

UNIVERSITY SETTLEMENT

Financial Statements

Year ended December 31, 2024



UNIVERSITY SETTLEMENT
Index to Financial Statements
December 31, 2024

	PAGE
INDEPENDENT AUDITOR'S REPORT.....	1 - 2
STATEMENT OF FINANCIAL POSITION.....	3
STATEMENT OF CHANGES IN NET ASSETS.....	4
STATEMENT OF REVENUE AND EXPENSES.....	5
STATEMENT OF CASH FLOWS.....	6
NOTES TO FINANCIAL STATEMENTS.....	7 - 20
SCHEDULES OF REVENUE, EXPENSES AND ALLOCATION.....	
GOVERNMENT REVENUE.....	21
ADMINISTRATION.....	22
MAINTENANCE.....	23
RECREATION AND WELLNESS.....	24
DAY CARE.....	25
SENIORS, SETTLEMENT & SOCIAL SERVICES (S&SS) AND NEWCOMER SETTLEMENT PROGRAM (NSP).....	26
LANGUAGE INSTRUCTION FOR NEWCOMERS TO CANADA/INFORMATION AND ORIENTATION (LINC/I/O).....	27
MUSIC AND ARTS SCHOOL.....	28
EMPLOYMENT AND TRAINING.....	29



INDEPENDENT AUDITOR'S REPORT

To the Members of
University Settlement

Opinion

We have audited the financial statements of University Settlement ("US"), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, revenue and expenses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of US as at December 31, 2024, 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 (ASNPO).

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 report. We are independent of US 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 US'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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing US'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 these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT - cont'd

- ♦ 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 US'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 US'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 US 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Adams & Miles LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
May 27, 2025



UNIVERSITY SETTLEMENT
Statement of Financial Position
December 31, 2024

	Operating Fund	Special Funds (Note 8)	Total 2024	Total 2023
Assets				
Current				
Cash and cash equivalents	\$ 627,447	\$ 2,928	\$ 630,375	\$ 510,294
Investments (Note 3)	-	860,843	860,843	672,960
Government grants receivable	84,692	-	84,692	155,431
Accounts receivable (Note 4)	37,615	-	37,615	23,278
Inter-fund balances (Note 8)	(83,329)	83,329	-	-
Prepaid expenses	123,550	-	123,550	150,309
	789,975	947,100	1,737,075	1,512,272
Investments (Note 3)	-	61,878	61,878	175,000
Capital assets (Note 5)	199,609	-	199,609	153,749
Implementation costs of software service (Note 5)	-	28,048	28,048	51,578
	\$ 989,584	\$ 1,037,026	\$ 2,026,610	\$ 1,892,599
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 112,947	\$ -	\$ 112,947	\$ 148,756
Current portion of deferred grants and fees (Notes 7 and 9)	676,720	-	676,720	592,895
Current portion of capital lease obligation (Notes 5 and 6)	9,804	-	9,804	-
	799,471	-	799,471	741,651
Deferred grants and fees (Notes 7 and 9)	21,498	-	21,498	31,498
Capital lease obligation (Notes 5 and 6)	55,937	-	55,937	-
	876,906	-	876,906	773,149
Net assets				
Unrestricted	11,142	-	11,142	-
Invested in capital assets (Note 8)	101,536	-	101,536	111,418
Endowments (Note 8)	-	125,562	125,562	118,404
Restricted externally (Note 8)	-	165,405	165,405	155,976
Restricted internally (Note 8)	-	746,059	746,059	733,652
	112,678	1,037,026	1,149,704	1,119,450
	\$ 989,584	\$ 1,037,026	\$ 2,026,610	\$ 1,892,599

Approved on behalf of the Board:

 Director
 Director



UNIVERSITY SETTLEMENT

Statement of Changes in Net Assets

Year Ended December 31, 2024

	Operating Fund		Special Funds (Note 8)			Total	Total
	Unrestricted	Invested in capital assets	Endowments	Restricted externally	Restricted internally	2024	2023
Balance, beginning of year	\$ -	\$ 111,418	\$ 118,404	\$ 155,976	\$ 733,652	\$ 1,119,450	\$ 1,255,325
Excess (deficiency) of revenue over expenses	41,391	(40,131)	7,158	9,429	12,407	30,254	(135,875)
Capital lease obligation	65,741	(65,741)	-	-	-	-	-
Purchase of capital assets	(95,990)	95,990	-	-	-	-	-
Balance, end of year	\$ 11,142	\$ 101,536	\$ 125,562	\$ 165,405	\$ 746,059	\$ 1,149,704	\$ 1,119,450

UNIVERSITY SETTLEMENT

Statement of Revenue and Expenses

Year Ended December 31, 2024

	Operating Fund	Special Funds (Note 8)	Total 2024	Total 2023
Revenue				
Federal government grants (Schedule, page 21)	\$ 1,614,301	\$ -	\$ 1,614,301	\$ 1,596,539
Fees for services	1,233,388	-	1,233,388	1,080,600
City of Toronto fees (Note 9) (Schedule, page 21)	1,142,419	-	1,142,419	1,146,518
City of Toronto grants (Note 8) (Schedule, page 21)	862,564	-	862,564	811,823
Provincial government grants (Schedule, page 21)	234,711	-	234,711	214,638
United Way contributions	210,756	-	210,756	210,756
Fundraising, donations and foundation contributions	193,887	1,000	194,887	178,925
Other	108,984	-	108,984	147,425
Rental	78,440	-	78,440	56,247
	5,679,450	1,000	5,680,450	5,443,471
Expenses				
Salaries	3,964,069	-	3,964,069	3,870,962
Benefits	608,450	-	608,450	595,051
Rent	244,767	-	244,767	243,654
Office (Note 5)	207,073	23,530	230,603	231,168
Program	150,319	-	150,319	123,532
Other purchased services	130,618	-	130,618	93,879
Insurance	110,284	-	110,284	132,167
Amortization	50,131	-	50,131	38,901
Promotion and publicity	47,127	-	47,127	63,241
Audit and legal	41,020	-	41,020	37,359
Other	20,311	18,329	38,640	117,498
Cleaning supplies	36,098	-	36,098	19,174
Food services	32,448	-	32,448	28,748
Recruitment and staff training	26,058	-	26,058	27,932
Transportation	10,912	-	10,912	8,816
Grange Kids write-off	7,611	-	7,611	-
	5,687,296	41,859	5,729,155	5,632,082
Deficiency of revenue over expenses before other revenues				
	(7,846)	(40,859)	(48,705)	(188,611)
Other revenue				
Investment income	5,355	35,840	41,195	31,628
Unrealized gains on investments	3,751	34,013	37,764	21,108
	9,106	69,853	78,959	52,736
Excess (deficiency) of revenue over expenses	\$ 1,260	\$ 28,994	\$ 30,254	\$ (135,875)



UNIVERSITY SETTLEMENT

Statement of Cash Flows

Year ended December 31, 2024

	Operating Fund	Special Funds (Note 7)	Total 2024	Total 2023
Cash provided by (used in)				
Operating activities				
Excess (deficiency) of revenue over expenses	\$ 1,260	\$ 28,994	\$ 30,254	\$ (135,875)
Unrealized gains on investments	(3,751)	(34,013)	(37,764)	(21,108)
Amortization, net deferred grants amortization	40,131	23,530	63,661	55,689
	37,640	18,511	56,151	(101,294)
Changes in				
Government grants receivable	70,739	-	70,739	18,212
Accounts receivable	(14,337)	-	(14,337)	6,743
Inter-fund balances	(22,142)	22,142	-	-
Prepaid expenses	26,759	-	26,759	(85,011)
Accounts payable and accrued liabilities	(35,809)	-	(35,809)	96,043
Deferred grants and fees	83,825	-	83,825	122,443
Capital lease obligation	65,741	-	65,741	-
	212,416	40,653	253,069	57,136
Investing activities				
Purchase of capital assets	(95,990)	-	(95,990)	(56,289)
Purchase of implementation of software costs	-	-	-	(19,540)
Proceeds on maturity and sale of investments	10,418	69,717	80,135	-
Purchase of investments	(6,668)	(110,465)	(117,133)	(275,865)
	(92,240)	(40,748)	(132,988)	(351,694)
Change in cash and cash equivalents	120,176	(95)	120,081	(294,558)
Cash and cash equivalents, beginning of year	507,271	3,023	510,294	804,852
Cash and cash equivalents, end of year	\$ 627,447	\$ 2,928	\$ 630,375	\$ 510,294



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

1. Purpose of the organization

University Settlement ("US") was incorporated without share capital under the laws of the Province of Ontario on May 16, 1944 and continued under the Ontario Not-for-profit act effective October 2021. US provides social, educational, recreational and cultural services to the people living and working in the West Central Downtown Toronto community and the North York community. US is a registered charity under the Income Tax Act and, accordingly, is exempt from income taxes.

2. Summary of significant accounting policies

The financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Handbook and include the following significant accounting policies:

Fund accounting

The accounts of US are maintained in accordance with the principles of fund accounting and, accordingly, the resources are classified for accounting and reporting purposes into funds determined by the purpose for which those funds are held. The types of funds held are:

Operating Fund - Revenue and expenses related to services provided are reported in the Operating Fund. Unrestricted contributions are recognized as revenue in the year they are earned. The Operating Fund includes amounts invested in capital assets.

Special Funds - The special funds include endowments, externally restricted and internally restricted funds. The endowment fund reports contributions that are subject to the requirement that the principal remain intact and invested to create a source of income for US.

Refer to Note 8 for details regarding these funds.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments.



UNIVERSITY SETTLEMENT
Notes to Financial Statements
Year ended December 31, 2024

2. Summary of significant accounting policies - cont'd

Investments

Investments consist of fixed income funds, Guaranteed Investment Certificates (GICs), Investment Savings Account and equity funds.

Investments are recorded at fair value. Fair values are referenced to published price quotations in an active market at year-end.

Transaction costs associated with the acquisition of investments and investment fees are expensed when incurred.

Capital assets

Capital assets are recorded at cost. US provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives:

Cleaning equipment	5 years
Computer equipment	5 years
Computer software	2 to 10 years
Furniture and equipment	5 years
Gym equipment	10 years
Piano	5 years
Playground equipment	10 years

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

Capital assets under lease are amortized over the term of the lease.

Implementation costs of software services

US capitalizes expenditures on implementation activities that are directly attributable to preparing software services for their intended use. US recognizes the expenditures on implementation activities over the expected period of access to the related software service. The estimated useful life of these assets is 3 years.

Impairment of long-lived assets

US tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

2. Summary of significant accounting policies - cont'd

Revenue recognition

US is funded by the members of the community, City of Toronto government fees and grants, Federal government grants, United Way contributions and Provincial government grants. These financial statements reflect agreed arrangements approved by each granting agency with respect to the year ended December 31, 2024.

US uses the restricted fund method for accounting for externally restricted grants and contributions. Externally restricted grants and contributions are recognized as revenue in the appropriate fund in the year they are received, if a fund has been established. Externally restricted contributions where no externally restricted fund exists is deferred and recognized as revenue in the year in which the related expenses are incurred.

Unrestricted grants, fundraising, donations and contributions are recognized in the Statement of Revenue and Expenses as revenue in the year it is received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Grants received for the purchase of capital assets are recognized into revenue of the operating fund and are amortized into the Statement of Revenue and Expenses over the same number of years that the related capital assets are amortized into operations.

Endowment contributions are recognized as revenue of the endowment fund when received.

Revenue from fees for services, City of Toronto fees, other and rental is recognized when the service is provided.

Fundraising revenue is recognized as it is earned or received.

Investment income includes interest and dividends. Interest income is recognized when earned. Dividends are recorded when they become receivable, which is the date they are declared.

The realized gains and losses are recognized when the investment is disposed. The unrealized gains and losses are recognized as changes in the fair value occur.

Contributed services

In its day-to-day operations, the organization uses the services of volunteers and board members. These services include, but are not limited to, professional services that would otherwise need to be purchased if this expertise did not exist. Due to the difficulty of determining the fair value of the contributed services, these are not recognized in the financial statements.

UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

2. Summary of significant accounting policies - cont'd

Controlled entity's financial statements

US controls Grange Kids, a separate legal entity (Note 4). The financial statements of Grange Kids have not been consolidated in these financial statements. Excerpts of the financial statements of Grange Kids are reported in Note 10.

Financial instruments

US initially measures its financial assets and financial liabilities at fair value except for certain related party balances.

US subsequently measures its financial assets and financial liabilities at amortized cost, except investments, which are subsequently measured at fair value. Changes in fair value are recognized in the Statement of Revenue and Expenses.

Financial assets measured at amortized cost on a straight-line basis include cash and cash equivalents, government grants receivable and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

Use of estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount 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 year. Significant estimates include the estimated useful lives of capital assets and implementation costs of software services and milestones and reconciliations related to deferred revenue recognition. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported as revenue or expenses in the Statement of Revenue and Expenses in the year in which they become known. Actual results may be different from these estimates.

Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of the asset to US are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing of the asset. Capital assets recorded under capital leases are amortized on the same basis as described in the capital assets accounting policy. Payments under operating leases are expensed in the Statement of Revenue and Expenses as incurred.



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

3. Investments

Current investments:

	2024	2023
Fixed income funds (Canadian and foreign)	\$ 541,033	\$ 490,502
GIC	188,092	139,411
Investment Savings Account	84,000	-
Equity funds	47,718	43,047
	<u>\$ 860,843</u>	<u>\$ 672,960</u>

Non-current investments:

	2024	2023
GIC	\$ 61,878	\$ 175,000

The GIC's mature between September 2025 and October 2026 (2023 - October 2024 and September 2025) and earn interest at rates of 3.50% - 5.80% (2023 - 4.35% - 5.80%) annually.

A GIC in the amount of \$61,878 (2023 - \$59,411) is held as a security for the credit card facilities.

4. Related party balances and related party transactions

Effective September 1, 2019, a new legal entity, Grange Kids, was incorporated to operate after-school programming that was previously operated by US. Grange Kids is a related party as US has the ability to exercise direct control over Grange Kids, through common Board members and the operations of Grange Kids being dependent on US for resources to operate its programming. During the current year, Grange Kids did not operate any after-school programming.

Included in accounts receivable at year-end is \$Nil (2023 - \$7,611) owing from Grange Kids. The accounts receivable due from Grange Kids was unsecured with no fixed terms of repayment which was not the same terms as accounts receivable from non-related parties.

UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

5. Capital assets and implementation costs of software services

	2024		2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Cleaning equipment	\$ 13,793	\$ 9,809	\$ 3,984	\$ 6,743
Computer equipment	95,754	21,677	74,077	4,629
Computer software	72,752	53,065	19,687	32,752
Furniture and equipment	51,399	11,300	40,099	27,721
Gym equipment	93,959	69,771	24,188	33,585
Leasehold improvements	88,253	78,392	9,861	9,861
Piano	15,000	15,000	-	1,500
Playground equipment	92,454	64,741	27,713	36,958
	\$ 523,364	\$ 323,755	\$ 199,609	\$ 153,749

Included in computer equipment is a capital lease for two photocopier machines with a cost of \$68,101 (2023 - \$Nil) and accumulated amortization of \$2,360 (2023 - \$Nil). Amortization is based on the term of the lease of 6 years ending September 2030 (Note 6).

In 1958, US conveyed to the City of Toronto (the "City") the land at 23 Grange Road. In return, the City built the recreation centre, which is now operated by US. The City also agreed to pay the annual maintenance incurred on the building. During the year, the City paid \$344,402 (2023 - \$294,402) for maintenance of the building.

Implementation costs of software services includes a cloud computing arrangement with a cost of \$90,130 (2023 - \$90,130) and accumulated amortization of \$62,082 (2023 - \$38,552). Included in office expense is \$23,530 (2023 - \$26,787) of amortization related to the software implementation costs. Amortization is based on the estimated useful life of the cloud computing arrangement of 3 years.



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

6. Capital lease obligation

Capital lease is recorded at an amount equal to the present value of the lease payments using the interest rate implicit in the lease. The implicit interest rate of the obligation is 6.30% with an expiry date of September 2030. The following is a schedule of future minimum lease payments under capital lease:

2025	\$ 13,718
2026	13,718
2027	13,718
2028	13,718
2029	13,718
Subsequent years	10,289
<hr/>	
Total future minimum lease payments	78,879
Less amount representing interest	(13,138)
<hr/>	
Present value of minimum net lease payments	65,741
Less current portion	9,804
<hr/>	
	\$ 55,937

The obligation under capital lease is secured by a lien on the specific equipment under lease. The interest expense paid on the lease during the year was \$1,070 (2023 - \$Nil). The net book value of the equipment securing the lease is \$65,741 (2023 - \$Nil).

UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

7. Deferred grants and fees

The deferred grants represent restricted grants and contributions received in the current year where no restricted funds have been established and that relate to subsequent years, grants related to capital assets which will be amortized into revenue over the life of the asset and fees that represent amounts received in advance for services provided subsequent to year-end.

	2024	2023
Government grants - Federal, Provincial and City of Toronto	\$ 485,648	\$ 572,255
Fees for services	116,557	51,574
Funds held in trust	48,124	-
Foundation grants	26,391	564
Balance, end of year	676,720	624,393
Less: current portion	(655,222)	(592,895)
Due beyond one year	\$ 21,498	\$ 31,498
	2024	2023
Balance, beginning of year	\$ 624,393	\$ 540,198
Add: Amounts received during the year	5,371,495	4,981,272
Less: Amounts recognized as revenue during the year	(5,319,168)	(4,897,077)
Balance, end of year	\$ 676,720	\$ 624,393



UNIVERSITY SETTLEMENT
Notes to Financial Statements
Year Ended December 31, 2024

8. Special funds

	2023	Investment income and contributions	Expenses	Inter-fund transfer	2024
Endowments (Note 14)					
<i>Music and Arts</i>					
Sylvia Schwartz	\$ 9,819	\$ 680	\$ (86)	\$ -	\$ 10,413
Shiu-Shum Lo Memorial	18,675	1,294	(165)	-	19,804
Margaret Grant	5,263	365	(47)	-	5,581
W.G. Hall Memorial	4,893	339	(43)	-	5,189
Aasta Levene Scholarship	75,000	5,197	(663)	-	79,534
<i>Recreation - Youth Leadership</i>					
Mary Fraser	4,754	329	(42)	-	5,041
	118,404	8,204	(1,046)	-	125,562
Restricted externally					
<i>Music and Arts</i>					
General	66,736	4,625	(590)	-	70,771
Florence & David Steinhauer	13,903	963	(123)	-	14,743
Mark Hill Memorial	7,304	506	(65)	-	7,745
Madeleine Emma Lasserre	2,158	150	(19)	-	2,289
<i>Recreation - Youth Leadership</i>					
Robert Kauppinen	5,312	368	(47)	-	5,633
Marshall A. Golden Memorial	4,592	318	(41)	-	4,869
<i>Other Programs</i>					
Subsidies and programs	55,971	3,879	(495)	-	59,355
	155,976	10,809	(1,380)	-	165,405
Restriction internally					
<i>Recreation - Camp</i>					
General Camp	200,108	13,867	(1,769)	-	212,206
Edward Roth	2,954	205	(26)	-	3,133
<i>Recreation - Children & Youth</i>					
Ethyle M. Start	77,200	5,350	(682)	-	81,868
Youth Program	44,132	3,058	(390)	-	46,800
<i>Scholarship</i>					
General Scholarship	38,019	2,635	(336)	-	40,318
<i>Music and Arts</i>					
Music Instrument	8,355	579	(74)	-	8,860
<i>General</i>					
Technological improvement reserve	292,800	20,290	(35,537)	-	277,553
Fanny V. Birdsall	33,968	2,354	(300)	-	36,022
Elizabeth J. Clarry	6,569	455	(58)	-	6,966
Mary Margaret Slater	6,569	455	(58)	-	6,966
Emil First	1,210	84	(11)	-	1,283
90th Anniversary	16,313	1,130	(144)	-	17,299
White Family Scholarship Fund	-	1,000	-	-	1,000
<i>Senior Citizen Fund</i>					
Cho-Tsing-Cheung	5,455	378	(48)	-	5,785
	733,652	51,840	(39,433)	-	746,059
Total	\$ 1,008,032	\$ 70,853	\$ (41,859)	\$ -	\$ 1,037,026



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

8. Special funds - cont'd

In the current year, the Board of Directors transferred \$Nil (2023 - \$183,220) from the internally restricted funds to the unrestricted fund to cover the unrestricted operating deficit.

The inter-fund balances bear no interest and are payable on demand.

Invested in capital assets is comprised of:

	2024	2023
Capital assets	\$ 199,609	\$ 153,749
Deferred grants related to capital assets	(32,332)	(42,331)
Capital lease obligation	(65,741)	-
	<u>\$ 101,536</u>	<u>\$ 111,418</u>

9. Daycare grants and wage subsidies

US has recognized as revenue the following amounts from the City of Toronto's Children's Services:

	2024	2023
General Operating Grants	\$ 227,096	\$ 282,801
Minor Capital Grant	20,000	-
Special Needs One on One Grant	4,052	1,108
	<u>\$ 251,148</u>	<u>\$ 283,909</u>



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

9. Daycare grants and wage subsidies - cont'd

US has also recognized as revenue and deferred revenue the following related to the Canada-Wide Early Learning & Child Care ("CWELCC") funding:

	Affordability funding	Cost escalation/ Emerging issues
Opening deferred revenue	\$ 307,183	\$ 16,236
Received in the 2024 fiscal year for 2024	379,464	187,892
Used in the fiscal year according to guidelines	(515,784)	(204,128)
Vacancy variable costs/recovery	(3,904)	-
Deferred revenue	166,959	-
Received in the 2024 fiscal year for 2025	116,041	-
Total deferred revenue - CWELCC funding	\$ 283,000	\$ -

The CWELCC emerging issues and cost escalation funding of \$204,128 (2023 - \$97,075) is recognized in City of Toronto fees.

Included within recreation and wellness is Summer Day Program funding of \$14,775 (2023 - \$14,775).

US received and recognized as wage enhancement revenue \$64,364 (2023 - \$37,839) from the City of Toronto.

10. Lease commitments

US is committed to premise leases until June 2025. The minimal annual lease payments for the next fiscal year are \$103,111.

US is responsible for a proportionate share of building operating costs.

UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

11. Controlled entity's financial statements

The financial statements of Grange Kids, an entity controlled by US, has not been consolidated in these financial statements. Grange Kids' financial statements are prepared under the same accounting policies as US. Grange Kids was incorporated without share capital under the Canada Not-for-profit Corporations Act. Its purpose was to provide children and youth after-school educational and support services. Grange Kids is a registered charity under the Income Tax Act and, accordingly is exempt from income taxes. Grange Kids utilized the resources and premises of US at 23 Grange Road. Transactions with Grange Kids are described in Note 4 to these financial statements. There are no restrictions on the funds received by Grange Kids from US. Grange Kids ceased operation in fiscal 2024.

Summaries of the unaudited controlled entity's financial position as at December 31, 2024 and 2023 and results of its operations and its cash flows for the 2024 and 2023 fiscal years are as follows:

	2024	2023
Total assets	\$ 739	\$ 739
Total liabilities	-	(7,611)
Net surplus (deficiency)	739	(6,872)
Expenses	(7,611)	(1,143)
Change in cash	-	-

12. Financial instruments

US is exposed to the following risk in respect of certain types of the financial instruments held:

(a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. US's investments in equity and fixed income funds expose US to market risk as such investments are subject to price changes of the underlying securities in the open market. US does not use derivative financial instruments to alter the effects of this risk.



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

12. Financial instruments - cont'd

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. US manages the interest rate price risk exposure of its fixed income investments by using a laddered portfolio with varying terms of maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations. US does not have any debts subject to interest rate risk.

It is management's opinion that US is not exposed to any significant liquidity, currency or credit risks.

13. Allocations

Composition and allocation of administrative expenses

In the current and prior year, US's net administrative expenses include administrative staff salaries and benefits including human resources, office including IT, insurance, building occupancy, promotion and publicity and other miscellaneous costs. In the attached schedules to the financial statements, the net administrative costs were allocated across the various programs based on the rationale that these costs are associated with contributing to the agency as a whole and are not geared towards any specific or particular program.

The allocation of net administrative expenses for both fiscal 2024 and 2023 was based on the percentage of total expenses incurred by each program over total expenses for all programs excluding administrative and the Language Instruction for Newcomers to Canada/Information and Orientation (LINC/I/O) program.

The LINC/I/O program is charged a set administrative cost as the program is primarily funded by a single funder and does not generate enough revenue to be charged fully for its share of administrative costs.

14. Endowment Funds

Endowment funds totaling \$125,562 (2023 - \$118,404) include \$117,692 (2023 - \$117,692) of original capital donated. The remainder of \$7,870 (2023 - \$712) represents the accumulated investment income earned to be used pursuant to donors' wishes.



UNIVERSITY SETTLEMENT

Notes to Financial Statements

Year ended December 31, 2024

15. Comparative amounts

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.

UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Government Revenue

	2024	2023
Federal government grants		
Immigration, Refugees and Citizenship Canada	\$ 1,500,507	\$ 1,478,017
Health Canada	58,522	58,522
Employment and Social Development Canada	43,570	35,000
New Horizons	11,702	25,000
	1,614,301	1,596,539
City of Toronto fees		
Children's Services (Note 9)	913,181	838,443
Toronto Employment and Social Services	229,238	308,075
	1,142,419	1,146,518
City of Toronto grants		
Property Grant (Note 5)	344,402	294,402
General Operating Grants (Note 9)	251,148	283,909
Community Services Partnership	160,874	154,389
Wage Enhancement (Note 9)	64,364	37,839
Toronto Arts Council	26,500	26,508
Children's Services	15,276	14,776
	862,564	811,823
Provincial government grants		
Ministry of Children, Community and Social Services	163,632	163,381
Ministry for Seniors and Accessibility	51,079	51,257
Seniors Community Grant Program	20,000	-
	234,711	214,638
	\$ 3,853,995	\$ 3,769,518

UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Administration

	2024	2023
Revenue		
Fundraising and foundation contributions	\$ 121,487	\$ 66,804
Other	83,291	114,157
United Way contribution	42,156	42,156
Provincial government grants	28,581	28,581
Federal government grants	11,702	25,000
Net investment income	9,106	6,066
Rental	260	847
	296,583	283,611
Expenses		
Salaries	703,745	686,524
Benefits	121,664	107,151
Office	104,653	65,279
Insurance	100,298	122,586
Other purchased services	90,333	52,860
Audit and legal	41,020	37,359
Promotion and publicity	38,731	39,437
Amortization	26,582	11,831
Transportation	8,817	5,130
Bad debts expense	7,611	-
Other	7,096	4,514
Recruitment and staff training	6,863	12,390
Program costs	1,137	23
LINC/I/O recovery	(193,127)	(179,302)
	1,065,423	965,782
Net administration expense for allocation	\$ (768,840)	\$ (682,171)
Expense allocation to programs		
Day Care	\$ 329,967	\$ 264,907
Recreation and Wellness	158,514	167,954
Music and Arts School	101,529	98,637
Maintenance	88,972	75,737
Seniors, Settlement & Social Services and Newcomer Settlement Program	64,582	53,887
Employment and Training	25,276	21,049
	\$ 768,840	\$ 682,171

Refer to Note 13 for details on allocation basis.



UNIVERSITY SETTLEMENT**Schedule of Revenue, Expenses and Allocation****Year Ended December 31, 2024****Maintenance**

	2024	2023
Revenue		
City of Toronto grants (Note 5)	\$ 344,402	\$ 294,402
Provincial government grants	7,490	7,490
	351,892	301,892
Expenses		
Salaries	257,618	253,179
Benefits	51,397	50,349
Cleaning supplies	35,908	17,505
Insurance	9,986	9,581
Amortization	2,759	1,895
Other	1,227	7,249
	358,895	339,758
Deficiency of revenue over expenses before allocation of indirect expenses	(7,003)	(37,866)
Allocation of indirect expenses (Note 13)		
Administrative	88,972	75,737
Deficiency of revenue over expenses	\$ (95,975)	\$ (113,603)

UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Recreation and Wellness

	2024	2023
Revenue		
Fees for services	\$ 620,391	\$ 555,875
Federal government grants	102,092	93,522
City of Toronto grants	88,297	84,258
Rental income	78,180	51,550
United Way contribution	60,000	60,000
Provincial government grants	30,363	30,363
Summer Day Program (Note 9)	14,775	14,775
Fundraising and foundation contributions	9,251	54,286
Other	390	2,353
	1,003,739	946,982
Expenses		
Salaries	512,426	585,579
Benefits	48,881	65,591
Program	24,525	32,922
Other purchased services	22,147	15,225
Recruitment and staff training	10,703	6,520
Amortization	10,045	12,940
Office	8,562	29,536
Promotion and publicity	2,119	1,200
Other	-	3,940
	639,408	753,453
Excess of revenue over expenses before allocation of indirect expenses	364,331	193,529
Allocation of indirect expenses (Note 13)		
Administrative	158,514	167,954
Excess of revenue over expenses	\$ 205,817	\$ 25,575



UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Day Care

	2024	2023
Revenue		
City of Toronto fees	\$ 913,181	\$ 838,443
City of Toronto grants	315,512	321,748
Fees for services	282,545	226,869
Other	12,100	11,050
	1,523,338	1,398,110
Expenses		
Salaries	1,057,943	947,256
Benefits	164,907	159,071
Program	47,482	21,248
Food services	32,448	28,748
Amortization	9,245	9,245
Other purchased services	8,508	7,811
Office	7,144	10,593
Recruitment and staff training	3,340	4,415
	1,331,017	1,188,387
Excess of revenue over expenses before allocation of indirect expenses	192,321	209,723
Allocation of indirect expenses (Note 13)		
Administrative	329,967	264,907
Deficiency of revenue over expenses	\$ (137,646)	\$ (55,184)



UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Seniors, Settlement & Social Services (S&SS) and Newcomer Settlement Program (NSP)

	S & SS	NSP	Total 2024	Total 2023
Revenue				
Provincial government grants	\$ 74,776	\$ 68,898	\$ 143,674	\$ 123,602
City of Toronto grants	73,078	-	73,078	70,132
United Way contribution	48,600	-	48,600	48,600
Other	14,688	-	14,688	19,210
Fundraising and foundation contributions	3,015	-	3,015	3,070
	214,157	68,898	283,055	264,614
Expenses				
Salaries	144,913	52,610	197,523	161,262
Benefits	27,846	11,784	39,630	33,228
Office	9,360	-	9,360	14,654
Program	8,596	-	8,596	16,620
Promotion and publicity	5,076	208	5,284	13,999
Other	91	24	115	1,886
Transportation	-	-	-	90
	195,882	64,626	260,508	241,739
Excess (deficiency) of revenue over expenses before allocation of indirect expenses	18,275	4,272	22,547	22,875
Allocation of indirect expenses (Note 13)				
Administrative	64,582	-	64,582	53,887
Excess (deficiency) of revenue over expenses	\$ (46,307)	\$ 4,272	\$ (42,035)	\$ (31,012)

UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Language Instruction for Newcomers to Canada/Information and Orientation

Program (LINC/I/O)

	2024	2023
Revenue		
Federal government grants	\$ 1,500,507	\$ 1,478,016
Expenses		
Salaries	857,969	833,329
Rent	239,870	240,894
LINC/I/O overhead	193,127	179,302
Benefits	143,238	140,313
Office	64,431	70,728
Other	12,265	16,337
Recruitment and staff training	4,658	3,323
Program costs	1,798	3,834
Transportation	1,315	1,143
	1,518,671	1,489,203
Deficiency of revenue over expenses	\$ (18,164)	\$ (11,187)



UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Music and Arts School

	2024	2023
Revenue		
Fees for services	\$ 330,453	\$ 297,856
United Way contribution	60,000	60,000
Fundraising and foundation contributions	56,158	53,715
Toronto Arts Council grants	26,500	26,508
Provincial government grants	20,780	20,780
Other	615	1,705
	494,506	460,564
Expenses		
Salaries	291,454	322,833
Program	66,494	53,911
Benefits	30,669	34,925
Other purchased services	9,448	9,157
Office	5,030	8,869
Rent	3,890	2,760
Amortization	1,500	2,990
Promotion and publicity	707	6,276
Recruitment and staff training	352	772
	409,544	442,493
Excess of revenue over expenses before allocation of indirect expenses	84,962	18,071
Allocation of indirect expenses (Note 13)		
Administrative	101,529	98,637
Deficiency of revenue over expenses	\$ (16,567)	\$ (80,566)



UNIVERSITY SETTLEMENT

Schedule of Revenue, Expenses and Allocation

Year Ended December 31, 2024

Employment and Training

	2024	2023
Revenue		
City of Toronto fees	\$ 229,238	\$ 308,075
Provincial government grants	3,824	3,824
Rental	-	3,850
	233,062	315,749
Expenses		
Salaries	85,393	81,003
Office	8,500	9,000
Benefits	8,063	4,423
	101,956	94,426
Excess of revenue over expenses before allocation of indirect expenses	131,106	221,323
Allocation of indirect expenses (Note 13)		
Administrative	25,276	21,049
Excess of revenue over expenses	\$ 105,830	\$ 200,274

