

## Consolidated Financial Statements

Halifax Young Women's Christian Association

March 31, 2025

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# Halifax Young Women's Christian Association

## Consolidated statement of operations

Year ended March 31

2025

2024

Revenues		
Donations and gifts	\$ 208,653	\$ 155,541
Foundations and charities	1,292,771	1,151,919
Government funding	7,965,263	7,526,466
Childcare	2,916,349	1,914,231
Capital grants	324,475	164,201
Rent	892,808	220,267
Other	115,784	42,016
	<u>13,716,103</u>	<u>11,174,641</u>
Expenditures		
Wages and benefits	9,059,952	6,521,072
Program participant training and support	1,322,934	1,418,195
Professional fees	286,722	711,389
Rent	883,402	431,514
Repairs, maintenance and supplies	500,347	286,725
Amortization of capital assets	428,095	185,130
Utilities	357,882	207,742
Food	216,970	163,160
Other program and administrative costs	1,038,911	1,225,265
	<u>14,095,215</u>	<u>11,150,192</u>
Deficiency (excess) of revenues over expenditures before other items	<u>(379,112)</u>	<u>24,449</u>
Other items		
Contributions related to acquisitions (Note 14)	1,461,000	-
Gain on bargain purchase	407,024	-
Investment income (Note 13)	816,898	228,927
Unrealized gain (loss) on investments (Note 13)	205,784	25,631
	<u>2,890,706</u>	<u>254,558</u>
Excess of revenues over expenditures	<u>\$ 2,511,594</u>	<u>\$ 279,007</u>

# Halifax Young Woman's Christian Association

## Consolidated statement of changes in net assets

Year ended March 31, 2025

		Internally restricted					
	Unrestricted Fund	Capital Reserve Fund	Operating Reserve Fund	Strategic Priority Reserve Fund	Victoria Hall Society Fund	Mount Hope Village Fund	
							2025 Total 2024 Total
Net assets, beginning of year	\$ -	\$ 356,237	\$ 649,396	\$ 180,713	\$ -	\$ -	\$ 1,186,346 \$ 907,339
Excess of revenues over expenditures	2,511,594	-	-	-	-	-	2,511,594 279,007
Inter-fund transfer (Note 9)	(2,511,594)	63,783	1,914,929	42,522	476,696	13,664	- -
Use of reserves during the year	69,039	-	-	(69,039)	-	-	- -
Net assets, end of year	<u>\$ 69,039</u>	<u>\$ 420,020</u>	<u>\$ 2,564,325</u>	<u>\$ 154,196</u>	<u>\$ 476,696</u>	<u>\$ 13,664</u>	<u>\$ 3,697,940</u> <u>\$1,186,346</u>

# Halifax Young Women's Christian Association

## Consolidated statement of financial position

March 31

2025

2024

### Assets

#### Current

Cash and cash equivalents (Note 12)	\$ 10,362,323	\$ 5,953,698
Prepays	-	22,737
Receivables (Note 3)	<u>1,718,646</u>	<u>1,052,340</u>
	<u>12,080,969</u>	<u>7,028,775</u>

Long term investments (Note 11)	8,066,386	411,492
Capital assets (Note 4, 11)	19,733,218	5,154,505
Goodwill	<u>382,794</u>	-

\$ 40,263,367      \$ 12,594,772

### Liabilities

#### Current

Payables and accrued liabilities	\$ 1,129,909	\$ 677,266
Deposits	54,774	27,533
Deferred contributions (Note 5)	9,598,429	5,718,784
Current portion of long term debt (Note 6)	97,073	59,805
Revolving credit facility (Note 6)	374,982	-
Current portion of deferred capital funding (Note 7)	405,345	173,990
Current taxes payable	<u>9,998</u>	-
	<u>11,670,510</u>	<u>6,657,378</u>

Future taxes payable	31,710	-
Long term debt (Note 6)	7,541,196	962,802
Deferred contributions (Note 11)	7,355,595	-
Deferred capital funding (Note 7, 11)	<u>9,966,416</u>	<u>3,788,246</u>
	<u>36,565,427</u>	<u>11,408,426</u>

### Net assets

Unrestricted Fund	69,039	-
Internally restricted		
Capital Reserve Fund	420,020	356,237
Operating Reserve Fund	2,564,325	649,396
Strategic Priority Reserve Fund	154,196	180,713
Victoria Hall Society	476,696	-
Mount Hope Village	<u>13,664</u>	-
	<u>3,697,940</u>	<u>1,186,346</u>

\$ 40,263,367      \$ 12,594,772

Commitments (Note 10)  
Subsequent event (Note 15)

On behalf of the Board

\_\_\_\_\_  
President      \_\_\_\_\_  
Treasurer

# Halifax Young Women's Christian Association

## Consolidated statement of cash flows

Year ended March 31

2025

2024

Increase (decrease) in cash and cash equivalents

### Cash flows from operating activities

Excess of revenues over expenditures	\$ 2,511,594	\$ 279,007
Unrealized (gain) loss on investments	(205,784)	(25,631)
Reinvested investment income	(594,187)	-
Amortization of deferred capital funding	(383,875)	(164,201)
Amortization of capital assets	428,095	185,130
	<u>1,755,843</u>	<u>274,305</u>

Change in non-cash operating working capital (Note 8)	<u>3,715,960</u>	<u>(210,785)</u>
	<u>5,471,803</u>	<u>63,520</u>

### Cash flows from investing activities

Purchase of capital assets	(15,006,808)	(839,319)
Purchase of goodwill	(297,794)	-
Purchase of investments	(7,285,923)	-
Sale of investments	431,000	46,101
Change in future and current taxes	41,708	-
	<u>(22,117,817)</u>	<u>(793,218)</u>

### Cash flows from financing activities

Repayment of long term debt	(74,897)	(56,886)
Issue of long term debt	6,980,541	-
Proceeds from increase in deferred capital funding	6,793,400	810,000
Proceeds from donation	7,355,595	-
	<u>21,054,639</u>	<u>753,114</u>

Net increase in cash and cash equivalents	4,408,625	23,416
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Cash and cash equivalents		
Beginning of year	<u>5,953,698</u>	<u>5,930,282</u>

End of year	<u>\$ 10,362,323</u>	<u>\$ 5,953,698</u>
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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 1. Nature and continuance of operations

Halifax Young Women's Christian Association (the "Association") is a charitable, not-for-profit organization that provides support to build economic security, promote wellness and create opportunities for women, girls and their families by providing a strong voice and integrated services. The Association is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Association will continue to operate in the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

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### 2. Summary of significant accounting policies

#### **Basis of accounting**

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles using Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Handbook.

#### **Principles of consolidation**

These consolidated financial statements reflect the consolidated financial position at March 31, 2025 and the consolidated results of operations for the period then ended of the Association and its subsidiaries LSJ Group Limited (operating as "Play, Learn, Grow...in Bedford") and Beaver Bank Children's Learning Centre Limited.

In preparing the consolidated financial statements, all intra-group balances and transactions between the entities in the consolidated group have been eliminated.

#### **Fund accounting**

The Association uses fund accounting and accordingly, resources are classified for accounting purposes into funds based on specific activities or objectives. The following funds are being used:

##### *Unrestricted Fund*

The Unrestricted Fund accounts for the Association's excess of revenue over expenditures from program delivery, development and Association services.

##### *Capital Reserve Fund*

The Capital Reserve Fund is an internally restricted fund, established by the Association to support unbudgeted repairs, maintenance or renovation costs or such costs that would result in an annual unrestricted deficit.

##### *Operating Reserve Fund*

The Operating Reserve Fund is an internally restricted fund established by the Association to provide stability in the event of an annual unrestricted fund deficit or unexpected events that results in significant negative operating cash flow impacts.

##### *Strategic Priority Reserve Fund*

The Strategic Priority Reserve Fund is an internally restricted fund established by the Association to help fund future initiatives such as new programming investments, operational investments, training and development or testing of new ideas and concepts that advance the mission of the Association.

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 2. Summary of significant accounting policies (continued)

#### **Fund accounting (continued)**

##### *Victoria Hall Society Fund*

The Victoria Hall Society Fund is an internally restricted fund established by the Association to account for the excess investment earnings generated from the donation received from the Victoria Hall Society.

##### *Mount Hope Village Fund*

The Mount Hope Village Fund is an internally restricted fund established by the Association to support future repairs, maintenance or renovation costs relating to Mount Hope Village.

#### **Capital assets**

Capital assets are initially recorded at cost and subsequently at cost less accumulated amortization. Capital asset purchases are capitalized in the year of acquisition, and amortization expense is recorded using the straight-line method of amortization for each asset category, except land, over their estimated useful lives at the following rates:

Buildings	25 - 50 years
Building improvements	15 years
Appliances	8 years
Computer equipment	3 years
Furniture and equipment	5 -10 years
Leaseholds	over the term of the lease

When capital assets no longer have any long term service potential to the Association, the excess of its net carrying amount over any residual value is recognized as an expense in the consolidated statement of operations. Any write downs recognized are not reversed.

#### **Use of estimates**

The preparation of the consolidated financial statements in conformity with ASNPO requires that management make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenditures during the year. Certain of these estimates require subjective judgments by management that may be uncertain. These estimates are reviewed periodically, and adjustments are made to earnings as appropriate in the year they become known. These items include allowance for doubtful accounts related to receivables and useful lives of capital assets. Actual results could differ from those reported.



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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 2. Summary of significant accounting policies (continued)

#### Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Both current and long-term deferred contributions represent amounts received for the purposes of expenditures not yet incurred. These contributions will be recognized as income when the related restrictions are met.

Revenues from program fees are recognized as the program services are provided and collection is reasonably assured.

Interest and dividend revenue are recorded on an accrual basis.

Realized gains or loss on the sale of investments are the difference between the proceeds received and the cost of investments sold.

Unrealized gains or losses on investments represents the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognized unrealized gains and losses in respect of disposals during the year.

Other revenues are recognized as revenue when the funds are received or receivable, and collection is reasonably assured.

Pledges for donations are not recorded in the consolidated financial statements.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of any bank indebtedness, investments in interest bearing bank accounts along with investments in money market funds and short term redeemable GICs.

#### Long term investments

Long term investments consist of long term non-redeemable guaranteed investment certificates and equities. The investments are stated at fair value. The change in unrealized gain or loss on investments, being the difference between cost and fair value, is included in the consolidated statement of operations. Fair values of equities are established by year end quoted market prices.

#### Donated services

Donated services are recognized in the period the services are performed, provided fair value can be determined; otherwise such amounts are not recognized.

#### Deferred capital funding

Deferred capital funding, including government capital funding, is required to be deferred and amortized into revenue on the same basis that the related capital asset is amortized.

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments

##### *Initial measurement*

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

##### *Subsequent measurement*

At each reporting date, the Association measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The Association uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the consolidated statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accrued liabilities, deposits and long term debt.

For financial assets measured at cost or amortized cost, the Association regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Association determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the consolidated statement of operations. Any reversals of previously recognized impairment losses are recognized in the consolidated statement of operations in the year the reversal occurs.

The Association's financial instruments consist of cash and cash equivalents, receivables, long term investments, payables and accrued liabilities, deposits and long term debt. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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### 3. Receivables

	<u>2025</u>	<u>2024</u>
Childcare and housing	\$ 51,159	\$ 4,340
Commodity taxes	134,667	75,846
Government funding	1,383,291	739,846
Other	<u>168,447</u>	<u>250,120</u>
	<u>1,737,564</u>	<u>1,070,152</u>
Allowance for doubtful accounts	<u>(18,918)</u>	<u>(17,812)</u>
	<u>\$ 1,718,646</u>	<u>\$ 1,052,340</u>

# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

Year ended March 31

### 4. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net Book Value</u>	<u>2024 Net Book value</u>
Land	\$ 580,581	\$ -	\$ 580,581	\$ 425,000
Appliances	69,445	23,405	46,040	49,972
Computer equipment	42,492	33,833	8,659	-
Furniture and equipment	415,424	292,318	123,106	118,390
SHYM I building (Note 7)	1,093,174	397,527	695,647	728,773
SHYM II building (Note 7)	511,720	282,869	228,851	246,558
Spryfield early learning facility (Note 7)	1,917,642	552,376	1,365,266	1,406,917
Elmsdale early learning facility (Note 7)	345,000	24,975	320,025	335,010
Tatamagouche early learning facility (Note 7)	310,000	-	310,000	310,000
Leasehold Spryfield Building	16,934	16,934	-	-
Leasehold DCDC	20,631	3,470	17,161	19,224
Program Residence (Note 7)	1,259,050	46,371	1,212,679	442,251
WISH II condominiums (Note 7)	1,527,533	497,318	1,030,215	1,072,410
Vehicles	69,039	8,055	60,984	-
Mount Hope Village (Note 7)	12,299,864	163,929	12,135,935	-
Paving	296,407	85,948	210,459	-
Beaver Bank early learning facility (Note 7)	1,729,979	342,369	1,387,610	-
	<u>\$22,504,916</u>	<u>\$ 2,771,698</u>	<u>\$19,733,218</u>	<u>\$ 5,154,505</u>

The Tatamagouche early learning facility is not being amortized at March 31, 2025 as the facility is not yet available for use by the Association. A second Program Residence was purchased for \$784,000 during the fiscal 2025 year which is not being amortized at March 31, 2025 as the facility is not yet available for use by the Association.

### 5. Deferred contributions

	<u>Opening balance</u>	<u>Contributions received</u>	<u>Contributions recognized</u>	<u>Transfers and adjustments</u>	<u>2025 Ending balance</u>
<b>Current</b>	<u>\$ 5,718,784</u>	<u>\$ 11,433,583</u>	<u>\$ (6,769,938)</u>	<u>\$ (784,000)</u>	<u>\$ 9,598,429</u>
<b>Long term</b>					
Victoria Hall	<u>\$ -</u>	<u>\$ 7,355,595</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,355,595</u>

# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

Year ended March 31

### 6. Long term debt

	<u>2025</u>	<u>2024</u>
Non-interest bearing loan from St. Paul's home, repayable on the earlier of 20 years from March 2012, the date of its advance, the sale of the property, or the default of the Association's secured loan on the Spryfield early learning facilities.	\$ 480,000	\$ 480,000
Expansion cost loan from Nova Scotia Housing Development Corporation ("NSHDC"), repayable in monthly blended payments of \$1,312 bearing interest at 1%, maturing December 2037.	190,007	202,967
TD Mortgage Payable, repayable in monthly principal payments \$2,070 bearing interest at 6.55%, maturing December 2029.	118,004	140,880
TD Mortgage Payable, repayable in monthly principal payments \$2,196 bearing interest at 5.95%, maturing October 2031.	173,509	198,760
Manulife Bank Revolving Credit Facility with optional principal payments bearing interest at 4.59%, no set maturity date.	374,982	-
Anglican Diocese of Nova Scotia and Prince Edward Island Mortgage Payable, principal balance repayable in 15 years maturing in August 2040 bearing interest at 80% of prime paid monthly.	400,000	-
Payable to the former shareholders of LSJ Group Limited (Play Learn Grow) Childcare Centre. Payments will be over the next several years and the yearly payments are dependent on the yearly financial operating performance of the Childcare Centre. The payable is non-interest bearing.	80,350	-
Nova Scotia Community Service Loan bearing interest at 1% per annum, repayable in monthly blended payments of \$2,359. The loan matures in October 2035.	235,399	-
Canadian Mortgage and Housing Corporation Mortgage Payable, principal payments begin in August 2026. The payable bears an interest of 3.46%. In August 2026 monthly blended payments of \$20,902 begin. Term of the loan is 10 years and the loan amortization period is 50 years.	5,961,000	-
	<u>8,013,251</u>	<u>1,022,607</u>
Less: Manulife Bank revolving credit facility	374,982	-
Less: principal loan amounts repayable in one year	<u>97,073</u>	<u>59,805</u>
	<u>\$ 7,541,196</u>	<u>\$ 962,802</u>

Security on the NSHDC loan and TD Mortgages loans is as disclosed in Note 7.

# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

Year ended March 31

### 6. Long term debt (continued)

Principal amounts repayable on the long-term debt within each of the next five years are as follows:

2026	\$ 97,073
2027	128,740
2028	146,878
2029	150,497
2030	148,163

### 7. Deferred capital funding

	<u>2025</u>	<u>2024</u>
<b>Government capital funding</b>		
SHYM II building, net of accumulated earnings of \$248,439 (2024 - \$234,160)	\$ 228,627	\$ 242,905
Spryfield early learning facility, net of accumulated earnings of \$339,880 (2024 - \$295,946)	722,937	749,062
WISH II condominiums, net of accumulated earnings of \$465,168 (2023 - \$421,234)	1,025,028	1,068,962
Spryfield Equipment, net of accumulated earnings of \$39,775 (2024 - \$37,786)	-	1,989
SHYM1 and SHYM2 equipment net of accumulated earnings of \$52,542 (2024 - \$40,144)	61,889	74,287
Program residence 1 net of accumulated earnings of \$31,529 (2024 - \$22,301)	291,430	300,658
Elmsdale early learning facility, net of accumulated earnings of \$36,000 (2024 - \$14,400)	414,000	435,600
Tatamagouche early learning facility, net of accumulated earnings of \$Nil (2024 - \$Nil)	360,000	360,000
<b>Other capital funding</b>		
SHYM I building, net of accumulated earnings of \$397,526 (2024 - \$364,400)	695,647	728,773
Mount Hope Village buildings, net of accumulated earnings of \$161,777 (2024 - \$Nil)	5,788,203	-
Program residence 2 net of accumulated earnings of \$Nil (2024 - \$Nil)	784,000	-
	<u>10,371,761</u>	<u>3,962,236</u>
Less: current portion	<u>405,345</u>	<u>173,990</u>
	<u>\$ 9,966,416</u>	<u>\$ 3,788,246</u>

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 7. Deferred capital funding (continued)

#### *SHYM II building*

Between 2007 and 2010 the Association received total government funding of \$477,065 which was used to purchase an apartment building at 4 Skeena Street in Halifax, Nova Scotia, as well as to complete various upgrades and renovations to the building. The building is used for the purposes of the Supportive Housing for Young Mothers program. Included in government funding and grants revenue is \$14,278 (2024 - \$14,278) of revenue recognized from this contribution.

#### *Spryfield early learning facility*

In November of 2008, the Association was granted a loan from NSHDC in the amount of \$1,393,343 for the purpose of assisting with the construction of a new child care facility located at 358 Herring Cove Road. \$1,045,008 of the loan is forgivable if average enrolment of the maximum licensed capacity of 70 new child care spaces is maintained at or above 75%, or 52 spaces. Forgiveness will occur monthly at an amount of \$3,483. The remaining amount of \$348,336 is repayable over a term of 25 years in monthly payments of \$1,312 at an interest rate of 1% per annum. Security for the loan will be provided through a general security agreement and a first charge on the related property. Included in government funding and grants revenue is \$26,126 (2024 - \$26,126) of revenue recognized from this contribution.

In 2013, a second mortgage on the property was provided by the Canadian Alternative Investment Cooperative ("CAIF") in the amount of \$271,300 repayable over 15 years at a fixed interest rate of 6% per annum. In 2015, the Association received an additional \$78,470 which increased payments to \$2,843. In 2019, the CAIF loan was refinanced with TD Mortgage in the amount of \$226,043, repayable in monthly blended payments \$2,288 bearing interest at 4%, maturing December 2029. In October 2024 the terms of the loan were changed to a monthly principal payments of \$2,070 and an annual 6.55% borrowing rate. Security is provided by a second mortgage on the child care facility held by the Association.

#### *WISH II condominiums*

The Association secured \$1,231,180 from the Homelessness Partnership Strategy in fiscal 2012. In 2014, the Association secured an additional amount of \$311,427 which was used to purchase two condominiums to be used for the purposes of the WISH Second Stage program. Included in government funding and grants revenue is \$43,934 (2024 - \$43,934) of revenue recognized from this contribution.

#### *SHYM I building*

In April 2013, the Association acquired the building located at 4 Mount Hope Avenue in Dartmouth, Nova Scotia, during the dissolution of the Society of Supportive Housing for Young Mothers. The building and related office equipment were recognized at their carrying values of \$1,093,174 and \$6,338, respectively, with a corresponding amount recognized as deferred capital funding. Included in government funding and grants revenue is \$33,126 (2024 - \$33,126) of revenue recognized from this contribution.

#### *Spryfield Equipment*

The Association received funding during 2019 to purchase and install heating and cooling equipment for the Spryfield Childcare Centre. The equipment was recognized at its carrying value of \$39,776 with a corresponding amount recognized as a deferred capital funding. Included in government funding and grants revenue is \$1,989 (2024 - \$7,955).

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 7. Deferred capital funding (continued)

#### *SHYM1 and SHYM2 Equipment*

The Association received funding during 2021 and 2023 to purchase and install heating and cooling equipment along with security equipment for the SHYM1 and SHYM2 buildings. The equipment was recognized at its carrying value of \$117,989 with a \$113,233 amount recognized as a deferred capital funding. Included funding and grants revenue is \$12,398 (2024 - \$16,110).

#### *Program residence 1*

The Association received funding during 2021 to purchase a residence used for programming. The residence and associated land was recognized at its carrying value of \$575,050 with a \$322,959 amount recognized as a deferred capital funding. Included funding and grants revenue is \$9,228 (2024 - \$9,228). The difference between the carry value and the amount financed with funding received was financed with mortgage. The mortgage had a ten-year term with monthly principal and interest payments of \$2,424 bearing a 2.84% interest rate. In October 2024 the terms of the mortgage payment were changed to a monthly principal payment of \$2,196 with an annual 5.95% interest rate.

#### *Elmsdale Early Learning Facility*

The Association received funding during 2024 to purchase an early learning facility in Elmsdale Nova Scotia. The facility, equipment and associated land was recognized at its carrying value of \$450,000 with a \$450,000 amount recognized as a deferred capital funding. Included funding and grants revenue is \$21,600 (2024 - \$14,400).

#### *Tatamagouche Early Learning Facility*

The Association received funding during 2024 to purchase an early learning facility in Tatamagouche Nova Scotia. The facility and associated land were recognized at its carrying value of \$360,000 with a \$360,000 amount recognized as a deferred capital funding. Included funding and grants revenue is \$Nil (2024 - \$Nil). The early learning centre is under renovations and not open at the fiscal year end, thus no amount has been recorded in grant revenues.

#### *Mount Hope Village*

The Association received funding during 2025 to acquire Town Houses used for affordable housing programming. The Town Houses were recognized at their carrying value of \$12,299,864 with a \$5,950,000 amount recognized as a deferred capital funding. Included funding and grants revenue is \$161,778 (2024 - \$Nil). The difference between the carry value and the amount recognized as deferred capital funding grants financed was financed with a repayable loan (mortgage). The mortgage has a fifty-year term. Principal mortgage payments begin in August 2026 with monthly principal and interest payments of \$20,902 bearing a 3.46% interest rate. Until August 2026 interest on the mortgage payable of \$5,961,000 is being paid at the 3.46% interest rate.

#### *Program residence 2*

The Association received funding during 2025 to purchase a residence used for programming. The residence and associated land were recognized at its carrying value of \$784,000 with the \$784,000 amount recognized as a deferred capital funding. Included funding and grants revenue is \$0 (2024 - \$Nil). The program residence is under renovations and not open at the fiscal year end, thus no amortization has occurred in grant revenues.

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 8. Supplemental cash flow information

	<u>2025</u>	<u>2024</u>
Change in non-cash operating working capital:		
Receivables	\$ (666,306)	\$ (826,188)
Prepaid expenses	22,737	(22,737)
Payables and accrued liabilities	452,643	119,155
Deposits	27,239	6,349
Deferred revenue	<u>3,879,645</u>	<u>512,636</u>
	<u>\$ 3,715,960</u>	<u>\$ (210,785)</u>

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### 9. Interfund transfer

During the year, the Board authorized transfers of \$2,511,594 from the unrestricted fund to internally restricted funds, including: \$63,783 to the Capital Reserve Fund, \$1,914,929 to the Operating Reserve Fund, \$42,522 to the Strategic Priority Fund, \$476,696 to the Victoria Hall Society Fund and \$13,664 to the Mount Hope Village Fund. The Board also authorized the transfer of \$60,039 from the Strategic Priority fund to the Unrestricted Fund.

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### 10. Commitments

The Association has entered into lease commitments for five locations. Lease commitments for the next five years are as follows:

2026	\$ 570,326
2027	738,934
2028	732,194
2029	755,715
2030	666,281

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### 11. Significant Events

#### Donation

The Association entered into a Donation Agreement with the VHS where the investment assets were donated to the Association during the fiscal 2025 year. The conditions of the agreement state the donation is to be used to provide assistance to senior women with financial and personal needs and to provide relief of poverty, relief of loneliness and isolation, and enhancement of the health of senior woman.

The amount of the donation was \$7,355,595. This donation is reflected as a deferred contribution of the Association, with the assets being reflected on the statement of Financial position as long term investments.

#### Purchase of residential real estate

On August 1, 2024 the Association purchased residential real estate in Mount Hope Village (Halifax, Nova Scotia) for the purposes of strengthening community access to affordable housing within the Halifax region. The purchase of these units was made possible through a combination of capital contributions and issuance of long-term debt.

The cost of the real estate including associated acquisition costs was \$12,299,864.



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# **Halifax Young Women's Christian Association**

## **Notes to the consolidated financial statements**

Year ended March 31

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### **11. Significant Events (continued)**

The purchase of the residential real estate was funded by a \$5,961,000 repayable loan with the CMHC, a \$2,400,000 forgivable loan with the CMHC a \$2,900,000 forgivable loan with the province of Nova Scotia and a \$650,000 grant from the Halifax Regional Municipality (HRM). The forgiveness of the forgivable loans and the grant are forgivable straight-line over a 20-year to 30-year period and are conditional based on affordable rents existing for the 20-year to 30-year period.

The \$2,400,000, \$2,900,000 and \$650,000 forgivable loans and grant were recorded as deferred capital funding of the Association.

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### **12. Cash and Cash Equivalents**

Cash and cash equivalents of \$9,598,429 would be considered incumbered cash. This relates to deferred revenue funding shown in the current liability section of the consolidated statement of financial position, and has been received from Funders for specific future programs.

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### **13. Other items**

A significant component of Other items on the Consolidated Statement of Operations is related to the investment income and unrealized gains earned on the donation proceeds received from the Victoria Hall Society (Note 11).

Of the total balance recorded, \$197,785 of the unrealized gain on investments and \$602,329 of the investment income is related to the Victoria Hall Society donation and associated investments.

As highlighted in Note 11 the conditions of the Victoria Hall Society agreement generally state the donation is to be used to provide assistance to senior women with financial and personal needs and to provide relief of poverty, relief of loneliness and isolation, and enhancement of the health of senior woman, thus this investment income and unrealized gain (losses) on investments is generally restricted funds.

Of the investment income earned on the donation received from the Victoria Hall Society, \$416,000 was used to pay for program support costs for senior woman. The remainder has been internally restricted by the Board and recorded in the Victoria Hall Society Fund.

At the end of the fiscal year \$7,667,667 of the long term investments shown on the consolidated statement of financial position relate to the investments associated with the donation received from the Victoria Hall Society.

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

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Year ended March 31

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### 14. Business Combinations

During the current year the Association acquired two Childcare Centres by acquiring 100% of the outstanding shares of two Canadian Controlled Private Corporations.

#### Beaver Bank Childcare Centre

On June 27, 2024, the Association paid \$1,156,000 for 100% of the shares of Beaver Bank Children's Learning Centre Limited. Funding of \$1,156,000 was received by the Association to acquire the shares. The funding has been recorded as Other Items on the Consolidated Statement of Operations.

The business combination was accounted for using the acquisition method. Details of the acquisition are as follows:

#### Fair value of assets acquired:

Current assets (including cash of \$254,494)	\$ 286,217
Capital assets	1,839,075

#### Fair value of liabilities assumed:

Current liabilities	302,472
Long-term debt	228,086
Future income taxes	31,710

Fair value of net assets acquired 1,563,024

#### Fair value of consideration paid:

Cash	<u>1,156,000</u>
Gain on bargain purchase	<u>\$ 407,024</u>

The results of operations of Beaver Bank Childcare Centre are included in the accounts from the effective date of acquisition. The gain on bargain purchase of \$407,024 is included in the statement of operations.

#### Play Learn Grow...in Bedford

On February 4, 2025, the Association paid \$305,000 for 100% of the shares of LSJ Group Limited. Funding of \$305,000 was received by the Association to acquire the shares. The funding has been recorded as Other Items on the Consolidated Statement of Operations. In addition, the Association may tentatively pay another \$85,000 for the shares of LSJ Group Limited dependant on certain threshold earnings being achieved in future years.

The business combination was accounted for using the acquisition method. Details of the acquisition are as follows:

#### Fair value of assets acquired:

Current assets (including cash of \$73,964)	\$ 84,040
Capital assets	7,206
Goodwill	387,445

#### Fair value of liabilities assumed:

Current liabilities	<u>88,691</u>
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Fair value of net assets acquired 390,000

#### Fair value of consideration paid:

Cash	\$ 305,000
Contingent considerations	85,000

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# Halifax Young Women's Christian Association

## Notes to the consolidated financial statements

Year ended March 31

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### 14. Business Combinations (continued)

The results of operations of Play Learn Grow...in Bedford are included in the accounts from the effective date of acquisition.

As part of the purchase agreement the Association has agreed to pay the former owners 100% of all profits that exceed \$25,000 for any fiscal period following the closing date to a maximum aggregate amount of \$85,000. Management forecasts that this threshold will be met in the short term and as a result no discounting of this amount has been completed.

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### 15. Subsequent Events

#### *Purchase of residential real estate*

Subsequent to year end the Association entered into an agreement to purchase residential real estate for the purposes of strengthening community access to affordable housing within the Halifax region. The purchase of these units is made possible through a combination of capital contributions and issuance of long-term debt. Approximately \$13,638,000 in assets and liabilities is expected to be added to the Association's consolidated statement of financial position in 2026.

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### 16. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.