Doane Grant Thornton

Summary Financial Statements

Bethlehem Housing and Support Services

March 31, 2026

Contents

Report of the Independent Auditor on the Summary Financial Statements

Doane Grant Thornton LLP
80 King Street
Suite 200
St. Catharines, ON
L2R 7G1

T +1 905 682 8363
F +1 905 682 2191
www.doanegrantthornton.ca

To the Directors of
Bethlehem Housing and Support Services

Qualified opinion

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2026, and the summary statements of revenues, expenses, changes in net assets and cash flows for the year then ended, and related notes, are derived from the audited financial statements of Bethlehem Housing and Support Services (the "Organization") for the year ended March 31, 2026.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, , the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

Basis for qualified opinion

In common with many charitable organizations, the Organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to fundraising and donation revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2026 and March 31, 2025, current assets as at March 31, 2026 and March 31, 2025 and net assets as at April 1 and March 31 for both the 2026 and 2025 years. Our audit opinion on the financial statements for the year ended March 31, 2025 was modified accordingly, because of the possible effects of this scope limitation.

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 the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Report of the Independent Auditor on the Summary Financial Statements (continued)

Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization in complying with the reporting provisions required by the Housing Services Act (2011) as interpreted by management for the purposes of reporting to the Niagara Region. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Directors of the Organization and Niagara Region and should not be used by parties other than the Directors of the Organization and Niagara Region. Our opinion is not modified in respect of this matter.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the Housing Services Act (2011) as interpreted by management for the purposes of reporting to the Niagara Region. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified opinion on the audited financial statements in our report dated June 18, 2026.

Responsibilities of management and those charged with governance for the summary financial statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's responsibility for the summary financial statements

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to Report on Summary Financial Statements.

Doane Grant Thornton LLP

St. Catharines, Canada
June 18, 2026

Chartered Professional Accountants
Licensed Public Accountants

Bethlehem Housing and Support Services
Summary Statement of Financial Position

March 31	2026	2025
Assets		
Current		
Cash	**$ 530,804**	$ 419,723
Unrestricted investments	**275,310**	287,403
Residents' receivables	**32,518**	25,096
Funding and other receivables	**34,947**	14,500
HST receivable	**35,959**	29,333
Prepaid expenses	**61,560**	87,782
	971,098	863,837
Long-term		
Internally restricted cash and investments, debt retirement	**225,672**	194,801
Restricted cash and investments	**1,641,448**	1,643,265
Loan receivable	**60,000**	-
Property	**5,095,069**	5,276,770
	7,022,189	7,114,836
	$ 7,993,287	$ 7,978,673
Liabilities		
Current		
Line of credit	**$ 170,630**	$ -
Accounts payable and accrued liabilities	**237,869**	206,783
Government remittances payable	**26,625**	24,691
Rent deposits	**223,407**	212,544
Deferred revenue	**96,350**	67,447
Current portion of mortgages payable	**218,400**	208,400
	973,281	719,865
Long-term		
Due to 2533785 Ontario Inc.	**100,000**	100,000
Deferred revenue, Kalar Road property	**747,243**	778,378
Deferred revenue, James Street property	**1,213,597**	1,264,164
Mortgages payable	**3,184,161**	3,402,574
	5,245,001	5,545,116
	6,218,282	6,264,981
Net assets		
Unrestricted	**133,557**	70,427
Internally restricted	**1,445,430**	1,453,648
Externally restricted	**196,018**	189,617
	1,775,005	1,713,692
	$ 7,993,287	$ 7,978,673

On behalf of the board of directors

Bryan Johnston Director

Director

See accompanying note to the financial statements.

Bethlehem Housing and Support Services
Summary Statements of Revenues, Expenses and Changes in Net Assets

Year ended March 31	Unrestricted	Internally restricted	Externally restricted	**2026**	2025
Revenues					
Rent	$ 2,428,769	$ -	$ -	**$ 2,428,769**	$ 2,358,817
Niagara Region operating subsidies	794,108	-	-	**794,108**	551,698
Ministry of Children, Community and Social Services grants	370,343	-	-	**370,343**	347,565
Investment income	96,637	268,504	2,155	**367,296**	121,450
Fundraising and donations	352,920	-	6,419	**359,339**	357,769
Infrastructure Ontario grant	141,199	-	-	**141,199**	141,199
Amortization of deferred building contributions	81,702	-	-	**81,702**	85,105
User fees, rebates, and other income	76,964	-	-	**76,964**	72,180
United Way grants	74,750	-	-	**74,750**	77,000
Special project grants	50,396	-	12,744	**63,140**	140,155
Bingo	40,206	-	-	**40,206**	31,164
	4,507,994	268,504	21,318	**4,797,816**	4,284,102
Expenses					
Wages and benefits	1,711,904	-	-	**1,711,904**	1,572,941
Materials, services and program costs	723,783	-	-	**723,783**	770,745
Utilities	330,224	-	-	**330,224**	329,256
Administration	206,923	-	-	**206,923**	187,343
Amortization of buildings	181,701	-	-	**181,701**	189,271
Mortgage interest	161,493	-	-	**161,493**	171,066
Insurance	90,637	-	-	**90,637**	84,384
Fundraising costs	38,314	-	-	**38,314**	20,847
Rent	926,924	-	-	**926,924**	777,035
Reserve expenditures	-	325,393	39,207	**364,600**	185,948
	4,371,903	325,393	39,207	**4,736,503**	4,288,836
Excess (deficiency) of revenues over expenses for the year	$ 136,091	$ (56,889)	$ (17,889)	**$ 61,313**	$ (4,734)

Net assets, beginning of year	$ 70,427	$ 1,453,648	$ 189,617	**$ 1,713,692**	$ 1,718,426
Excess (deficiency) of revenues over expenses for the year	136,091	(56,889)	(17,889)	**61,313**	(4,734)
Transfer to mandatory, required and other reserves	(72,961)	48,671	24,290	**-**	-
Balance, end of year	$ 133,557	$ 1,445,430	$ 196,018	**$ 1,775,005**	$ 1,713,692

See accompanying note to the financial statements.

Bethlehem Housing and Support Services
Summary Statement of Cash Flows

Year ended March 31	2026	2025
Increase (decrease) in cash		
Operating		
Excess (deficiency) of revenues over expenses for the year	**$ 61,313**	$ (4,734)
Amortization of buildings	**181,701**	189,271
Amortization of deferred building contributions	**(81,702)**	(85,105)
	161,312	99,432
Change in non-cash working capital items		
Residents' receivables	**(7,422)**	(13,841)
Funding and other receivables	**(20,447)**	(979)
HST receivable	**(6,626)**	27,485
Prepaid expenses	**26,222**	(46,100)
Accounts payable and accrued liabilities	**31,085**	(26,292)
Government remittances payable	**1,934**	(19,674)
Rent deposits	**10,863**	6,609
Deferred revenue	**28,903**	(3,159)
	225,824	23,481
Financing		
Repayment of mortgages payable	**(208,413)**	(198,864)
Line of credit advances	**170,630**	-
	(37,783)	(198,864)
Investing		
Investment withdrawals	**757,707**	158,588
Investment purchases	**(774,667)**	-
Loan advanced	**(60,000)**	-
	(76,960)	158,588
Increase (decrease) in cash	**111,081**	(16,795)
Cash		
Beginning of year	**419,723**	436,518
End of year	**$ 530,804**	$ 419,723

Bethlehem Housing and Support Services
Note to the Summary Financial Statements
March 31, 2026

1. Basis of presentation

The summary financial statements are derived from the audited financial statements, prepared in accordance with the Housing Services Act (2011) as interpreted by management for the purposes of reporting to the Niagara Region as at March 31, 2026 and 2025 and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be included so that they are consistent in all material respects with, or represent a fair summary, of the audited financial statements.

Management prepared these summary financial statements using the following criteria:

(a) The summary financial statements include a statement for each statement included in the audited financial statements;

(b) Information in the summary financial statements agrees with the related information in the audited financial statements;

(c) Major subtotals, totals and comparative information from the audited financial statements are included; and

(d) The summary financial statements contain the information from the audited financial statements dealing with matters having a pervasive or otherwise significant effect on the summary financial statements.

In addition, a copy of the audited financial statements is available to any user, upon request.