

Financial Statements

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

Toronto, Ontario

March 31, 2025

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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, 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 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, 2025, 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, 2025 and March 31, 2024, and current assets and net assets as at March 31, 2025 and March 31, 2024. 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 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.

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 9, 2025



Chartered Professional Accountants, Licensed Public Accountants

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

March 31, 2025

Statement of Financial Position	2025	2024
Current Assets		
Cash, Note 3	\$ 348,889	\$ 259,485
Temporary investments, Note 3	104,669	98,498
Accounts receivable		
Subsidy	26,582	25,850
HST	48,907	17,276
Due from the City of Toronto, Note 4	7,059	0
Due from City of Toronto - Small Capital Fund, Note 12	88,057	0
Miscellaneous	1,831	14,504
Prepaid last month rent and others	51,646	16,331
Total Current	677,640	431,944
Long-Term Investments , Note 3	288,812	357,731
Capital Assets , Note 5	811,262	916,945
Reserve Funds , Note 3	76,569	64,703
	1,854,283	1,771,323

Approved by The Board

Director: Michael McMorrow

Director: Tom Abel

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

March 31, 2025

Statement of Financial Position	2025	2024
Current Liabilities		
Accounts payable and accrued liabilities	\$ 77,506	\$ 63,460
Due to City of Toronto, Note 4	0	1,529
Due to City of Toronto - Ontario Priorities Housing Initiative (OPHI)	22,623	22,623
Due to City of Toronto - Toronto Shelter and Support Services (TSSS), Note 13	81,735	0
Deferred contributions - 2387 Dundas Street West last month rent, Note 14	30,807	0
Deferred contributions - Refugee housing, Note 6	76,271	68,532
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Total Current	288,942	156,144
Mortgages Payable , Note 8	239,524	315,026
Deferred Capital Contributions , Note 7	409,326	432,661
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Total Liabilities	937,792	903,831
Contingencies , Note 15		
Net Assets		
<i>Restricted</i>		
Capital reserve fund, per statement, Note 9	59,865	45,973
Bloor Housing reserve fund, per statement	16,704	18,730
<i>Unrestricted</i>		
Accumulated surplus, per statement	839,922	802,789
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	916,491	867,492
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	1,854,283	1,771,323
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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, 2025

Statement of Changes in Net Assets

				2025	2024
	Capital Reserve Fund	Bloor Housing Reserve Fund	Unrestricted	Total	Total
Balance, beginning of year	\$ 45,973	\$ 18,730	\$ 802,789	\$ 867,492	\$ 901,344
Add (deduct)					
Surplus	0	0	38,893	38,893	9,213
Reserve funding	9,514	3,165	0	12,679	12,314
Investment income earned in reserves	2,618	526	0	3,144	3,782
Capitalize basement renovations funded by Canada-Ontario Community Housing Initiative (COCHI)	0	0	0	0	20,697
Reserve expenditures, Note 10	0	0	0	0	(79,858)
Bloor hot water tank replacement	0	(5,717)	0	(5,717)	0
Transfer from accumulated surplus, per City of Toronto guideline	1,760	0	(1,760)	0	0
<i>Balance, End of Year</i>	59,865	16,704	839,922	916,491	867,492

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

Year ended March 31, 2025

Statement of Operations	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Social Housing		Bloor Housing		Edna Lane House		Refugee Services and Other		Total	Total
Revenues										
Social housing rent	\$ 54,247	\$ 51,240	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 54,247	\$ 51,240
Social housing subsidies	249,569	245,249	0	0	0	0	0	0	249,569	245,249
Other rental income	0	0	11,455	12,599	3,502	0	0	0	14,957	12,599
Rent supplement subsidy	0	0	78,003	71,081	0	0	0	0	78,003	71,081
TSSS funding	0	0	0	0	498,307	0	0	0	498,307	0
Amortization of deferred capital contributions, Note 7	0	0	18,900	18,900	0	0	4,435	5,640	23,335	24,540
Donations	0	0	0	0	0	0	278,461	268,059	278,461	268,059
Grants	88,057	0	0	0	0	0	321,502	248,460	409,559	248,460
Interest	0	0	0	0	0	0	17,705	16,610	17,705	16,610
Other	0	0	1,495	1,391	0	0	5,148	5,450	6,643	6,841
Total Revenues	391,873	296,489	109,853	103,971	501,809	0	627,251	544,219	1,630,786	944,679
Expenses										
Amortization	75,576	72,772	18,900	18,900	0	0	11,208	10,721	105,684	102,393
Consultants	10,101	8,356	4,406	5,517	15,087	0	27,579	18,033	57,173	31,906
General and administrative	1,273	4,241	1,208	1,139	2,724	0	10,913	18,641	16,118	24,021
Home maintenance	150,949	58,765	29,239	13,962	11,754	0	15,252	13,437	207,194	86,164
Insurance	7,937	3,569	2,646	1,190	1,836	0	0	0	12,419	4,759
Mortgage interest	12,806	15,161	0	0	0	0	0	0	12,806	15,161
Office expenses	2,946	2,640	2,679	4,821	7,222	0	35,941	31,983	48,788	39,444
Salaries and benefits	94,366	104,579	27,814	32,642	123,965	0	373,420	309,374	619,565	446,595
Transportation	0	0	0	0	1,822	0	17,116	17,390	18,938	17,390
Utilities	22,884	21,083	17,429	16,592	11,772	0	7,582	9,073	59,667	46,748
Program expenses	0	0	0	0	0	0	25,936	25,968	25,936	25,968
Resettlement	0	0	0	0	10,410	0	69,299	95,103	79,709	95,103
Replacement reserve	9,514	9,226	3,165	3,088	0	0	0	0	12,679	12,314
Rent, Note 11	0	0	0	0	229,694	0	0	0	229,694	0
TSSS start up costs	0	0	0	0	85,523	0	0	0	85,523	0
Total Expenses	388,352	300,392	107,486	97,851	501,809	0	594,246	549,723	1,591,893	947,966
Surplus (Deficit)	3,521	(3,903)	2,367	6,120	0	0	33,005	(5,504)	38,893	(3,287)
Other										
Bequest	0	0	0	0	0	0	0	12,500	0	12,500
Surplus (Deficit)	3,521	(3,903)	2,367	6,120	0	0	33,005	6,996	38,893	9,213

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

Year ended March 31, 2025

Statement of Cash Flows	2025	2024
Operating Activities		
Surplus	\$ 38,893	\$ 9,213
Non-cash items		
Amortization of deferred capital contributions	(23,335)	(24,540)
Deferred contributions recognized	(75,754)	(62,525)
Amortization	105,684	102,393
Appropriation to replacement reserve	12,679	12,314
	<u>58,167</u>	<u>36,855</u>
Net change in non-cash working capital		
Subsidy	(732)	(603)
HST	(31,631)	(5,954)
Due from City of Toronto	(7,059)	0
Due from City of Toronto - small capital fund	(88,057)	0
Miscellaneous receivable	12,672	(13,424)
Prepaid expenses	(35,315)	(13,651)
Account payable and accrued liabilities	14,046	14,117
Due to City of Toronto	(1,529)	(10,609)
Due to City of Toronto - TSSS	81,735	0
Deferred contributions - 2387 Dundas Street West last month rent	30,807	0
Deferred contributions received	83,493	105,524
	<u>58,430</u>	<u>75,400</u>
Cash Provided By Operating Activities	<u>116,597</u>	<u>112,255</u>
Investing Activities		
Capital reserve expenditures	0	(79,858)
Bloor hot water tank replacement	(5,717)	0
Decrease in investments	50,882	57,225
Investment income earned in reserves	3,144	3,782
Purchase of property and equipment	0	(33,867)
	<u>48,309</u>	<u>(52,718)</u>
Cash Provided By (Used In) Investing Activities	<u>48,309</u>	<u>(52,718)</u>
Financing Activities		
Principal portion of mortgage payments	(75,502)	(72,847)
Increase in COCHI funding	0	20,679
	<u>(75,502)</u>	<u>(52,168)</u>
Cash Used In Financing Activities	<u>(75,502)</u>	<u>(52,168)</u>
Net cash increase during the year	89,404	7,369
Cash position beginning of year	259,485	252,116
Cash Position End Of Year	<u>348,889</u>	<u>259,485</u>

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

Year ended March 31, 2025

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;
- (d) interest earned on replacement reserve funds is credited directly to the reserve rather than to operations; and
- (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, 2025

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.

Rental income is 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 Housing, which are long-term in nature, and which do not represent day-to-day maintenance. The current year provision of \$9,514 (2024 - \$9,226) 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 Housing Reserve Fund

This fund includes an annual provision externally restricted to this fund and charges for property maintenance expenditures related to the Bloor Housing, which are long-term in nature, and which do not represent day-to-day maintenance. The current year provision of \$3,165 (2024 - \$3,088) 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, 2025

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) funded	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, 2025

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, 2025

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, 2025:

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 5.1% (2024, 1.5% to 4.6%). The average interest rate was 2.4% (2024, 2.1%). These investments have maturity dates between June 4, 2025 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 and its long-term debt.

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

March 31, 2025

Note 3 Cash, Investments and Reserve Funds

	2025	2024
Cash		
Petty cash	\$ 500	\$ 500
Operating current account	155,492	64,791
Savings account	171,916	173,961
High interest saving account	20,981	20,233
	348,889	259,485
Temporary Investments		
Canadian bond funds	37,106	25,722
Guaranteed investment certificates	67,563	72,776
	104,669	98,498
Long-Term Investments		
Guaranteed investment certificates	365,381	422,434
	818,939	780,417
Composed of:		
Cash	348,889	259,485
Temporary investments	104,669	98,498
Long-term investments	288,812	357,731
Amount required to fund reserve - restricted	76,569	64,703
	818,939	780,417

The average rate of return on cash and investments during the year was 3.1% (2024, 2.9%).

Note 4 Due from (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, 2025

Note 5 Capital Assets

At cost	Cost	Accumulated Amortization	2025	2024
Land	\$ 135,531	\$ 0	\$ 135,531	\$ 135,531
Building	755,991	(421,900)	334,091	352,991
Houses, furniture and fixtures	1,469,089	(1,224,719)	244,370	319,946
Housing improvements - COCHI funded	88,697	(13,441)	75,256	79,690
Vehicles	67,278	(45,264)	22,014	28,787
	<u>2,516,586</u>	<u>(1,705,324)</u>	<u>811,262</u>	<u>916,945</u>

Note 6 Deferred Contributions - Refugee Housing

	2025	2024
Opening balance	\$ 68,532	\$ 25,533
Restricted contributions received	83,493	105,524
Revenue recognized	(75,754)	(62,525)
Deferred contribution, ending balance	<u>76,271</u>	<u>68,532</u>

Note 7 Deferred Capital Contributions

	Bloor Housing	Dorval Housing	Keele Housing	2025	2024
Opening balance	\$ 352,989	\$ 63,022	\$ 16,650	\$ 432,661	\$ 436,522
Restricted contributions received	0	0	0	0	20,679
Amortization of deferred contributions	(18,900)	(3,535)	(900)	(23,335)	(24,540)
Deferred contribution, ending balance	<u>334,089</u>	<u>59,487</u>	<u>15,750</u>	<u>409,326</u>	<u>432,661</u>

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

March 31, 2025

Note 8 Mortgages Payable

The status of the mortgages are as follows:

	2025	2024
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.	\$ 102,035	\$ 133,860
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.	63,780	88,577
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.	73,709	92,589
	239,524	315,026

Remaining principal payments due are approximately as follows:

2026	\$	78,980
2027		82,571
2028		66,697
2029		11,276

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 Housing 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 Housing, 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, 2025

Note 10 Reserve Expenditures

Expenditures charged to the replacement reserve are as follows:

	2025	2024
Dorval property roofing	\$ 0	\$ 27,871
Dorval master drainpipe replacement	0	19,541
Dorval bathroom renovations	0	13,642
Building condition assessment	0	10,134
Wanda property renovations	0	8,670
	0	79,858

Note 11 Lease Agreement

During the year, the Organization entered into a lease agreement with the City of Toronto to lease premises at 2387 Dundas Street West to support and facilitate the protection and resettlement of refugees and asylum seekers. The term of the lease is 28 months commencing on September 1, 2024. The remaining terms of the lease are as follows:

April 1, 2025 to December 31, 2026 \$29,640 plus HST

The Organization is responsible for an additional rent which equals to its proportion (86.66%) of the operating cost. The landlord will estimate the additional rent in the beginning of the year, currently at \$2,006 per month.

Note 12 Due from the City of Toronto - Small Capital Fund

During the year, the Organization was approved for small capital funds of \$40,057 for main floor bathroom renovation, back deck replacement and eavestroughs and downspouts replacement and \$48,000 for replacement of roof, windows and fob systems. As of the year-end, the projects were completed.

Subsequent to the year-end, payments were received for the approved amounts.

Note 13 Due to the City of Toronto - TSSS

The Organization entered into a funding agreement with City of Toronto under Toronto Shelter and Support Service (TSSS) program to operate a housing first focused transitional shelter site for refugee claimant families at 2387 Dundas Street West. The funding is based on an operating budget approved by the City of Toronto. The current year payable is subject to adjustment.

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

March 31, 2025

Note 14 Deferred Contribution - 2387 Dundas Street West Last Month Rent

The Organization was required to pay last month rent of \$30,807 under the lease agreement to lease premises at 2387 Dundas Street West. As of the year-end, \$30,807 was used from TSSS funding to pay for the last month rent. The amount was set up as a prepaid last month rent and the funding used was deferred accordingly.

Note 15 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.