

Combined Financial Statements of

THE YONGE STREET MISSION

Year ended September 30, 2023

THE YONGE STREET MISSION

Combined Financial Statements

Year ended September 30, 2023

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KPMG LLP
Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan, ON L4K 0J3
Canada
Telephone 905 265 5900
Fax 905 265 6390

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Yonge Street Mission

Qualified Opinion

We have audited the combined financial statements of The Yonge Street Mission (the Entity), which comprise:

- the combined statement of financial position as at September 30, 2023
- the combined statement of operations for the year then ended
- the combined statement of changes in fund balances for the year then ended
- the combined statement of cash flows for the year then ended
- and notes to the combined financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "***Basis for Qualified Opinion***" section of our auditor's report, the accompanying financial statements present fairly, in all material respects, the combined financial position of the Entity as at September 30, 2023 and its combined results of operations and its combined 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 charitable organizations, the Entity derives revenue from contributions, 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 Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the combined statements of financial position as at September 30, 2023 and September 30, 2022
- the contributions revenue and excess (deficiency) of revenues over expenses reported in the combined statements of operations for the years ended September 30, 2023 and September 30, 2022



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- the fund balances, at the beginning and end of the year reported in the combined statements of changes in fund balances for the years ended September 30, 2023 and September 30, 2022
- the excess of revenues over expenses reported in the combined statements of cash flows for the years ended September 30, 2023 and September 30, 2022

Our opinion on the financial statements for the year ended September 30, 2022 was qualified 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 auditor's report.

We are independent of the Entity 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.

Emphasis of Matter - Basis of Presentation

We draw attention to Note 1 to the financial statements which describes the basis of preparation used in these financial statements and the purpose of the financial statements.

Our opinion is not modified in respect to 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 Canadian accounting standards for not-for-profit organizations, 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 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 or to 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.



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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 the 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 Entity'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 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 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 Entity to cease to continue as a going concern.



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- 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

January 24, 2024

THE YONGE STREET MISSION

Combined Statement of Financial Position

September 30, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash and short-term investments (note 3)	\$ 2,632,843	\$ 2,233,363
Restricted cash and short-term investments (note 3)	4,472,082	6,058,568
Accounts receivable	525,138	431,058
Prepaid expenses	194,740	223,171
	<u>7,824,803</u>	<u>8,946,160</u>
Restricted investments (note 3)	2,120,437	2,005,084
Capital assets (note 4)	17,249,366	15,121,945
	<u>\$ 27,194,606</u>	<u>\$ 26,073,189</u>

Liabilities and Fund Balances

Current liabilities:		
Bank indebtedness (note 5)	\$ 998,770	\$ 264,837
Accounts payable and accrued liabilities (note 11)	1,977,530	1,482,236
Current portion of long-term debt (note 6)	217,643	213,828
	<u>3,193,943</u>	<u>1,960,901</u>
Long-term debt (note 6)	1,188,483	1,406,125
Fund balances:		
General	300,000	300,000
Capital and Housing	16,266,876	14,168,392
Restricted:		
Externally restricted	2,708,459	4,289,670
Externally restricted - YSM Scholarship Fund (note 3)	2,120,437	2,005,084
Internally restricted	1,416,408	1,943,017
	<u>6,245,304</u>	<u>8,237,771</u>
	<u>22,812,180</u>	<u>22,706,163</u>
Contingencies (note 12)		
	<u>\$ 27,194,606</u>	<u>\$ 26,073,189</u>

See accompanying notes to combined financial statements.

On behalf of the Board:



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Director

DocuSigned by:



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Director

THE YONGE STREET MISSION

Combined Statement of Operations

Year ended September 30, 2023, with comparative information for 2022

	General Fund		Capital and Housing Fund		Restricted Funds		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue (notes 2(d) and 9)	\$ 12,179,205	\$ 10,676,508	\$ 1,090,422	\$ 1,155,004	\$ 3,656,370	\$ 4,058,843	\$ 16,925,997	\$ 15,890,355
Program expenses (notes 2(d) and 4):								
Community Support Services:								
General Relief	57,030	40,664	1,066	321	58,444	23,028	116,540	64,013
Church at the Mission	194,088	163,991	6,782	6,117	3,192	661	204,062	170,769
Food Services (including Food Bank)	472,598	409,541	10,166	37,432	121,465	319,006	604,229	765,979
Bridges and Seniors	398,074	421,058	43,897	41,343	103,530	86,446	545,501	548,847
	1,121,790	1,035,254	61,911	85,213	286,631	429,141	1,470,332	1,549,608
Family Services:								
Daycare	1,351,609	1,152,501	42,550	38,755	43,033	50,204	1,437,192	1,241,460
TD Securities Computer Literacy Centre	298,204	301,502	26,764	20,642	21,766	61,696	346,734	383,840
Care Management and Support	601,382	432,599	46,280	43,643	170,273	148,405	817,935	624,647
	2,251,195	1,886,602	115,594	103,040	235,072	260,305	2,601,861	2,249,947
Street Involved Services:								
Employment Services	1,083,139	939,765	221,538	164,376	1,256,592	992,674	2,561,269	2,096,815
Drop-in	554,541	603,024	272,905	205,336	108,599	101,640	936,045	910,000
Health Services	687,333	612,463	199,836	156,821	56,002	57,132	943,171	826,416
Food Services	284,256	233,402	149,202	95,544	6,633	6,218	440,091	335,164
	2,609,269	2,388,654	843,481	622,077	1,427,826	1,157,664	4,880,576	4,168,395
Housing Services:								
Genesis Place Homes	–	–	463,515	474,758	6,327	56,881	469,842	531,639
Other Housing Services	204,817	114,016	12,274	9,847	30,210	14,617	247,301	138,480
	204,817	114,016	475,789	484,605	36,537	71,498	717,143	670,119
Community Development	330,903	426,976	25,445	30,803	347,446	320,240	703,794	778,019
Double Take Clothing Store (note 10)	970,821	743,201	24,953	23,808	11,492	7,280	1,007,266	774,289
Centre for Urban Education	128,325	124,855	77,868	77,171	3,338	2,500	209,531	204,526
Scholarship	93,021	115,488	726	832	96,670	168,437	190,417	284,757
Mental Health Services	193,974	243,117	11,632	9,902	200,973	189,057	406,579	442,076
Advocacy	–	68,517	–	–	–	17	–	68,534
Program Development	304,970	323,616	39,679	31,361	75,115	82,627	419,764	437,604
	1,691,111	1,618,794	154,858	143,074	387,588	449,918	2,233,557	2,211,786
	8,209,085	7,470,296	1,677,078	1,433,074	2,721,100	2,688,766	12,607,263	11,627,874
Other expenses (notes 6 and 11):								
Administration	965,815	946,441	40,395	44,866	4,427	16,973	1,010,637	1,008,280
Philanthropy / Marketing and Communication	3,189,214	2,835,581	51,370	47,752	9,353	10,774	3,249,937	2,894,107
	4,155,029	3,782,022	91,765	92,618	13,780	27,747	4,260,574	3,902,387
	12,364,114	11,252,318	1,768,843	1,561,430	2,734,880	2,716,513	16,867,837	15,530,261
Excess (deficiency) of revenue over expenses before the undernoted	(184,909)	(575,810)	(678,421)	(406,426)	921,490	1,342,330	58,160	360,094
Unrealized gains (losses) on investments	–	–	–	–	47,857	(152,344)	47,857	(152,344)
Excess (deficiency) of revenue over expenses	\$ (184,909)	\$ (575,810)	\$ (678,421)	\$ (406,426)	\$ 969,347	\$ 1,189,986	\$ 106,017	\$ 207,750

See accompanying notes to combined financial statements.

THE YONGE STREET MISSION

Combined Statement of Changes in Fund Balances

Year ended September 30, 2023, with comparative information for 2022

				2023	2022
	General Fund	Capital and Housing Fund (note 8)	Restricted Funds	Total	Total
Fund balances, beginning of year	\$ 300,000	\$ 14,168,392	\$ 8,237,771	\$ 22,706,163	\$ 22,498,413
Excess (deficiency) of revenue over expenses	(184,909)	(678,421)	969,347	106,017	207,750
Interfund transfers (note 7)	184,909	2,776,905	(2,961,814)	–	–
Fund balances, end of year	\$ 300,000	\$ 16,266,876	\$ 6,245,304	\$ 22,812,180	\$ 22,706,163

See accompanying notes to combined financial statements.

THE YONGE STREET MISSION

Combined Statement of Cash Flows

Year ended September 30, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 106,017	\$ 207,750
Amortization which does not involve cash	1,305,332	1,086,672
Change in non-cash operating working capital	429,645	(183,544)
	<u>1,840,994</u>	<u>1,110,878</u>
Financing activities:		
Principal payments on long-term debt - GP	(184,673)	(181,702)
Principal payments on long-term debt - YSM	(29,154)	(28,312)
Bank indebtedness	733,933	64,837
	<u>520,106</u>	<u>(145,177)</u>
Investing activities:		
Restricted cash and short-term investments	1,586,486	(502,543)
Restricted investments	(115,353)	86,747
Additions to capital assets	(3,432,753)	(993,243)
	<u>(1,961,620)</u>	<u>(1,409,039)</u>
Increase (decrease) in cash and short-term investments	399,480	(443,338)
Cash and short-term investments, beginning of year	2,233,363	2,676,701
Cash and short-term investments, end of year	<u>\$ 2,632,843</u>	<u>\$ 2,233,363</u>

See accompanying notes to combined financial statements.

THE YONGE STREET MISSION

Notes to Combined Financial Statements

Year ended September 30, 2023

The Yonge Street Mission (the "Entity") is incorporated without share capital under the Corporations Act (Ontario) as a not-for-profit organization and is a registered charity (#119306181 RR0001) under the Income Tax Act (Canada). The Entity is a Christian humanitarian organization, working since 1896 to bring God's peace, dignity and justice to those living in poverty and in need in downtown Toronto. Through programs and services, the Entity intervenes in crises, builds community and acts as a catalyst for change.

1. Basis of presentation:

The combined financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook.

The Entity has representation on the Board of Directors of YSM Genesis Place Homes Inc. ("Genesis Place"), a separate non-profit housing corporation that is also incorporated without share capital. These combined financial statements include the accounts of the Entity and Genesis Place. The purpose of the combined financial statements is to meet the reporting requirements for the Entity and Genesis Place.

The accounts of the Entity are maintained in accordance with the principles of fund accounting (restricted fund method):

- (a) General Fund - This includes day-to-day operating transactions of the Entity's programs.
- (b) Capital and Housing Fund - The Capital and Housing Fund includes the Entity's land, buildings, equipment and the Entity's housing projects.
- (c) Restricted Funds - Contributions received for a special purpose are recorded in a separate fund and are disbursed in accordance with the special purpose.

2. Significant accounting policies:

- (a) Recognition of revenue:

Unrestricted contributions are recognized as revenue in the General Fund in the year received or receivable. Restricted contributions are recognized as revenue of the related restricted fund when received or receivable. Contributions are recognized in the respective fund if the amount to be received can be reasonably estimated and collection is reasonably assured.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

2. Significant accounting policies (continued):

Revenue from specified activities and fundraising activities is recognized in the year in which the activities occur and in the year of the related expenses.

Investment income is recorded as it is earned.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

(b) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Repairs and maintenance costs are charged to expense. Betterments which extend the life of an asset are capitalized. Capital assets are written down to fair value or replacement cost to reflect partial impairment when conditions indicate that the assets no longer contribute to the Entity's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the long-lived assets are less than their carrying amount.

Amortization is provided on a straight-line basis using the following annual rates:

Buildings	5%
Equipment	20%
Computer	33 - 1/3%

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. The Entity has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

2. Significant accounting policies (continued):

Fair values of investments are determined as follows:

- (i) Fixed income bonds and equities are valued at year-end quoted market prices.
- (ii) Bankers' acceptances, Government of Canada treasury bills and guaranteed investment certificates maturing within a year are stated at fair value, being cost plus accrued interest income.

The Entity does not enter into any derivative financial instruments for hedging or speculative purposes.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Entity determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Entity expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

- (d) Donated materials and services:

Donated materials and services that are normally purchased are recorded at fair market value where such can reasonably be determined. Donated goods of \$189,790 (2022 - \$360,548) are included in revenue of the Restricted Funds and also recorded as program-related expenses.

- (e) Government assistance:

The Entity applies for financial assistance under available government incentive programs. Government assistance related to the Entity's current expenses is recognized as revenue during the year.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

2. Significant accounting policies (continued):

(f) Foreign currency translation:

Monetary assets are translated at the prevailing rates of exchange at the combined statement of financial position date. Revenue and expenses are translated at the average exchange rates for the year. Realized and unrealized exchange gains and losses are included in the excess (deficiency) of revenue over expenses in the combined statement of operations.

(g) Related entity:

The financial position and results of operations of an entity administered by the Entity's executive is not in the Entity's combined financial statements. Refer to note 11 for disclosure of this entity's information.

(h) Use of estimates:

The preparation of combined financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue, expenses and changes in fund balances during the year. Actual results could differ from those estimates.

3. Cash, short-term investments and investments:

The following table summarizes cash, short-term investments and investments:

	2023		2022	
	Cost	Fair value	Cost	Fair value
Cash	\$ 578,265	\$ 578,265	\$ 342,965	\$ 342,965
Money market and guaranteed investment certificates	6,681,002	6,681,002	8,083,068	8,082,131
Bonds	498,504	488,505	461,941	475,042
Canadian equity	642,361	976,932	595,346	884,535
Foreign equity	447,994	500,658	464,621	512,342
	<u>\$ 8,848,126</u>	<u>\$ 9,225,362</u>	<u>\$ 9,947,941</u>	<u>\$ 10,297,015</u>

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

3. Cash, short-term investments and investments (continued):

	2023	2022
Presented as:		
Cash and short-term investments	\$ 2,632,843	\$ 2,233,363
Restricted cash and short-term investments	4,472,082	6,058,568
Restricted investments	2,120,437	2,005,084
	\$ 9,225,362	\$ 10,297,015

In January 2005, the YSM Scholarship Fund was created. The restricted investments are held for the YSM Scholarship Fund in perpetuity. Income from these investments is for the purpose of helping provide post-secondary and vocational education for community members otherwise financially unable to participate.

The Entity holds securities that are subject to currency risk, market risk, interest rate risk and cash flow risk. The fixed income securities have maturity dates ranging from November 2023 to August 2024 (2022 - November 2022 to March 2029) and bear interest rates from 4.25% to 10.00% (2022 - 0.70% to 6.00%).

Investment risk management:

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to interest rate, market, credit and foreign currency risks. The Entity manages, to the best of its ability, this investment risk by making investments that meet specific investment criteria, which are established and approved by the Board of Directors and are designed to diversify the Entity's investments. A professional investment manager invests and manages the investment portfolio in accordance with the Entity's investment policy statement.

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Entity. The Entity manages this risk by holding various debt instruments and by staggering the terms of the securities held.

Market risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market, generally or a company event, specifically expose the Entity to a risk of loss. The Entity mitigates this risk through controls to monitor and limit concentration levels, but is still subject to overall market changes.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

3. Cash, short-term investments and investments (continued):

Credit risk arises as a result of the possibility that one party to a financial instrument will fail to discharge an obligation and cause the Entity to incur financial loss. The Entity manages this risk by diversifying its portfolio and by dealing with reputable and creditworthy counterparties.

Foreign currency risk arises from gains and losses due to fluctuations in foreign currency exchange rates on the Entity's foreign equity securities.

4. Capital assets:

			2023	2022
	Cost	Accumulated amortization	Net book value	Net book value
Entity:				
Land	\$ 3,087,835	\$ –	\$ 3,087,835	\$ 3,087,835
Buildings	23,739,867	10,027,902	13,711,965	11,781,124
Equipment	2,494,835	2,192,093	302,742	77,248
Computer	544,210	397,386	146,824	175,738
	29,866,747	12,617,381	17,249,366	15,121,945
Genesis Place:				
Building	3,640,238	3,640,238	–	–
	\$ 33,506,985	\$ 16,257,619	\$ 17,249,366	\$ 15,121,945

Amortization expense for the year is \$1,305,332 (2022 - \$1,086,672) and is included in the Capital and Housing Fund, attributed by program.

5. Bank indebtedness:

The Entity has available an operating loan of \$1,000,000 and a capital loan of \$1,000,000, bearing interest at the bank prime rate plus 0.75% and due on demand. As at September 30, 2023, nil (2022 - \$64,837) of the operating loan and \$998,770 (2022 - \$200,000) of the capital loan was utilized.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

5. Bank indebtedness (continued):

The credit facility is secured by a general security agreement representing a first charge on all the Entity's present and after acquired personal property, a collateral mortgage in the amount of \$2,000,000 for each of the real property located at 306 Gerrard Street and 270 Gerrard Street, and assignment of fire insurance. The credit facility is subject to certain financial and non-financial covenants. As at year end, the Entity was in compliance with the covenants.

Interest rate risk arises from the variable interest rate for the credit facility based on the bank prime lending rate plus a margin. As a result, the Entity is exposed to interest rate risk due to fluctuations in the prime rate. There has been no change to the risk exposures from 2022.

6. Long-term debt:

	2023	2022
Mortgage payable, bearing interest at 1.628% payable in monthly blended instalment of \$16,189, maturing on April 1, 2026	\$ 491,164	\$ 675,837
Term loan payable, bearing interest at 2.950%, payable in monthly blended instalment of \$4,711, maturing on September 30, 2025	914,962	944,116
	1,406,126	1,619,953
Less current portion	217,643	213,828
	\$ 1,188,483	\$ 1,406,125

The Ministry of Municipal Affairs and Housing is responsible for the mortgage renewal. The mortgage is insured by Canadian Mortgage and Housing Corporation and guaranteed by the Province of Ontario.

The term loan is subject to the same security as disclosed in note 5 and is subject to certain financial and non-financial covenants. As at year end, the Entity was in compliance with the covenants.

Interest of \$9,347 (2022 - \$12,321) relating to the long-term debt has been included in other expenses.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

6. Long-term debt (continued):

The minimum scheduled principal repayments are as follows:

2024	\$ 217,643
2025	221,678
2026	966,805
	\$ 1,406,126

7. Internally restricted funds:

The Board of Directors has established internally restricted funds for Genesis Place, general reserve, health care reserve, capital fund reserve, estates reserve, critical needs reserve and a staff registered retirement savings plan ("RRSP") loan fund reserve. The internally restricted amounts are not available without approval of the Board of Directors. Transfers are made to comply with internal policies.

2023	General Fund	Capital and Housing Fund	Restricted Funds
Transfer from Capital and Housing Fund to General Fund	\$ 19,500	\$ (19,500)	\$ –
Transfer from Restricted Funds to General Funds	192,135	–	(192,135)
Transfer from Restricted Funds to Capital and Housing Fund	–	3,593,405	(3,593,405)
Transfer from Capital and Housing Fund to Restricted Funds	–	(797,000)	797,000
Transfer from General Fund to Restricted Funds	(26,726)	–	26,726
	\$ 184,909	\$ 2,776,905	\$ (2,961,814)

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

7. Internally restricted funds (continued):

2022	General Fund	Capital and Housing Fund	Restricted Funds
Transfer from Capital and Housing Fund to General Fund	\$ 19,500	\$ (19,500)	\$ –
Transfer from Restricted Funds to General Funds	633,774	–	(633,774)
Transfer from Restricted Funds to Capital and Housing Fund	–	426,477	(426,477)
Transfer from General Fund to Capital and Housing Fund	(52,464)	52,464	–
Transfer from General Fund to Restricted Funds	(25,000)	–	25,000
	\$ 575,810	\$ 459,441	\$ (1,035,251)

8. Capital and Housing Fund:

The following housing revenue and expenses are included in the Capital and Housing Fund:

	2023	2022
Housing revenue:		
Government grant	\$ 497,060	\$ 510,102
Sales and program and interest	5,999	3,535
Rental	126,001	107,028
Total housing revenue	629,060	620,665
Total housing expenses	(648,188)	(656,461)
Deficiency of housing revenue over expenses	\$ (19,128)	\$ (35,796)

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

9. Revenue:

				2023	2022
	General Fund	Capital and Housing Fund	Restricted Funds	Total	Total
Contributions	\$ 7,324,092	\$ 356,077	\$ 750,106	\$ 8,430,275	\$ 9,549,027
Bequests and estates	1,770,720	–	419,479	2,190,199	558,876
Gifts in-kind	–	–	189,790	189,790	360,548
Government grants:					
Housing (note 8)	–	497,060	(5,419)	491,641	518,990
Daycare	923,790	–	–	923,790	943,497
Other	717,994	–	1,850,530	2,568,524	2,252,267
Sales and program (note 8)	1,169,459	108,480	198,479	1,476,418	1,325,655
Rental (note 8)	21,559	126,001	–	147,560	108,468
Interest (note 8)	251,591	2,804	253,405	507,800	273,027
	\$ 12,179,205	\$ 1,090,422	\$ 3,656,370	\$ 16,925,997	\$ 15,890,355

10. Three Ten Centre Inc.:

The Three Ten Centre Inc. (the "Company") was incorporated as a non-profit corporation without share capital under the Canada Corporations Act and was continued under the Canada Not-for-profit Corporations Act. The purpose of the Company is to assist people living in poverty through economic development and provision of employment opportunities. The Entity has majority representation on the Board of Directors of the Company.

The Entity and the Company have some common membership on their Boards of Directors. The Company has not been consolidated in the financial statements. An unaudited financial summary of this entity as at and for the years ended September 30, 2023 and 2022 is as follows:

Financial position:

	2023	2022
Total assets	\$ 50,566	\$ 42,274
Total liabilities	\$ 50,566	\$ 42,274

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

10. Three Ten Centre Inc. (continued):

Results of operations:

	2023	2022
Total revenue	\$ 785,440	\$ 758,002
Total expenses	785,440	758,002
	\$ —	\$ —

Cash flows:

	2023	2022
Cash from (used) in:		
Operating activities	\$ 23,529	\$ (32,839)
Increase (decrease) in cash	\$ 23,529	\$ (32,839)

Management fees incurred to the Company for the administration of the Double Take Clothing Store during the year were \$566,116 (2022 - \$431,389). In 2023, \$38,668 (2022 - \$30,557) is payable to the Company and included in accounts payable and accrued liabilities.

11. Registered Retirement Savings Plan:

The Entity sponsors a Group RRSP under which the Entity contributes up to 4% of the employee's salary, subject to a one-year service requirement. The RRSP expense for the year was \$186,911 (2022 - \$179,941).

12. Contingencies:

During the fiscal 2018 year, the Entity incurred a loss with respect to the collapse of a roof at one of its locations. The Entity is in negotiations to recover some of the loss through insurance. The estimated amount of recovery at year end is not determinable.

THE YONGE STREET MISSION

Notes to Combined Financial Statements (continued)

Year ended September 30, 2023

13. Financial risks:

(a) Interest rate risk:

The Entity's bank indebtedness has a variable interest rate, being bank prime plus a margin. As a result, the Entity is exposed to interest rate risk due to fluctuations in the variable rate.

(b) Liquidity risk:

Liquidity risk is the risk that the Entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Entity manages its liquidity risk by monitoring its operating requirements by preparing budget and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.