

**STRATFORD HOUSE OF BLESSING**  
FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Stratford House of Blessing  
Stratford, Ontario

### Qualified Opinion

We have audited the financial statements of **Stratford House of Blessing**, which comprise the balance sheet as at **December 31, 2024** and the statements of operations and changes in fund balances 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of **Stratford House of Blessing** as at **December 31, 2024** and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

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 **Stratford House of Blessing** 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

In common with many not-for-profit organizations, the organization derives cash revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures and cash flows from operations for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023 and net assets as at January 1 and December 31 for both the 2024 and 2023 year ends. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

## **INDEPENDENT AUDITORS' REPORT - continued**

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

In preparing the financial statements, management is responsible for assessing the entity'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 entity, cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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. 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:

- (a) 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.
- (b) 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 entity's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of the entity'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 entity'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 entity to cease to continue as a going concern.
- (e) 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.

## INDEPENDENT AUDITORS' REPORT - continued

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.

*Fanme + Co.*

Professional Corporation  
Chartered Professional Accountants  
*Authorized to practice public accounting by  
the Chartered Professional Accountants of Ontario*

Stratford, Ontario  
May 14, 2025

**Stratford House of Blessing**  
**Balance Sheet**  
As at December 31, 2024

**ASSETS**

	2024	2023
<b>Current Assets</b>		
Cash on hand and in bank - unrestricted	\$ 878,572	\$ 728,772
Cash in bank - restricted	24	24
Guaranteed investment certificates and accrued interest receivable - unrestricted (Note 5)	107,795	313,585
Guaranteed investment certificates and accrued interest receivable - restricted (Note 5)	102,715	99,707
Accounts receivable	29,009	25,879
HST receivable	11,270	13,333
Prepaid expenses	<u>17,310</u>	<u>27,985</u>
	<b>\$ 1,146,695</b>	<b><u>1,209,285</u></b>
<b>Property, Plant, and Equipment - at cost</b>		
Land	79,518	79,518
Building	807,042	741,847
Furniture	40,443	33,441
Equipment	84,310	61,477
Vehicle	39,880	39,880
Computer software	<u>20,689</u>	<u>20,689</u>
	<b>1,071,882</b>	<b>976,852</b>
Less: Accumulated amortization	<u>531,202</u>	<u>502,999</u>
	<b><u>540,680</u></b>	<b><u>473,853</u></b>
	<b><u>\$ 1,687,375</u></b>	<b><u>\$ 1,683,138</u></b>

Approved on Behalf of the Board:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

(See Accompanying Notes to the Financial Statements)

**Stratford House of Blessing**  
**Balance Sheet**  
As at December 31, 2024

**LIABILITIES**

	2024	2023
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 35,330	\$ 33,842
Deferred revenue	6,985	19,835
Deferred capital contributions (Note 7)	<u>25,495</u>	<u>20,513</u>
	<b>\$ 67,810</b>	<b><u>74,190</u></b>

**NET ASSETS**

Unrestricted net assets	1,516,826	1,509,217
Net assets restricted: Capital Reserve Fund	<u>102,739</u>	<u>99,731</u>
	<b><u>1,619,565</u></b>	<b><u>1,608,948</u></b>
	<b>\$ <u>1,687,375</u></b>	<b>\$ <u>1,683,138</u></b>

(See Accompanying Notes to the Financial Statements)

**Stratford House of Blessing**  
**Statement of Operations and Changes in Fund Balances**  
**General Fund**

For the year ended December 31, 2024

	2024	2023
<b>Revenue</b>		
Donations	\$ 623,442	\$ 861,682
Foundations and grants	113,280	51,215
Fundraising	94,492	70,245
Interest	14,117	12,385
Other revenue	580	-
Amortization of deferred capital contributions (Note 7)	<u>4,482</u>	<u>-</u>
	<b>\$ 850,393</b>	<b><u>995,527</u></b>
<b>Expenditures</b>		
Professional fees	49,368	11,935
Advertising and promotion	222	374
Amortization of property, plant, and equipment	28,203	23,934
Bank charges	2,122	2,331
Children's programs	14,639	14,888
Diapers and formula	17,897	18,550
Family care centre	2,349	1,932
Financial assistance	1,631	83,965
Food	100,736	85,953
Food bank supplies	2,351	1,001
Fundraising	6,522	3,303
Insurance	14,544	12,498
Memberships	5,396	4,660
Office	25,137	15,485
Professional development	2,422	3,145
Recycling	10,896	12,524
Repairs and maintenance	34,858	15,489
Snow removal and lawn care	8,988	10,026
Telephone	8,857	7,523
Travel	1,206	1,345
Utilities	12,763	13,064
Vehicle	2,632	2,414
Volunteer expense	3,361	3,456
Wages and benefits	<u>482,676</u>	<u>402,905</u>
	<u>839,776</u>	<u>752,700</u>
Excess of revenue over expenditures for the year	<b>10,617</b>	<b>242,827</b>
<b>Net assets - beginning of year</b>	<u>1,509,217</u>	<u>1,268,854</u>
	<b>1,519,834</b>	<b>1,511,681</b>
Interfund transfers	<u>(3,008)</u>	<u>(2,464)</u>
<b>Net assets - end of year</b>	<b><u>\$ 1,516,826</u></b>	<b><u>\$ 1,509,217</u></b>

(See Accompanying Notes to the Financial Statements)

**Stratford House of Blessing**  
**Statement of Operations and Changes in Fund Balances**  
**Capital Reserve Fund**  
For the year ended December 31, 2024

	2024	2023
<b>Net assets - beginning of year</b>	\$ 99,731	\$ 97,267
Interfund transfers	<u>3,008</u>	<u>2,464</u>
<b>Net assets - end of year</b>	<u>\$ 102,739</u>	<u>\$ 99,731</u>

(See Accompanying Notes to the Financial Statements)

**Stratford House of Blessing**  
**Statement of Cash Flows**  
For the year ended December 31, 2024

	<b>2024</b>	<b>2023</b>
<b>Cash Provided By (Used In):</b>		
<b>Operating Activities</b>		
Excess of revenue over expenditures for the year	\$ 10,617	\$ 242,827
Items not requiring cash		
Amortization of property, plant, and equipment	28,203	23,934
Net changes in non-cash current operating accounts		
Decrease (increase) in accounts receivable	(3,130)	1,481
Decrease (increase) in HST receivable	2,063	(7,527)
Decrease (increase) in prepaid expenses	10,675	(14,250)
Increase (decrease) in accounts payable and accrued expenses	1,488	8,782
Increase (decrease) in deferred revenue	(12,850)	23,212
Increase (decrease) in deferred capital contributions	<u>4,982</u>	<u>-</u>
	<b>\$ 42,048</b>	<b><u>278,459</u></b>
<b>Investing Activities</b>		
Purchase of property, plant, and equipment	<u>(95,030)</u>	<u>(38,304)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(52,982)</b>	<b>240,155</b>
<b>Cash and cash equivalents - beginning of year</b>	<b><u>1,142,088</u></b>	<b><u>901,933</u></b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ <u>1,089,106</u></b>	<b>\$ <u>1,142,088</u></b>
<b>Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents comprise the following balance sheet amounts:</b>		
Cash on hand and in bank	878,596	728,796
Guaranteed investment certificates	<u>210,510</u>	<u>413,292</u>
	<b>\$ <u>1,089,106</u></b>	<b>\$ <u>1,142,088</u></b>

(See Accompanying Notes to the Financial Statements)

**Stratford House of Blessing**  
**Notes to the Financial Statements**  
For the year ended December 31, 2024

**1. Purpose**

The Stratford House of Blessing, located in Stratford, Ontario, is a non-denominational faith-based organization dedicated to helping anyone regardless of race or religion who is in need of help or support. It is an incorporated not-for-profit organization and is a registered charity under the Income Tax Act.

**2. Fund Accounting**

Stratford House of Blessing uses fund accounting in these financial statements. The purpose of each individual Fund is as follows:

- (a) Unrestricted General Fund: to report revenue and expenditures related to program delivery and administrative activities.
- (b) Restricted Capital Reserve Fund: to accumulate money for future capital needs of the organization.

**3. Summary of Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations summarized below:

- (a) Capital Expenditures  
Property, plant, and equipment are recorded at cost or at estimated cost, if donated, with charitable receipt given. Amortization is claimed when the asset is put in use at the rates reflected in the accompanying schedule of property, plant, and equipment and amortization.
- (b) Contributed Services  
Volunteers contribute significant hours to the organization annually. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
- (c) Revenue Recognition  
The organization follows the deferral method of accounting for contributions. Restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.
- (d) Use of Estimates  
Preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that could affect amounts reported as assets, liabilities, revenue and expenditures. Due to measurement uncertainty, results could differ from those estimates.
- (e) Financial Instruments  
A financial asset is any asset that is cash; a contractual right to receive cash from another party; or an equity instrument of another entity. A financial liability is any liability that is a contractual obligation to deliver cash to another party.

Financial assets and liabilities are initially measured at fair value, except for certain non-arm's length transactions. Subsequently, financial assets and financial liabilities are measured 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 excess of revenue over expenditures.

**Stratford House of Blessing**  
**Notes to the Financial Statements**  
For the year ended December 31, 2024

**4. Gifts in Kind**

Gifts in kind, for which donation receipts were issued, are included in donation revenue and have been allocated as follows:

	2024	2023
Shares	\$ 22,529	\$ 12,326
Food	<u>27,775</u>	<u>10,380</u>
	<u>\$ 50,304</u>	<u>\$ 22,706</u>

As of January 1, 2010, it became Stratford House of Blessing's policy to no longer issue donation receipts for gifts in kind where an independent market value was not readily available.

**5. Guaranteed Investment Certificates - Short-Term Investment**

The Guaranteed investment certificates of the restricted and unrestricted funds is composed of short-term cashable investments, details are as follows:

	2024	2023
<b>Guaranteed Investment Certificate - Unrestricted</b>		
The Toronto Dominion Bank - 3%, maturing June, 2025	\$ 106,077	\$ -
The Toronto Dominion Bank - 3%, maturing June, 2024	-	102,988
Royal Bank of Canada - 4%, maturing November, 2024	-	207,695
Accrued interest receivable	<u>1,718</u>	<u>2,902</u>
	<u>\$ 107,795</u>	<u>\$ 313,585</u>
<b>Guaranteed Investment Certificate - Restricted</b>		
The Canada Trust Company - 3%, maturing June, 2025	101,079	-
The Canada Trust Company - 3%, maturing June, 2024	-	98,135
Accrued interest receivable	<u>1,636</u>	<u>1,572</u>
	<u>\$ 102,715</u>	<u>\$ 99,707</u>

**6. Comparative Figures**

Certain of the 2023 figures on the balance sheet have been reclassified to conform to the 2024 financial statement presentation.

**Stratford House of Blessing**  
**Notes to the Financial Statements**  
For the year ended December 31, 2024

**7. Deferred Capital Contributions**

Deferred capital contributions represent the unamortized portion of donations and government grants received for the purchase of specific capital expenditures subject to amortization. Changes in deferred capital contributions for the year were as follows:

	<b>2024</b>	<b>2023</b>
Balance - beginning of year	\$ 20,513	\$ -
Capital contributions	9,464	20,513
Amortization of deferred capital contributions	<u>(4,482)</u>	<u>-</u>
Balance - end of year	<u>\$ 25,495</u>	<u>\$ 20,513</u>

**Stratford House of Blessing**  
**Schedule of Property, Plant and Equipment and Amortization**  
For the year ended December 31, 2024

	As at December 31, 2023				As at December 31, 2024			
	Cost	Accum. Amort.	Unamort. Bal.	Unamort. Bal.	Cost	Accum. Amort.	Unamort. Bal.	Unamort. Bal.
Land	79,518		79,518		79,518		79,518	
Building	741,847	370,243	371,604	65,195	807,042	387,715	419,327	
Furniture	33,441	25,933	7,508	7,002	40,443	27,384	13,059	
Equipment	61,477	55,169	6,308	22,833	84,310	60,997	23,313	
Vehicle	39,880	34,848	5,032		39,880	36,358	3,522	
Computer software	20,689	16,806	3,883		20,689	18,748	1,941	
	<b>976,852</b>	<b>502,999</b>	<b>473,853</b>	<b>95,030</b>	<b>1,071,882</b>	<b>531,202</b>	<b>540,680</b>	