

Financial Statements of

**FRED VICTOR CENTRE**

And Independent Auditor's Report thereon

Year ended March 31, 2025

**KPMG LLP**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Fred Victor Centre

***Opinion***

We have audited the financial statements of Fred Victor Centre (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

***Basis for Opinion***

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 opinion.



## ***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.

## ***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.



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- 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 19, 2025

# FRED VICTOR CENTRE

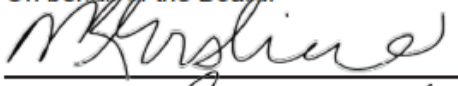
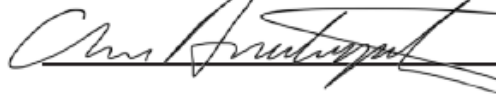
## Statement of Financial Position

March 31, 2025, with comparative information for 2024

	2025	2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (note 4)	\$ 12,387,590	\$ 7,494,986
Accounts receivable (note 5)	2,401,323	4,502,807
Prepaid expenses and deposits	717,485	849,649
Current portion of AHP forgivable loan receivable (note 10)	134,530	154,122
	15,640,928	13,001,564
Long-term portion of AHP forgivable loan receivable (note 10)	1,037,315	1,148,678
Capital assets (note 6)	57,407,276	48,077,226
Long-term investments - capital funds (notes 3 and 4)	13,060,017	16,879,629
	\$ 87,145,536	\$ 79,107,097
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 12,040,012	\$ 12,021,752
Deferred revenue	3,682,563	1,709,885
Current portion of mortgage payable (note 8)	576,890	1,588,487
	16,299,465	15,320,124
Long-term liabilities:		
Mortgage payable (note 8)	10,667,207	8,577,051
Deferred revenue - capital (note 9)	2,224,051	4,860,800
	12,891,258	13,437,851
Deferred contributions and forgivable loans related to capital assets (note 10)	41,511,930	33,916,355
	70,702,653	62,674,330
Net assets:		
Capital replacement reserve:		
Externally restricted	3,071,223	2,553,839
Internally restricted	10,576,689	11,797,597
Unrestricted accumulated surplus	2,794,971	2,081,331
	16,442,883	16,432,767
Commitments (note 11)		
	\$ 87,145,536	\$ 79,107,097

See accompanying notes to financial statements.

On behalf of the Board:

 Director  
 Director

# FRED VICTOR CENTRE

## Statement of Operations

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Government grants and subsidies (note 12)	\$ 53,386,161	\$ 44,160,397
Donations	5,696,771	5,087,781
Rental	3,552,619	3,357,383
Investment	1,163,755	1,048,521
Other	567,732	313,798
Fee	122,337	332,944
	64,489,375	54,300,824
Expenses (note 15):		
Salaries and wages	33,732,873	29,818,319
Building occupancy (notes 13 and 14)	10,930,948	10,499,553
Other program costs	7,431,745	3,523,161
Benefits	7,114,487	5,239,133
Office and general	2,272,098	1,818,566
Professional fees	1,021,764	1,366,198
Training and development	409,957	332,255
Interest	407,111	390,870
Promotion and publications	137,826	192,723
	63,458,809	53,180,778
Surplus before the undernoted	1,030,566	1,120,046
Amortization of capital contributions (note 10)	1,561,788	1,497,828
Amortization of capital assets (note 6)	(2,582,238)	(2,550,185)
Surplus	\$ 10,116	\$ 67,689

See accompanying notes to financial statements.

# FRED VICTOR CENTRE

## Statement of Changes in Net Assets

Year ended March 31, 2025, with comparative information for 2024

				2025	2024
	Capital replacement reserve				
	Externally restricted	Internally restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 2,553,839	\$ 11,797,597	\$ 2,081,331	\$ 16,432,767	\$ 16,365,078
Surplus	—	—	10,116	10,116	67,689
Interfund transfers	517,384	(1,220,908)	703,524	—	—
Balance, end of year	\$ 3,071,223	\$ 10,576,689	\$ 2,794,971	\$ 16,442,883	\$ 16,432,767

See accompanying notes to financial statements.

# FRED VICTOR CENTRE

## Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Surplus	\$ 10,116	\$ 67,689
Items not involving cash:		
Amortization of capital contributions	(1,561,788)	(1,497,828)
Amortization of capital assets	2,582,238	2,550,185
Change in non-cash working capital:		
Accounts receivable	2,101,484	(2,219,560)
Prepaid expenses and deposits	132,164	(249,575)
Accounts payable and accrued liabilities	18,260	1,564,523
Tenants' deposits and prepaid rent	—	(18,099)
Deferred revenue	1,972,678	340,748
	5,255,152	538,083
Financing activities:		
Increase in deferred revenue - capital	(2,636,749)	357,995
Increase in deferred contributions	9,157,363	20,437
Proceeds from mortgage	2,090,155	—
Mortgage principal repaid	(1,011,596)	(1,187,675)
AHP forgivable loan received	130,955	145,736
	7,730,128	(663,507)
Investing activities:		
Purchase of capital assets	(11,912,288)	(1,141,649)
Increase in long-term investments - capital funds, net	3,819,612	(697,056)
	(8,092,676)	(1,838,705)
Increase (decrease) in cash and cash equivalents	4,892,604	(1,964,129)
Cash and cash equivalents, beginning of year	7,494,986	9,459,115
Cash and cash equivalents, end of year	\$ 12,387,590	\$ 7,494,986

See accompanying notes to financial statements.



# FRED VICTOR CENTRE

## Notes to Financial Statements

Year ended March 31, 2025

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Fred Victor Centre (the "Organization") improves the health, income and housing stability of people experiencing poverty and homelessness. This is achieved through programs and services at locations across Toronto, providing affordable housing, emergency shelter, food access, mental health and other health supports, drop-in services, job training and counselling, food skills, community advocacy, gardening, outreach events, and specialized support programs.

The Organization is incorporated without share capital under the Corporations Act (Ontario), and is a charitable corporation registered under the Income Tax Act (Canada). As such, the Organization is exempt from income taxes and able to issue donation receipts for income tax purposes.

### 1. Significant accounting policies:

#### (a) Basis of accounting:

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

#### (b) Revenue recognition:

The Organization follows the deferral method of revenue recognition. Under the deferral method, grants, specified donations and externally restricted monies received in the year for expenses to be incurred in the following fiscal years are recorded as deferred revenue.

Non-capital, legacy and bequest donations are recognized as revenue when funds are received unless restricted for a specific purpose. In this event they will be recognized as revenue in the same period as the related expense.

Donations specified for capital purchases are deferred and recorded as revenue over the same period as the underlying assets are amortized and are included in deferred capital grants.

Rent revenue is recognized when the service has been provided and collectability is reasonably assured.

Investment income includes interest, dividends and realized and unrealized gains and losses. Investment income is recognized as revenue when earned.

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

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## 1. Significant accounting policies (continued):

Fees for service consist of catering and miscellaneous services which are recognized when they are received or become receivable.

Other revenue is recognized depending on the nature of the revenue.

### (c) Cash and cash equivalents:

The Organization's policy is to present bank balances and term deposits as cash and cash equivalents. Restricted funds are not included.

### (d) Financial instruments:

The Organization records equity investment pooled funds, money market funds, and fixed income pooled funds at fair value with changes in fair value recognized in the statement of operations or in the externally restricted fund. Accounts receivable, forgivable loan receivable, mortgages and loan, accounts payable and accrued liabilities, and other financial liabilities are initially recognized at fair value and subsequently at amortized cost. Financial assets are tested for impairment when changes in circumstances indicate that the asset could be impaired. Transaction costs are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

### (e) Capital assets:

Capital assets are stated at cost less accumulated amortization. Amortization is provided using the straight-line method over the estimated useful lives of the assets, calculated as follows:

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Buildings	30 - 40 years
Furniture and equipment	3 - 5 years
Renovations	7 years
Leasehold improvements	Over the lease terms
Vehicles	8 -10 years

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# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

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## 1. Significant accounting policies (continued):

### (f) Employee retirement benefits:

The Organization provides a Registered Retirement Saving Plan for eligible non-bargaining unit and bargaining unit employees. Employees contribute 4% of gross earnings, and the Organization contributes 6.5% of the employee's gross earnings to the plan. The expense for the year was \$1,455,130 (2024 - \$1,042,050) and is included in benefits on the statement of operations.

### (g) Asset impairment:

In the event that facts and circumstances indicate that the Organization's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The Organization considers that no circumstances exist that would require such an evaluation.

### (h) Donated services, food and other materials:

The Organization receives many food donations and other materials, the value of these donations are not recorded.

The Organization's activities include time donated by a number of volunteers. Since no objective basis exists for recording and assigning values to these services, they are not reflected in the accompanying financial statements.

### (i) Donated gifts in kind:

Donations of materials and services are recorded at fair value when fair value can be reasonably estimated and the items are used in operations and would have otherwise been purchased. Donation of non-depreciable capital assets is recorded as a direct increase to net assets.

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

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## 1. Significant accounting policies (continued):

### (j) Allocation of expenses:

The Organization incurs salaries and benefits expenses, as well as administrative support and overhead expenses that are common to the administration of the Organization and to each program that it operates. Salaries and benefits are allocated proportionately based on the percentage of time spent on that project. Administrative support and overhead expenses are allocated based on the percentage used on each program.

### (k) Use of estimates:

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 financial statements, and the reported amounts of revenue and expenses during the reporting year. Estimates include certain accrued liabilities, useful life of capital assets, and fair value of investments. Actual results could differ from these estimates, as additional information becomes available in the future.

## 2. Financial instruments:

### Risk management policy:

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the risks at March 31, 2025.

The Organization is currently experiencing a deficiency of skilled peer support and front-line workers, alongside predominant staffing barriers. The Organization is encountering difficulties in both recruiting and retaining qualified staff members. The challenges in recruiting and retaining qualified staff members may lead to increased recruitment costs, potential productivity losses, and additional expenses related to training and onboarding, which could impact the Organization's financial position.

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

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## 2. Financial instruments (continued):

### (a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a loss.

The Organization is subject to concentrations of credit risk through its cash accounts. The Organization maintains all of its cash at a Canadian Schedule 1 Banks. The maximum credit risk is equivalent to the carrying value.

The Organization is also subject to concentrations of credit risk through its accounts receivable. Rent is due on the first day of the month. Tenant receivables represent rents that are at least one month past due. The Organization manages this risk by providing for bad debt and vacancy loss.

### (b) Liquidity risk:

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its required long-term debt payments. This risk is reduced because of considerable sums invested in term deposits and mutual funds.

### (c) Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period and are summarized below:

#### Interest rate risk:

The Organization manages its investments based on its cash flow needs and with a view to optimizing its investment income.

Interest rates earned on term deposits vary between 1.50% and 5.50% per annum at March 31, 2025 (2024 - 1.45% and 5.25%). The mortgages and loan bear fixed interest rates.

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

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## 3. Reserves:

### (a) Capital funds - externally restricted:

As a condition of the Affordable Housing Program ("AHP") funding, related to a mortgage, the Organization is required to maintain a capital replacement fund and is required to annually deposit funds into an investment trust chosen and managed by the Ontario Infrastructure and Lands Corporation.

Funds are also externally restricted according to an agreement with the Housing Administration Division ("HA") of the City of Toronto, to maintain a capital replacement fund and there is a requirement to annually deposit funds into an investment trust chosen by HA.

These funds are held in accordance with a covenant set out by the Canadian Housing and Mortgage Corporation as per city agreement. The externally restricted funds are designated for 40 Oak Street, 147 Queen Street, 139 Jarvis Street, 704 Mortimer Avenue, 20 Palace Street, and 4626 Kingston Road.

### (b) Capital fund - internally restricted:

Fred Victor Centre Board of Directors maintains internally restricted capital replacement funds related to 40 Oak Street, the proceeds from the sale of 86 Lombard and General Building. Additionally, the Organization's management has internally restricted capital replacement funds allocated to Mary Sheffield and Fatima House, as a reserve/provision for potential future requirements.

### (c) Capital fund - unrestricted:

The accumulated surplus consists of unrestricted funds. These funds are maintained to ensure that the organization can sustain business operations.

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 4. Cash, cash equivalents, and long-term investments:

	2025	2024
Cash and cash equivalents:		
Petty cash	\$ 15,429	\$ 14,579
Operating current accounts	12,372,161	7,480,407
	12,387,590	7,494,986
Long-term investments:		
Bank account, restricted by covenant	345,649	203,650
86 Lombard fund, unrestricted	9,274,153	11,000,000
Restricted by donor	—	3,109,615
Bond funds, restricted by covenant	3,153,703	2,318,767
Mutual funds, restricted internally	286,512	247,597
	13,060,017	16,879,629
	\$ 25,447,607	\$ 24,374,615
Composed of:		
Cash and cash equivalents	\$ 12,387,590	\$ 7,494,986
Capital funds (note 3)	13,060,017	16,879,629
	\$ 25,447,607	\$ 24,374,615

Long-term investments are invested in liquid investments. The Organization has categorized the short-term versus long term presentation based on intent of use.

## 5. Accounts receivable:

	2025	2024
Grants receivable	\$ 1,727,847	\$ 3,993,228
HST receivable	588,014	445,201
Other	168,169	174,446
	2,484,030	4,612,875
Less allowance for doubtful accounts	82,707	110,068
	\$ 2,401,323	\$ 4,502,807

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 6. Capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Buildings	\$ 84,294,349	\$ 30,670,500	\$ 53,623,849	\$ 45,790,745
Leasehold improvements	3,508,118	2,371,665	1,136,453	1,304,247
Furniture and equipment	2,019,951	1,918,222	101,729	203,458
Renovations	2,556,263	1,781,374	774,889	684,417
Land	1,650,005	—	1,650,005	5
Vehicles	160,417	55,763	104,654	58,503
Capital projects in progress	15,697	—	15,697	35,851
	\$ 94,204,800	\$ 36,797,524	\$ 57,407,276	\$ 48,077,226

## 7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$62,862 (2024 - \$66,751), which includes amounts payable for harmonized sales tax.

Accounts payable and accrued liabilities comprise the following:

	2025	2024
Accounts payable and accrued liabilities	\$ 7,437,204	\$ 7,070,315
HST payable	62,862	66,751
Mortgage interest payable	339,988	36,791
Other	3,168	3,168
	7,843,222	7,177,025
Payroll-related payables	4,196,790	4,844,727
	\$ 12,040,012	\$ 12,021,752



# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 8. Mortgages and loan payable:

### (a) 40 Oak Street - Ontario Infrastructure and Lands Corporation ("OILC"):

Mortgage payable to OILC.

Details of the mortgage are as follows:

Initial principal	\$4,263,136
Secured by	Leasehold mortgage 40 Oak Street
Interest rate	4.08%
Term	5 years ending September 6, 2027
Monthly principal and interest payments	\$27,895

### (b) 20 Palace Street - First National Financial LP:

Mortgage payable to First National Financial LP.

Details of the mortgage are as follows:

Initial principal	\$5,615,800
Secured by	Leasehold mortgage 20 Palace Street
Interest rate	3.41%
Term	30 years ending June 1, 2036
Monthly principal and interest payments	\$24,862

### (c) 147 Queen Street - First National Financial LP:

This mortgage was fully paid in October 2024.

Details of the mortgage are as follows:

Initial principal	\$2,223,571
Secured by	Leasehold mortgage 147 Queen Street
Interest rate	2.99%
Term	5 years ending October 1, 2024
Monthly principal and interest payments	\$39,927

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 8. Mortgages and loan payable (continued):

### (d) 704 Mortimer Avenue - Scotiabank Financial LP:

Mortgage payable to Scotiabank Financial LP.

Details of the mortgage are as follows:

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Initial principal	\$740,589
Secured by	Leasehold mortgage 704 Mortimer Avenue
Interest rate	6.47%
Term	4 years ending October 1, 2028
Monthly principal and interest payments	\$17,522

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### (e) 139 Jarvis Street - First National Financial LP:

This mortgage was fully paid in October 2024.

Details of the mortgage are as follows:

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Initial principal	\$1,137,422
Secured by	Leasehold mortgage 139 Jarvis Street
Interest rate	2.99%
Term	5 years ending October 1, 2024
Monthly principal and interest payments	\$20,424

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### (f) 3000 Queen Street – CIBC Bank:

Mortgage payable to CIBC Bank.

Details of the mortgage are as follows:

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Initial principal	\$2,000,000
Interest rate	4.45%
Term	5 years ending Feb 10, 2030
Monthly principal and interest payments	\$12,599

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# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 8. Mortgages and loan payable (continued):

(g) 40 Oak Street - Loan - TUCC:

Loan payable to TUCC.

Details of the loan are as follows:

Initial principal	\$450,000
Interest rate	4.00%
Term	3 years ending November 1, 2026
Monthly principal and interest payments	\$2,329

Principal payments, inclusive of renewal terms, due in the next five years and thereafter are as follows:

	2026	2027	2028	2029	2030	Thereafter
Mortgage - Oak	\$ 181,413	\$ 188,955	\$ 3,470,285	\$ —	\$ —	\$ —
Mortgage - Palace	147,711	152,790	158,045	163,481	169,103	3,724,666
Mortgage - Mortimer	171,465	182,731	195,773	121,971	—	—
Loan - TUCC	12,593	208,298	—	—	—	—
3000 Queen	63,708	66,602	69,627	72,789	1,722,091	—
	\$ 576,890	\$ 799,376	\$ 3,893,730	\$ 358,241	\$ 1,891,194	\$ 3,724,666

## 9. Deferred revenue - capital:

In fiscal year 2018-19, the Organization received donations designated to Fred Victor's Housing & Hope Capital Fund. This fund will be used to create new affordable housing in Toronto. Also includes deferred funds received from the City of Toronto for future capital expenditures. The fund has been used for purchase of 3000 Queen in February 2025.

	2025	2024
Opening balance	\$ 4,860,800	\$ 4,502,805
Contributions	274,390	357,995
Capital purchases	(2,911,139)	—
Ending balance	\$ 2,224,051	\$ 4,860,800

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 10. Deferred contributions and forgivable loans related to capital assets:

The Organization has received both forgivable loans and contributions to be used for capital development and other capital assets.

	2025	2024
AHP forgivable loan receivable	\$ 1,171,845	\$ 1,302,800
Less current portion	134,530	154,122
Balance, end of year	\$ 1,037,315	\$ 1,148,678

For the forgivable loans, the principal and interest are forgivable under the terms of the agreements. The Organization annually confirms they are in compliance with the terms in order to recognize the forgivable portion. In the event that the Organization is in default of an agreement, the remaining principal balance must be repaid.

The contributions for capital development are amortized using the rates described in note 1.

			2025
	Balance, beginning of year	Amortization	Balance, end of year
Forgivable loans			
Ministry of Municipal Affairs and Housing	\$ 14,017,265	\$ 632,431	\$ 13,384,834
AHP - Federal	2,504,436	90,250	2,414,186
AHP - Provincial	1,720,500	62,000	1,658,500
AHP - City of Toronto	1,326,034	47,785	1,278,249
AHP - TCHC	830,654	29,934	800,720
United Church	69,375	2,500	66,875
Total forgivable loans	\$ 20,468,264	\$ 864,900	\$ 19,603,364

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 10. Deferred contributions and forgivable loans related to capital assets (continued):

				2025
Deferred contributions	Balance, beginning of year	Additions (transfers)	Amortization	Balance, end of year
145 Queen Street	\$ 8,391,718	\$ 91,215	\$ 336,532	\$ 8,146,401
40 Oak Street	2,379,591	—	88,149	2,291,442
20 Palace Street	1,663,963	—	87,420	1,576,543
418 Dawes Road	964,794	(101,664)	115,757	747,373
704 Mortimer Avenue	48,025	162,004	1,776	208,253
501 Logan Avenue	—	853,095	37,045	816,050
3000 Queen Street	—	2,125,090	17,709	2,107,381
3000 Queen Street - Multi-Unit Residential Acquisition	—	6,000,000	12,500	5,987,500
4626 Kingston Road	—	27,623	—	27,623
<b>Total deferred contributions</b>	<b>\$ 13,448,091</b>	<b>\$ 9,157,363</b>	<b>\$ 696,888</b>	<b>\$ 21,908,566</b>
<b>Total forgivable loans and deferred contributions</b>	<b>\$ 33,916,355</b>	<b>\$ 9,157,363</b>	<b>\$ 1,561,788</b>	<b>\$ 41,511,930</b>

## 11. Commitments:

The Organization has various operating leases for its premises. The minimum annual lease payments for the next five years and thereafter are as follows:

2026	\$ 2,991,306
2027	2,808,686
2028	2,566,341
2029	2,580,664
2030	2,605,608
Thereafter	7,900,759
	<b>\$ 21,453,364</b>

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 12. Government grants and subsidies:

Government grants and subsidies recognized in the year were as follows:

	2025	2024
City of Toronto:		
Hostel	\$ 10,830,691	\$ 10,678,222
Edward Village	8,951,576	5,339,510
Housing	7,170,503	5,825,921
Winter Respite Service	4,189,326	3,971,689
Drop-In Programs	3,900,020	2,535,041
Warming Centre	2,949,704	1,554,144
Housing Access and Support Services	470,940	470,940
Transitional Housing Program	446,924	422,048
Employment Programs	427,507	337,704
Support Funding	408,737	268,217
Strengthening the Community Crisis System	348,841	63,664
City of Toronto other	339,379	207,240
	40,434,148	31,674,340
Ministry of Health and Long-Term Care and LHIN:		
Community Mental Health	8,946,472	8,208,425
Consumption and Treatment Services	1,929,254	1,929,254
Housing	693,997	637,179
Drop-In Programs	299,508	588,638
Other	315,982	391,429
	12,185,213	11,754,925
Human Resources and Skills Development Canada	766,800	731,132
	\$ 53,386,161	\$ 44,160,397

## 13. Addiction supportive housing program:

Following are rent amounts included in building occupancy expenses and associated rent deposit included in prepaid rent:

	2025	2024
Rent expense	\$ 165,010	\$ 125,673
Rent deposit	6,157	11,763

# FRED VICTOR CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

## 14. Addiction mental health housing program:

Following are rent amounts included in building occupancy expenses and associated rent deposit included in prepaid rent:

	2025	2024
Rent expense	\$ 108,701	\$ 120,771
Rent deposit	9,326	19,283

## 15. General and facilities administration expense allocations:

General and facilities administration expenses are allocated to various program cost centres based on reasonable estimates:

	2025	2024
Summary of allocations:		
Finance	\$ 2,117,363	\$ 2,252,654
General	2,219,795	2,273,177
Facilities admin	1,520,300	1,375,424
Human resources	1,523,263	1,321,602
Communications	879,995	—
	<b>\$ 8,260,716</b>	<b>\$ 7,222,857</b>
Summary of expenses:		
Salaries and wages	\$ 4,141,611	\$ 3,459,432
Office and general	1,374,164	993,680
Benefits	952,682	760,686
Professional fees	941,016	1,278,375
Building occupancy	641,821	556,622
Training and development	209,422	174,062
	<b>\$ 8,260,716</b>	<b>\$ 7,222,857</b>

## 16. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.