



Financial Statements

For the year ended March 31, 2024

John Howard Society of Ottawa
Financial Statements
For the year ended March 31, 2024

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Independent Auditor's Report

**To the Board of Directors of
John Howard Society of Ottawa**

Opinion

We have audited the accompanying financial statements of John Howard Society of Ottawa (the "Society"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets 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 financial statements present fairly, in all material respects, the financial position of John Howard Society of Ottawa as at March 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.

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 the Society 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 these 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 Society 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.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
September 23, 2024
Ottawa, Ontario

John Howard Society of Ottawa

Statement of Financial Position

March 31

2024

2023

Assets

Current

Cash (Note 1)	\$ 1,229,053	\$ 3,752,346
Accounts receivable (Note 2)	2,438,429	3,152,343
Prepaid expenses	212,936	165,849
Current portion of loan receivable (Note 3)	15,637	35,424
Investments (Note 4)	-	1,676,218

	3,896,055	8,782,180
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Long-term portion of loan receivable (Note 3)

	-	51,137
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Long-term investments (Note 4)

	2,011,134	-
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Tangible capital assets (Note 5)

	55,590,352	49,839,353
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	\$ 61,497,541	\$ 58,672,670
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Liabilities and Net Assets

Current

Accounts payable and accrued liabilities (Note 6)	1,614,975	3,859,351
Deferred contributions - operations (Note 7)	603,390	202,177
Current portion of long-term debt (Note 8)	345,915	10,273,098

	2,564,280	14,334,626
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Long-term

Long-term debt (Note 8)	16,632,541	6,954,054
Deferred contributions - tangible capital assets (Note 9)	28,277,620	23,420,294

	44,910,161	30,374,348
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Net assets

Capital reserve	707,018	707,018
Contingency reserve	174,004	174,004
Acquisition reserve	2,312,485	2,312,485
Invested in tangible capital assets (Note 12)	10,334,276	9,191,907
Unrestricted	495,317	1,578,282

	14,023,100	13,963,696
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	\$ 61,497,541	\$ 58,672,670
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On behalf of the Board:

Mohamed Sofa

Director

Director

John Howard Society of Ottawa

Statement of Operations

For the year ended March 31	2024	2023
Revenues		
Federal funding	\$ 5,339,516	\$ 4,391,988
Provincial funding	6,220,074	5,888,825
Municipal funding	5,245,023	4,043,817
United Way funding	178,425	153,611
Rental income	1,082,974	704,414
Fundraising, donations, memberships	16,161	6,391
Other contributions	662,013	515,180
Amortization of deferred contributions - tangible capital assets	1,380,759	979,962
	20,124,945	16,684,188
Expenses		
Salaries and employee benefits	11,779,920	10,541,547
Operating	4,893,344	4,000,813
Administration	252,899	113,071
Interest on long-term debt	691,237	190,691
Amortization of tangible capital assets	2,448,141	1,336,418
	20,065,541	16,182,540
Excess of revenue over expenses for the year	\$ 59,404	\$ 501,648

John Howard Society of Ottawa Statement of Changes in Net Assets

For the year ended March 31

2024

2023

	Capital Reserve	Contingency Reserve	Acquisition Reserve	Invested in Tangible Capital Assets	Unrestricted	Total	Total
Net assets, beginning of year	\$ 707,018	\$ 174,004	\$ 2,312,485	\$ 9,191,907	\$ 1,578,282	\$ 13,963,696	\$ 13,462,048
Excess (deficiency) of revenue over expenses for the year	-	-	-	(1,067,383)	1,126,787	59,404	501,648
Investment in tangible capital assets	-	-	-	2,209,752	(2,209,752)	-	-
Net assets, end of year	\$ 707,018	\$ 174,004	\$ 2,312,485	\$ 10,334,276	\$ 495,317	\$ 14,023,100	\$ 13,963,696

John Howard Society of Ottawa

Statement of Cash Flows

For the year ended March 31	2024	2023
Cash flows from operating activities		
Excess of revenue over expenses for the year	\$ 59,404	\$ 501,648
Adjustments for		
Amortization of tangible capital assets	2,448,141	1,336,418
Amortization of deferred contributions of tangible capital assets	(1,380,758)	(979,962)
	1,126,787	858,104
Changes in non-cash working capital items		
Accounts receivable	713,914	(1,259,552)
Prepaid expenses	(47,087)	(39,711)
Accounts payable and accrued liabilities	(2,244,376)	1,025,791
Deferred revenue	401,213	(202,438)
	(49,549)	382,194
Investing activities		
Receipt of loans receivable	70,924	53,254
Net redemption of investments	(334,916)	(18,249)
Purchase of tangible capital assets	(8,199,141)	(6,644,151)
	(8,463,133)	(6,609,146)
Financing activities		
Issuance of long-term debt	11,241,780	8,038,612
Repayment of long-term debt	(11,490,476)	(115,546)
Increase in deferred contributions - tangible capital assets	6,238,085	-
	5,989,389	7,923,066
Net increase (decrease) in cash for the year	(2,523,293)	1,696,114
Cash, beginning of year	3,752,346	2,056,232
Cash, end of year	\$ 1,229,053	\$ 3,752,346

John Howard Society of Ottawa

Summary of Significant Accounting Policies

March 31, 2024

Governing Statutes and Nature of Organization

The John Howard Society of Ottawa (the "Society"), formally incorporated in April 1995 without share capital, under the laws of Ontario, generally works through service, community education, advocacy and reform: (i) to assist those at conflict with the law, (ii) to study and promote study of causes of crime and prevention, and (iii) to develop and improve community understanding of offenders in becoming productive members of society. The Society is a registered charity under the Income Tax Act.

A member of the Board of Directors of the Society serves on the Board of John Howard Society of Ontario (JHS Ontario), which is comprised of representatives of all Ontario affiliates. A member of the JHS Ontario Board of Directors in turn serves on the Board of John Howard Society of Canada, which is comprised of representatives from every province and territory. All John Howard Society affiliates share common Core Values and Guiding Principles.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations in the fiscal period in which they become known.

Significant estimates include assumptions used in establishing the amounts and collectibility of accounts and loans receivable; the useful lives and related amortization of tangible capital assets; and provisions for certain liabilities.

Financial Instruments

Financial instruments are financial assets or financial liabilities of the Society where, in general, the Society has the right to receive cash or another financial asset from another party or the Society has the obligation to pay another party cash or other financial assets.

Measurement of arm's length financial instruments

The Society initially measures its arm's length financial instruments at fair value.

John Howard Society of Ottawa

Summary of Significant Accounting Policies

March 31, 2024

Financial Instruments (continued)

Measurement of arm's length financial instruments (continued)

The Society subsequently measures all its arm's length financial instruments at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in operations.

Arm's length financial assets and financial liabilities measured at amortized cost include cash and cash equivalents, trade and other receivables, accounts payable and accrued liabilities, and long-term debt.

The Society has no arm's length financial assets or financial liabilities other than investments in fixed income securities and equity mutual funds that are measured at fair value.

Measurement of related party financial instruments

The Society initially measures its related party financial assets at fair value, cost or the exchange amount and its related party financial liabilities at cost of the exchange amount.

The Society subsequently measures related party financial assets quoted in an active market at fair value. All other related party financial assets and financial liabilities are subsequently measured at cost or the exchange amount.

When the related party financial instrument has repayment terms, cost is determined using the undiscounted cash flows of the instrument, excluding interest and dividend payments, less any impairment losses previously recognized. If the related party financial instrument does not have repayment terms, cost is determined using the exchange amount. The exchange amount is the amount of consideration paid or received as established and agreed to by the related parties.

Financial instruments are financial assets or financial liabilities of the Related party financial assets and financial liabilities measured at the exchange amount are amounts due to, and from, related parties.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

John Howard Society of Ottawa

Summary of Significant Accounting Policies

March 31, 2024

**Financial Instruments
(continued)**

Transaction costs

The Society recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Tangible Capital Assets

Tangible capital assets are recorded at cost. Tangible capital assets include buildings, office furniture and equipment and leasehold improvements.

When the Society receives contributions of tangible capital assets, their cost is equal to their fair value at the contribution date.

Amortization expense is charged to the operations using the following annual rates:

Office furniture and equipment	2	years straight-line basis
Buildings	20	years straight-line basis
Leasehold improvements	20	years straight-line basis

Amortization in the year of acquisition is calculated at one-half of the above rates except for Buildings.

Tangible capital assets under development are not amortized until development is complete and are put in use.

When a tangible capital asset no longer has any long-term service potential to the Society, the write-down being the excess of its net carrying amount over any fair value is recognized as an expense in the Statement of Operations. A write-down is not reversed in subsequent years.

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or the fiscal year to which the contribution relates. 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.

Rental income is recognized as earned and collectibility is reasonably assured.

Interest and other investment income is unrestricted and is recognized in operations as it is earned in accordance with the Society's financial instruments significant accounting policy as previously described.

**Deferred Capital
Contributions**

Contributions received for capital assets are deferred and amortized over the same term and on the same basis as the related capital assets, unless those assets are not amortized, in which the contributions are

John Howard Society of Ottawa

Summary of Significant Accounting Policies

March 31, 2024

Deferred Capital Contributions (continued)	recognized as a direct increase to the Society's net assets. Deferred capital contributions represent the unamortized amount of donations, grants, and loans received for the purchase of capital assets.
Programs	Programs administered by the Society are principally funded by the Government of Canada and the Province of Ontario, with funding being subject to periodic audit, and with any adjustments being recorded in a year in which such audits are completed.
Capital Reserve	This internally restricted reserve has been established by the Society's board of directors for the major repairs or replacement required to its buildings.
Contingency Reserve	This internally restricted reserve has been established by the Society to cover estimated potential costs of certain program discontinuance.
Acquisition Reserve	This internally restricted reserve has been established by the Society to accommodate new residential developments, or other such initiatives as the Society might consider appropriate.
Invested in Tangible Capital Assets	Amounts invested in tangible capital assets are amounts internally restricted by the Society to equal the net book value of the Society's capital assets less amounts funded by long-term debt and deferred contributions towards tangible capital assets.
Allocation of Expenses	The Society incurs certain expenses applicable to more than one program. These expenses are allocated across the programs they relate to as a function of program revenues.
Contributed Services and Materials	Volunteers contribute a significant number of hours per year to assist the Society in carrying out its purpose. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements. Contributed materials, if any, are not recognized in these financial statements.
Cash and Bank Indebtedness	The Society's cash and bank indebtedness represent balances held with financial institutions that fluctuate frequently from being positive to overdrawn.
Pension Plan	This Society provides a defined contribution pension plan through the John Howard Society of Ontario.

John Howard Society of Ottawa

Notes to Financial Statements

March 31, 2024

1. Cash

The Society's cash is held at a Canadian financial institution and earns nominal interest. The Society has available an undrawn operating line of credit in the amount of \$500,000 at an interest rate of prime plus 1.50%. This line of credit is secured by a first charge on a property situated on Lebreton St as well as the assignment of rent and insurance proceeds related to the same property.

2. Accounts Receivable

	2024	2023
Accounts receivable	\$ 1,683,612	\$ 1,744,056
Accrued interest	65,633	29
Repair reserve	224,870	189,606
HST receivable	155,803	1,218,652
EHT receivable	308,511	-
	\$ 2,438,429	\$ 3,152,343

3. Related Party Transactions

The John Howard Society of Ottawa paid the John Howard Society of Ontario a total of \$1,498,956 (2023 - \$1,430,927) for their administration of the employee benefit package, network support, and other expenditures.

The employee benefit package consists of a defined contribution plan, and, a multi-employer pension plan accounted for as a defined contribution plan. The Society recognizes as expenses for current services the amount of its required contribution in a given year. Contributions made to the pension plans in the current year were \$669,894 (2023 - \$645,224).

During 2016, an amount of \$400,000 was loaned to the John Howard Society of Ontario at 4.0% interest per annum, repayable in monthly instalments of \$2,952 including interest. The loan was granted for the purpose of acquiring a property and is secured by way of a second mortgage on said property.

These transactions are measured at the exchange amount, which are the amounts established and accepted by the parties.

John Howard Society of Ottawa

Notes to Financial Statements

March 31, 2024

4. Investments

Investments consist of an investment savings account totaling \$nil (2023 - \$1,676,218), bearing interest at nil% (2023 - 3.00%) and term deposits totaling \$2,011,134 (2023 - \$nil), bearing interest between 3.35% to 5.15% (2023 - nil%) and maturing between May 2025 and September 2029 (2023 - \$nil).

5. Tangible Capital Assets

	Cost	Accumulated Amortization	2024	2023
Land	\$ 8,649,373	\$ -	\$ 8,649,373	\$ 8,649,373
Buildings	59,347,947	12,444,667	46,903,280	41,138,049
Leasehold improvements	581,806	544,107	37,699	51,931
Office furniture and equipment	502,658	502,658	-	-
	\$ 69,081,784	\$ 13,491,432	\$ 55,590,352	\$ 49,839,353

6. Accounts Payable and Accrued Liabilities

	2024	2023
Accounts payable and accrued liabilities	\$ 1,244,146	\$ 3,540,591
Salaries payable	370,829	318,760
	\$ 1,614,975	\$ 3,859,351

Accounts payable and accrued liabilities include surplus repayable of \$116,585 (2023 - \$214,866).

7. Deferred Contributions - Operations

Deferred revenues is comprised of restricted project funding to be spent in the next fiscal year. During the year, the Society recognized \$202,177 (2023 - \$404,615) of deferred program funding carried forward from the previous year, and deferred \$603,390 (2023 - \$202,177) of additional program funding to be spent in future years.

John Howard Society of Ottawa

Notes to Financial Statements

March 31, 2024

8. Long-Term Debt

	2024	2023
Mortgage payable on land and building, secured by the Summerville property and assignment of rents with a net book value of \$1,380,911 - fixed interest rate at 3.60% per annum, matures December 2028, payable in monthly instalments of \$1,075, principal and interest	\$ 56,841	\$ 66,901
Mortgage payable on land and building, secured by the Gardner property and assignment of rents with a net book value of \$4,043,467 - fixed interest rate at 3.03% per annum, matures December 2025, payable in monthly instalments of \$3,964, principal and interest	972,958	990,935
Mortgage payable on land and building, secured by the Russell Road property and assignment of rents with a net book value of \$1,178,583 - fixed interest rate at 3.00% per annum, matures December 2041, payable in monthly instalments of \$5,981, principal and interest	1,013,263	1,044,510
Mortgage payable on land and building, secured by the Carruthers property and assignment of rents with a net book value of \$6,591,220 - fixed interest rate at 3.25% per annum, matures December 2027, payable in monthly instalments of \$13,764, principal and interest	3,433,809	3,489,097
Mortgage payable on land and building, secured by a pari-pasu charge on the Carling Road property and assignment of rents with a net book value of 20,561,756 - fixed interest rate at 1.41% per annum, with monthly payments of interest only until the property reaches stabilization, matures September 2031	1,474,000	1,474,000
Construction loan facilities on land and building, secured by a pari-pasu charge on the Carling Road property and assignment of rents - variable interest rate at RBC Prime rate, with monthly payments of interest only, matured October 2023 and was converted into a mortgage payable	-	10,161,709
Mortgage payable on land and building, secured by the Carling property and assignment of rents with a net book value of \$20,561,756 - fixed interest rate at 4.75% per annum, matures March 2034, payable in monthly instalments of \$40,134, principal and interest	6,171,854	-
Mortgage payable on land and building, secured by the Carling property and assignment of rents with a net book value of \$20,561,756 - fixed interest rate at 4.75% per annum, matures March 2034, payable in monthly instalments of \$17,893, principal and interest	\$ 3,855,731	\$ -
	16,978,456	17,227,152
	345,915	10,273,098
Less: Current portion of long-term debt	\$ 16,632,541	\$ 6,954,054

John Howard Society of Ottawa Notes to Financial Statements

March 31, 2024

8. Long-Term Debt (continued)

Long-term debt principal repayments balances over the next five years and thereafter, are as follows:

2025	\$ 345,915
2026	361,966
2027	378,745
2028	396,272
2029	411,678
Thereafter	<u>15,083,880</u>
	<u>\$ 16,978,456</u>

9. Deferred Contributions - Tangible Capital Assets

Deferred contributions related to tangible capital assets include the unamortized balance of capital asset contributions received. These deferred contributions comprise:

	<u>2024</u>	<u>2023</u>
Buildings - opening balance	\$ 23,321,650	\$ 17,707,766
Additions	6,238,085	6,576,125
Amortization	<u>(1,363,038)</u>	<u>(962,241)</u>
Buildings - ending balance	<u>28,196,697</u>	<u>23,321,650</u>
Leasehold improvements - opening balance	98,644	116,365
Amortization	<u>(17,721)</u>	<u>(17,721)</u>
Leasehold improvements - ending balance	<u>80,923</u>	<u>98,644</u>
	<u>\$ 28,277,620</u>	<u>\$ 23,420,294</u>

Certain deferred contributions listed above as buildings contain restrictions on long-term future program delivery and certain cover payments related to mortgages payable which finance an underlying building.

10. Pension Plan

The Society participates in a multi-employer defined contribution pension plan. During the year, the Society's employer contributions to the pension plan totalled \$502,379 (2023 - \$483,917).

John Howard Society of Ottawa

Notes to Financial Statements

March 31, 2024

11. Commitments and Contingencies

Premises

The Society is committed, under long-term lease contracts for the rental of premises. Minimum lease payments, net of input tax credit recoverable, amount to an annual amount of \$154,227. The lease expires on March 31, 2028.

Supportive housing construction

During the 2019 fiscal year, the Society entered into a contribution agreement for the development of supportive housing units. Under the terms of the agreement, it is expected that the Society will be required to contribute net assets of \$1,600,000 toward the total eligible costs of the project.

Construction contracts

The society has supportive housing initiatives and the construction of a new administrative office. As at year end, the Society has an estimated remaining costs of \$854,476 (2023 - \$5,930,742) towards these projects. During the year, the underlying building was sufficiently completed for operational use by the Society and amortization was recorded.

Other operating agreements

In connection with its operations, the Society regularly enters into agreements for the purchase of various supplies and services including the rental of equipment. Certain of these agreements extend beyond the end of the 2024 fiscal year. In the opinion of management, these agreements are in the normal course of Society's operations, are not abnormal in amount or nature and do not include a high degree of speculative risk.

Other indemnification agreements

In the normal course of operations, the Society signs agreements whereby funds are provided for the execution of projects which are subject to restrictions as to the use of the funds. The sponsors of these projects can execute an audit of the financial records of the Society to ensure compliance with the project requirements. In the event that amounts to be reimbursed to the sponsor of a project are identified, the necessary adjustments will be recognized in the year they are identified.

12. Internal Restrictions - Invested in Capital Assets

	<u>2024</u>	<u>2023</u>
Capital assets	\$ 55,590,352	\$ 49,839,353
Less amounts financed by:		
Long-term debt	(16,978,456)	(17,227,152)
Deferred contribution - tangible capital assets	<u>(28,277,620)</u>	<u>(23,420,294)</u>
Balance, end of year	<u>\$ 10,334,276</u>	<u>\$ 9,191,907</u>

John Howard Society of Ottawa

Notes to Financial Statements

March 31, 2024

13. Financial Instruments

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the Society's risk exposure and concentrations as at March 31, 2024. The Society does not use derivative financial instruments to reduce its interest rate risk exposure.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society manages liquidity risk by maintaining a sufficient reserve of cash and cash equivalents. The Society establishes budgets and cash estimate to ensure it has funds necessary to fulfil its obligations. The Society is exposed to liquidity risk related to its accounts payable and accrued liabilities and long term debt.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relate to its contributions receivable, trade accounts receivable and loans receivable since failure of any of these parties to fulfill their obligations could result in significant financial losses for the Society. The Society is exposed to concentration of credit risk as disclosed in Note 2.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Society is exposed to interest rate risk.

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. Fixed rate instruments subject the Society to a fair value risk, whereas floating rate instruments subject the Society to a cash flow risk. Investments and long-term debt bear interest at fixed and floating rates and the Society is exposed to the risk of changes in fair value and cash flows resulting from interest rate fluctuations.

Changes in risk

There have been no significant changes in the Society's risk exposure from the 2023 fiscal year.

14. Subsequent event

On June 28, 2024, the Society sold a building located at 282-284 Montreal Road for \$500,000. As of March 31, 2024, this building is included within tangible capital assets on the statement of financial position.

John Howard Society of Ottawa

Supplementary Information

For the year ended March 31

2024

2023

	Administration	Setting the Standard	Clinical	Youth Justice Services	Adult Housing	Adult Justice Services	Employment and Training	Inter-Program Revenue/ Expenses	Total	Total
Revenues										
Federal funding	\$ -	\$ -	\$ -	\$ 700,536	\$ 4,357,274	\$ 281,706	\$ -	\$ -	\$ 5,339,516	\$ 4,391,988
Provincial funding	-	-	-	2,468,462	551,448	1,088,420	2,111,744	-	6,220,074	5,888,825
Municipal funding	-	-	-	1,862,300	2,586,404	796,319	-	-	5,245,023	4,043,817
United Way of Ottawa	-	-	-	60,000	-	36,000	82,425	-	178,425	153,611
Rental income	188,590	-	-	178,836	708,048	-	7,500	-	1,082,974	704,414
Fundraising, donations and memberships	7,761	-	-	2,000	150	1,500	4,750	-	16,161	6,391
Other contributions	121,984	51,627	-	28,907	203,320	90,955	165,220	-	662,013	515,180
Administration	1,555,180	-	375,407	-	-	-	-	(1,930,587)	-	-
	1,873,515	51,627	375,407	5,301,041	8,406,644	2,294,900	2,371,639	(1,930,587)	18,744,186	15,704,226
Expenses										
Salaries and employee benefits	918,976	34,973	334,996	3,379,336	4,462,123	1,695,056	1,329,867	(375,407)	11,779,920	10,541,547
Operating	620,110	8,298	28,299	1,214,788	1,848,469	305,680	867,700	-	4,893,344	4,000,813
Administration	125,881	8,356	7,000	484,381	701,195	284,452	196,814	(1,555,180)	252,899	113,071
Interest on long-term debt	141,058	-	-	3,698	546,481	-	-	-	691,237	190,691
	1,806,025	51,627	370,295	5,082,203	7,558,268	2,285,188	2,394,381	(1,930,587)	17,617,400	14,846,122
Excess (deficiency) of revenue over expenses before tangible assets	67,490	-	5,112	218,838	848,376	9,712	(22,742)	-	1,126,786	858,104
Amortization of deferred contributions - tangible capital assets	-	-	-	523,883	845,849	-	11,027	-	1,380,759	979,962
Amortization of tangible capital assets	(440,354)	-	-	(491,227)	(1,502,328)	-	(14,232)	-	(2,448,141)	1,336,418
	(440,354)	-	-	32,656	(656,479)	-	(3,205)	-	(1,067,382)	(356,456)
Excess (deficiency) of revenue over expenses	\$ (372,864)	\$ -	\$ 5,112	\$ 251,494	\$ 191,897	\$ 9,712	\$ (25,947)	\$ -	\$ 59,404	\$ 501,648

John Howard Society of Ottawa

Youth Justice Services - Supplementary Information

For the year ended March 31

2024 2023

	Gaming Project	Lisgar Residence	Non- Residential Attendance Centre	Young Women's Residence	Young Men's Residence	Time 4 Change	Choices and Youth Diversion	On Point GPIP	Youth Buildings	Project ReSet	Critical Intervention	Justice Transition Home	Total	Total
Revenues														
Federal funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318,408	\$ 382,128	\$ -	\$ 700,536	\$ 541,812
Provincial funding	-	-	382,262	-	349,322	-	-	82,838	-	-	-	1,654,040	2,468,462	2,596,791
Municipal funding	-	752,564	-	449,851	84,494	149,516	-	-	425,875	-	-	-	1,862,300	1,372,011
United Way of Ottawa	-	-	-	30,000	30,000	-	-	-	-	-	-	-	60,000	61,981
Rental income	-	39,870	-	43,544	70,500	-	-	-	-	-	-	24,922	178,836	162,304
Fundraising, donations and memberships	-	-	-	-	-	-	2,000	-	-	-	-	-	2,000	3,200
Other contributions	-	-	-	12,206	-	-	10,305	-	-	-	-	6,396	28,907	103,562
	-	792,434	382,262	535,601	534,316	149,516	12,305	82,838	425,875	318,408	382,128	1,685,358	5,301,041	4,841,661
Expenses														
Salaries and employee benefits	-	315,150	282,089	363,560	344,614	105,051	10,000	59,631	119,531	179,654	259,317	1,340,739	3,379,336	3,166,652
Operating	-	396,205	36,240	124,514	150,364	32,082	2,305	12,934	35,933	104,463	84,277	235,471	1,214,788	1,040,827
Administration	-	69,083	63,933	44,773	39,338	12,383	-	10,273	50,602	34,632	39,087	120,277	484,381	414,539
Interest on long-term debt	-	-	-	3,698	-	-	-	-	-	-	-	-	3,698	2,980
	-	780,438	382,262	536,545	534,316	149,516	12,305	82,838	206,066	318,749	382,681	1,696,487	5,082,203	4,624,998
Excess (deficiency) of revenues over expenses before tangible assets	-	11,996	-	(944)	-	-	-	-	219,809	(341)	(553)	(11,129)	218,838	216,663
Amortizations of deferred contributions - tangible capital assets	-	185,239	-	125,518	106,837	-	-	-	-	-	-	106,289	523,883	338,644
Amortization of tangible capital assets	-	(128,167)	(14,250)	(126,072)	(112,201)	-	-	-	-	-	-	(110,537)	(491,227)	(363,060)
	-	57,072	(14,250)	(554)	(5,364)	-	-	-	-	-	-	(4,248)	32,656	(24,416)
Excess (deficiency) of revenues over expenses	\$ -	\$ 69,068	\$ (14,250)	\$ (1,498)	\$ (5,364)	\$ -	\$ -	\$ -	\$ 219,809	\$ (341)	\$ (553)	\$ (15,377)	\$ 251,494	\$ 192,247

John Howard Society of Ottawa

Adult Housing - Supplementary Information

For the year ended March 31

2024 2023

	Kirkpatrick House	Ste. Anne Residence	Tom Lamothe Residence	TRHP	Reporting Centre	Rita Thompson Residence	Ikaarvik	Bail Residence	Carruthers	Carling Residence	Total	Total
Revenues												
Federal funding	\$ 1,075,064	\$ 1,618,735	\$ 681,865	\$ -	\$ 71,754	\$ -	\$ 909,856	\$ -	\$ -	\$ -	\$ 4,357,274	\$ 3,842,599
Provincial funding	-	-	-	256,000	-	-	-	295,448	-	-	551,448	459,872
Municipal funding	-	-	-	-	-	731,347	-	-	701,248	1,153,809	2,586,404	1,945,496
United Way of Ottawa	-	-	-	-	-	-	-	-	-	-	-	-
Rental income	-	-	-	30,423	-	233,715	-	42,358	191,209	210,343	708,048	529,510
Fundraising, donations and memberships	-	-	100	-	-	-	-	-	50	-	150	404
Other contributions	560	63,409	234	-	25	54,800	985	-	49,550	33,757	203,320	118,200
	1,075,624	1,682,144	682,199	286,423	71,779	1,019,862	910,841	337,806	942,057	1,397,909	8,406,644	6,896,081
Expenses												
Salaries and employee benefits	612,029	803,144	372,037	181,494	65,867	497,367	457,463	275,802	494,924	701,996	4,462,123	3,907,047
Operating	207,699	281,504	106,283	68,518	4,471	391,102	149,784	51,069	294,907	293,132	1,848,469	1,811,563
Administration	97,965	147,372	54,521	36,411	6,139	93,000	64,049	36,454	79,340	85,944	701,195	573,085
Interest on long-term debt	-	-	-	-	-	29,591	38,999	22,106	109,880	345,905	546,481	187,746
	917,693	1,232,020	532,841	286,423	76,477	1,011,060	710,295	385,431	979,051	1,426,977	7,558,268	6,479,441
Excess (deficiency) of revenues over expenses before capital grants and before capital grants and depreciation	157,931	450,124	149,358	-	(4,698)	8,802	200,546	(47,625)	(36,994)	(29,068)	848,376	416,640
Amortization of deferred contributions - tangible capital assets	-	55,655	6,694	-	-	247,500	-	-	206,486	329,514	845,849	630,291
Amortization of tangible capital assets	-	(93,415)	-	(8,849)	-	(299,963)	(25,626)	(18,337)	(395,607)	(660,531)	(1,502,328)	(913,543)
	-	(37,760)	6,694	(8,849)	-	(52,463)	(25,626)	(18,337)	(189,121)	(331,017)	(656,479)	(283,252)
Excess (deficiency) of revenues over expenses	\$ 157,931	\$ 412,364	\$ 156,052	\$ (8,849)	\$ (4,698)	\$ (43,661)	\$ 174,920	\$ (65,962)	\$ (226,115)	\$ (360,085)	\$ 191,897	\$ 133,388

John Howard Society of Ottawa

Adult Justice Services - Supplementary Information

For the year ended March 31

2024 2023

	OCDC In-reach	Community Justice	Housing Links	Crisis and Re- integration Services	Supports in Social Housing	Rooming House	Bail Verification and Supervision	Justice HCBM	Mental Health Bail	Pembroke Bail	Rural Bail	CBSA Bail	Record Suspension	Community Justice Worker Program	Total	Total
Revenues																
Federal funding	\$ -	\$ -	\$ -	\$ 2,026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279,680	\$ -	\$ 281,706	\$ 7,577
Provincial funding	66,032	26,000	-	-	-	-	618,432	-	72,700	81,700	122,718	-	-	100,838	1,088,420	1,110,100
Municipal funding	-	-	150,283	-	142,533	90,384	-	413,119	-	-	-	-	-	-	796,319	726,310
United Way of Ottawa	-	-	-	36,000	-	-	-	-	-	-	-	-	-	-	36,000	48,055
Rental income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising, donations and memberships	500	-	-	-	-	-	1,000	-	-	-	-	-	-	-	1,500	1,711
Other contributions (repayments)	-	-	-	955	-	-	-	-	-	-	-	90,000	-	-	90,955	90,000
	66,532	26,000	150,283	38,981	142,533	90,384	619,432	413,119	72,700	81,700	122,718	90,000	279,680	100,838	2,294,900	1,983,753
Expenses																
Salaries and employee benefits	54,305	20,276	110,227	30,082	111,540	59,773	516,776	240,148	62,761	59,837	98,429	60,488	171,837	98,577	1,695,056	1,509,744
Operating	6,281	2,119	12,726	598	20,872	8,892	27,140	138,147	3,435	13,446	13,701	4,096	51,595	2,632	305,680	278,785
Administration	6,003	3,605	23,281	8,061	21,390	13,767	80,471	34,824	7,763	8,427	11,156	9,224	56,480	-	284,452	234,041
	66,589	26,000	146,234	38,741	153,802	82,432	624,387	413,119	73,959	81,710	123,286	73,808	279,912	101,209	1,904,067	2,022,570
Excess (deficiency) of revenues over expenses	\$ (57)	\$ -	\$ 4,049	\$ 240	\$ (11,269)	\$ 7,952	\$ (4,955)	\$ -	\$ (1,259)	\$ (10)	\$ (568)	\$ 16,192	\$ (232)	\$ 371	\$ 9,712	\$ (38,817)

John Howard Society of Ottawa

Employment and Training - Supplementary Information

For the year ended March 31

2024

2023

	Canada Ontario Job Grant	Employment Ontario	Corrections Literacy	Supportive Employment & Training	Total	Total
Revenues						
Provincial funding	\$ 201,823	\$ 1,160,415	\$ 749,506	\$ -	\$ 2,111,744	\$ 1,722,062
Municipal funding	-	-	-	-	-	-
United Way of Ottawa	-	-	-	82,425	82,425	43,575
Rental income	-	7,500	-	-	7,500	12,600
Fundraising, donations and memberships	-	-	-	4,750	4,750	1,076
Other contributions	-	1,844	-	163,376	165,220	141,390
	201,823	1,169,759	749,506	250,551	2,371,639	1,920,703
Expenses						
Salaries and employee benefits	29,658	749,701	386,187	164,321	1,329,867	1,076,420
Operating	169,029	372,022	303,199	23,450	867,700	693,955
Administration	3,136	70,778	60,120	62,780	196,814	150,328
	201,823	1,192,501	749,506	250,551	2,394,381	1,920,703
Excess (deficiency) of revenues over expenses before capital grants and depreciation	-	(22,742)	-	-	(22,742)	-
Amortization of deferred contributions - tangible capital assets	-	11,027	-	-	11,027	11,027
Amortization of tangible capital assets	-	(14,232)	-	-	(14,232)	(14,232)
	-	(3,205)	-	-	(3,205)	(3,205)
Excess (deficiency) of revenues over expenses	\$ -	\$ (25,947)	\$ -	\$ -	\$ (25,947)	\$ (3,205)