	25,722	92,672
Guaranteed investment certificates	72,776	135,503
	98,498	228,175
Long-Term Investments		
Guaranteed investment certificates	422,434	349,982
	780,417	830,273
Composed of:		
Cash	259,485	252,116
Temporary investments	98,498	228,175
Long-term investments	357,731	242,214
Amount required to fund reserve - restricted	64,703	107,768
	780,417	830,273

The average rate of return on cash and investments during the year was 2.9% (2023, 0.9%).

Note 4 Due to the City of Toronto

The Organization receives subsidies based on formulae contained in the HSA. Subsidies are adjusted at year-end for variances between actual and estimated amounts. The difference is receivable from (or payable to) the City of Toronto. The current year receivable is subject to adjustment.

All fiscal years up to and including the period ended March 31, 2022 have been reconciled.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 5 Capital Assets

At cost	Cost	Accumulated Amortization	2024	2023
Land	\$ 135,531	\$ 0	\$ 135,531	\$ 135,531
Building	755,991	(403,000)	352,991	371,890
Houses, furniture and fixtures	1,469,089	(1,149,143)	319,946	392,718
Housing improvements - COCHI funded	88,697	(9,007)	79,690	64,633
Vehicles	67,278	(38,491)	28,787	0
	<u>2,516,586</u>	<u>(1,599,641)</u>	<u>916,945</u>	<u>964,772</u>

Note 6 Deferred Contributions

	Refugee Housing	Wanda Housing	2024	2023
Opening balance	\$ 19,526	\$ 6,007	\$ 25,533	\$ 80,971
Restricted contributions received	105,524	0	105,524	31,445
Revenue recognized	(56,518)	(6,007)	(62,525)	(64,260)
Unspent restricted contributions repayable	0	0	0	(22,623)
Deferred contribution, ending balance	<u>68,532</u>	<u>0</u>	<u>68,532</u>	<u>25,533</u>

Note 7 Deferred Capital Contributions

	Bloor Centre Housing	Dorval Housing	Keele Housing	2024	2023
Opening balance	\$ 371,889	\$ 47,083	\$ 17,550	\$ 436,522	\$ 440,372
Restricted contributions received	0	20,679	0	20,679	18,000
Amortization of deferred contributions	(18,900)	(4,740)	(900)	(24,540)	(21,850)
Deferred contribution, ending balance	<u>352,989</u>	<u>63,022</u>	<u>16,650</u>	<u>432,661</u>	<u>436,522</u>

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 8 Mortgages Payable

The status of the mortgages are as follows:

	2024	2023
The mortgage held by Canada Life with monthly principal and interest payments of \$3,289, bearing interest at 6.49% per annum, due January 1, 2026, secured by 48 Wanda Road property.	\$ 133,860	\$ 163,715
The mortgage held by Scotiabank with monthly principal and interest payments of \$2,171, bearing interest at 1.628% per annum, due April 1, 2026, secured by 40 Dorval Road property.	88,577	112,975
The mortgage held by People Trust Company with monthly principal and interest payments of \$1,905, bearing interest at 4.69% per annum, due September 1, 2028, secured by 175 Keele Street property.	92,589	111,183
	315,026	387,873

Principal payments due in the next five years are approximately as follows:

2025	\$	75,577
2026		78,980
2027		82,571
2028		66,697
2029		11,201

Note 9 Restrictions on Net Assets

The capital reserve fund is externally restricted by the City of Toronto. This fund can only be used for capital expenditures approved by the City of Toronto.

The Bloor Centre reserve fund includes an annual provision externally restricted to this fund. This fund can only be used for property maintenance expenditures related to the Bloor Centre, which are long-term in nature, and which do not represent day-to-day maintenance.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 10 Reserve Expenditures

Expenditures charged to the replacement reserve are as follows:

	2024	2023
Dorval property roofing	\$ 27,871	\$ 0
Dorval master drainpipe replacement	19,541	0
Dorval bathroom renovations	13,642	0
Building condition assessment	10,134	0
Wanda property renovations	8,670	0
Keele property repairs and tree removal	0	10,920
	79,858	10,920

Note 11 Contingencies

(a) Supporting Communities Partnership Initiative (SCPI)

The City of Toronto provided the Organization with a loan of \$400,000 to renovate an existing mixed use two storey building that the Organization owns and construct an addition at the rear of the property to develop a project that has nine dwelling rooms under the SCPI program.

The loan will be forgiven after 25 years commencing on the first day of the funding period on February 15, 2002, assuming that the Organization has met all the requirements of the program, including offering transitional housing and affordable housing to specialized needs of people who are homeless and those at risk of homelessness throughout the term of the agreement. The conditions for forgiveness of the loan will be met on February 15, 2027.

(b) COCHI

The City of Toronto provided the Organization with a forgivable, non-interest bearing ten year loan of \$70,679 for purpose of basement renovation at Dorval House and \$18,000 for purpose of roof replacement at Keele House under COCHI.

The loan will be forgiven ten years after the project completion, assuming that the Organization has met all the requirements of the program, including maintaining a facility that is deemed affordable during ten years. The conditions for forgiveness of the loan will be met on February 1, 2032 and October 1, 2032 respectively.

Note 12 Classification

The prior year figures have been reclassified, where necessary, to conform to the current year's presentation. Surplus for the previous year is not affected by the reclassification.

**Toronto Refugee Community Non-Profit Homes and Services
(operating as Romero House)**

March 31, 2024

Note 13 Prior Period Adjustments

The prior year's financial statements did not correctly reflect the accrued mortgage interest payable and the account payable was overstated due to unspecified contingent liability which was recorded a long time ago. These errors have been corrected retrospectively, and the prior year's figures have been restated to reflect the adjustments. The restatement resulted in a decrease in the account payable of \$7,290 for the accrued mortgage interest and \$20,000 for the unspecified contingent liability, as well as the increase in balance of the accumulated surplus of \$27,290. The prior year's surplus was not affected as a result of these changes.