

## **INDEPENDENT AUDITORS' REPORT ON THE SUMMARY FINANCIAL STATEMENTS**

To the Board of Directors

### **Opinion**

The summary financial statements, which comprise the summary balance sheet as at March 31, 2023, and the summary statements of revenue and expenditures and changes in net assets for the year then ended, and related notes, are derived from the audited financial statements of Good Shepherd Refuge Social Ministries (the Organization) for the year ended March 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the financial statements, in accordance with the criteria disclosed in Notes to the summary financial statements. However, we were not able to determine if any adjustments to the summary financial statements were necessary for the reasons described in *The Audited Financial Statements and Our Report Thereon* section of this audit report.

### **Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditors' report thereon, therefore, is not a substitute for reading the Organization's audited financial statements and the auditors' report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

### **The Audited Financial Statements and Our Report Thereon**

In our report dated July 19, 2023:

- We expressed a qualified audit opinion on the audited financial statements because we were not able to obtain sufficient appropriate audit evidence regarding the completeness of revenue from contributions from the public and fundraising activities.

### **Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Notes to the summary financial statements.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.



**HAMILTON, ONTARIO**  
**July 19, 2023**

**HGK PARTNERS LLP**  
**Chartered Professional Accountants**  
**Licensed Public Accountants**

**GOOD SHEPHERD REFUGE SOCIAL MINISTRIES**  
**Summary Balance Sheet**  
**As at March 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 2,846,968	\$ 5,609,847
Restricted cash - lottery	120	120
Short term investments	3,420,018	3,608,286
Accounts receivable	229,108	131,407
Prepaid expenditures	<u>44,457</u>	<u>131,720</u>
	<u>6,540,671</u>	<u>9,481,380</u>
Long term investments	150,000	150,000
Capital assets	<u>8,609,177</u>	<u>8,488,218</u>
	<u>8,759,177</u>	<u>8,638,218</u>
	<u>\$ 15,299,848</u>	<u>\$ 18,119,598</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 752,575	\$ 398,915
Tenant deposit	-	12,000
Deferred contributions	315,447	109,323
Demand term loan	<u>-</u>	<u>3,986,666</u>
	<u>1,068,022</u>	<u>4,506,904</u>
Deferred contributions related to capital assets	<u>395,193</u>	<u>185,622</u>
	<u>1,463,215</u>	<u>4,692,526</u>
<b>NET ASSETS</b>		
Net assets internally restricted	1,200,000	1,200,000
Internally restricted net assets invested in capital assets	8,213,984	4,315,930
Unrestricted net assets	<u>4,422,649</u>	<u>7,911,142</u>
	<u>13,836,633</u>	<u>13,427,072</u>
	<u>\$ 15,299,848</u>	<u>\$ 18,119,598</u>

**On behalf of the Board:**

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Director

Director

*(See Accompanying Notes to Summary Financial Statements)*

**GOOD SHEPHERD REFUGE SOCIAL MINISTRIES**  
**Summary Statement of Revenue and Expenditures**  
**Year Ended March 31, 2023**

	2023	2022
<b>Revenue</b>		
Donations	\$ 2,289,584	\$ 3,078,201
Investment revenue	118,084	28,149
Care fees	54,441	51,774
Other	5,090	1,676
Subsidies - City of Toronto - Hostel Services per diem	1,714,084	1,714,084
- City of Toronto - other	1,327,738	1,141,408
- Ministry of Health and Long-Term Care		
- AIDS Bureau	60,331	60,331
- COVID-19 DARE/ response support/pandemic pay	-	9,157
- Local Health Integrated Networks (LHIN)		
- Supportive Housing	712,552	654,085
- COVID-19 wage enhancement	11,809	72,133
- Federal COVID-19 Wage Subsidies	-	416,276
Grants - Toronto LHIN - Drug and Alcohol Recovery Enrichment	320,661	320,661
- Veteran and Family Well-Being Fund Grant	68,075	132,531
- Catholic Charities - Development Grant	95,001	94,996
- Other	200,941	57,679
Amortization of deferred capital asset grants	58,729	58,732
	<u>7,037,120</u>	<u>7,891,873</u>
<b>Expenditures</b>		
Computer support	163,008	116,521
Equipment rental	3,385	4,207
Food	305,836	214,563
Fundraising	10,000	10,000
Housekeeping and cleaning	157,790	139,777
Insurance	69,662	60,077
Interest on loan	191,621	9,670
Kitchen supplies	136,679	85,961
Mailing, promotion and publicity	41,015	30,824
Medical and nursing services	5,632	2,313
Miscellaneous	17,360	15,940
Office	93,298	84,362
Professional fees	39,617	45,806
Rent	20,307	8,184
Repairs and maintenance	138,787	120,814
Staff training	19,710	13,071
Telephone	65,128	46,354
Utilities	154,260	147,015
Vehicle	57,106	59,895
Wages and benefits	4,638,832	4,335,318
	<u>6,329,033</u>	<u>5,550,672</u>
Excess revenue over expenditures before amortization	708,087	2,341,201
Amortization	298,526	296,839
<b>EXCESS REVENUE OVER EXPENDITURES</b>	<u>\$ 409,561</u>	<u>\$ 2,044,362</u>

(See Accompanying Notes to Summary Financial Statements)

**GOOD SHEPHERD REFUGE SOCIAL MINISTRIES**  
**Summary Statement of Changes in Net Assets**  
**Year Ended March 31, 2023**

	Net Assets Internally Restricted	Internally Restricted Net Assets Invested in Capital Assets	Unrestricted Net Assets	Total
<b><u>2023</u></b>				
<b>Balance, beginning of year</b>	\$ 1,200,000	\$ 4,315,930	\$ 7,911,142	\$ 13,427,072
Excess revenue over expenditures	-	-	409,561	409,561
Amortization	-	(298,526)	298,526	-
Amortization of deferred contributions related to capital assets	-	58,729	(58,729)	-
Principal reduction in long term debt	-	3,986,666	(3,986,666)	-
Invested in capital assets (net)	-	419,485	(419,485)	-
Increase in deferred contributions related to capital assets	-	(268,300)	268,300	-
<b>Balance, end of year</b>	<b><u>\$ 1,200,000</u></b>	<b><u>\$ 8,213,984</u></b>	<b><u>\$ 4,422,649</u></b>	<b><u>\$ 13,836,633</u></b>
<b><u>2022</u></b>				
Balance, beginning of year	\$ 1,200,000	\$ 2,704,347	\$ 7,478,363	\$ 11,382,710
Deficiency of revenue over expenditures	-	-	2,044,362	2,044,362
Amortization	-	(296,839)	296,839	-
Amortization of deferred contributions related to capital assets	-	58,732	(58,732)	-
Principal increase in long term debt	-	(3,986,666)	3,986,666	-
Invested in capital assets (net)	-	5,836,356	(5,836,356)	-
<b>Balance, end of year</b>	<b><u>\$ 1,200,000</u></b>	<b><u>\$ 4,315,930</u></b>	<b><u>\$ 7,911,142</u></b>	<b><u>\$ 13,427,072</u></b>

*(See Accompanying Notes to Summary Financial Statements)*

**GOOD SHEPHERD REFUGE SOCIAL MINISTRIES**  
**Notes to Summary Financial Statements**  
**Year Ended March 31, 2023**

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Good Shepherd Refuge Social Ministries' primary purpose is to engage in charitable works and endeavours, of every nature and kind, and to establish, maintain and operate hostels or residences for people in need.

The Organization is a non-share capital corporation, with letters patent issued under Part II of the Canada Corporations Act and continued under the Canada Not-for-profit Corporations Act on October 10, 2013. As a result of its status as a registered charity, it is exempt from the payment of income taxes under provisions of the Income Tax Act of Canada.

**Notes to the Summary Financial Statements**

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at March 31, 2023 and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- (a) the summary financial statements include a statement for each statement included in the audited financial statements with the exception that management determined that the statement of cash flows does not provide additional useful information and as such has not included them as part of the summary financial statements;
- (b) information in the summary financial statements agrees with the related information in the audited financial statements;
- (c) major subtotals, totals and comparative information from the audited financial statements are included; and
- (d) the summary financial statements contain the information from the audited financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized financial statements.