

Spencer House Seniors Centre

Halifax, Nova Scotia

Financial Statements

December 31, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the

Spencer House Seniors Centre

We have reviewed the accompanying financial statements of **Spencer House Seniors Centre** that comprise the statement of financial position as at December 31, 2025, and the statements of operations, statement of changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for non 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were unable to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2025 and December 31, 2024, current assets and net assets as at December 31, 2025 and December 31, 2024.

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (CONTINUED)

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **Spencer House Seniors Centre** as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non profit organizations.

Berwick, Nova Scotia
May 21, 2026

Morse Brewster Locke

Chartered Professional Accountants

Spencer House Seniors Centre

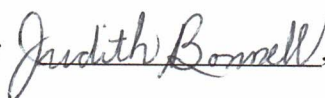
Statement of Financial Position

December 31, 2025

	<u>2025</u>	<u>2024</u>
Assets		
Current		
Cash	\$ 159,761	\$ 266,922
Accounts receivable	19,044	17,401
HST receivable	9,316	4,804
Restricted investments (note 3)	17,588	12,000
Investments (note 3)	200,000	400,000
Prepaid expenses	<u>-</u>	<u>756</u>
	405,709	701,883
Investments (at fair market value, note 3)	350,330	328,520
Property and Equipment (note 4)	<u>133,272</u>	<u>119,251</u>
	<u>\$ 889,311</u>	<u>\$1,149,654</u>
Liabilities		
Current		
Payables and accruals	\$ 60,279	\$ 19,840
Deferred revenue (note 5)	<u>157,282</u>	<u>528,624</u>
	217,561	548,464
Deferred Capital Grants (note 6)	<u>116,302</u>	<u>116,141</u>
	<u>333,863</u>	<u>664,605</u>
Net Assets		
Net Assets Invested in Property and Equipment (page 5)	16,970	3,110
Unrestricted Net Assets (page 5)	<u>538,478</u>	<u>481,939</u>
	<u>555,448</u>	<u>485,049</u>
	<u>\$ 889,311</u>	<u>\$1,149,654</u>
On Behalf of the Board		



, Director



, Director

Spencer House Seniors Centre

Statement of Operations

Year Ended December 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Revenue (note 7)	\$ <u>1,009,971</u>	\$ <u>791,028</u>
Cost of Goods Sold		
Activities	5,742	4,854
Grant related expenses	615,845	428,578
Luncheon	<u>89,633</u>	<u>67,785</u>
	<u>711,220</u>	<u>501,217</u>
Gross Profit	<u>298,751</u>	<u>289,811</u>
Expenditures		
Advertising	4,416	1,132
Insurance	7,709	3,928
Interest and bank charges	898	1,110
Investment advisor fees	4,157	3,897
Office expenses	4,729	2,108
Property taxes	2,080	1,498
Professional fees	20,032	9,944
Rent	7,593	7,619
Repairs and maintenance	25,821	16,924
Salaries and benefits	138,339	146,794
Telephone and technology	2,281	2,504
Utilities	7,389	6,748
Travel	<u>984</u>	<u>35</u>
	<u>226,428</u>	<u>204,241</u>
Excess of Revenue over Expenditures Before Amortization	<u>72,323</u>	<u>85,570</u>
Amortization of property and equipment	(17,768)	(14,589)
Amortization of deferred contributions	<u>15,844</u>	<u>14,244</u>
	<u>(1,924)</u>	<u>(345)</u>
Excess of Revenue over Expenditures	<u>\$ 70,399</u>	<u>\$ 85,225</u>

Spencer House Seniors Centre

Statement Changes in of Net Assets

Year Ended December 31, 2025

	Net Assets Invested in Property and Equip.	Unrestricted Net Assets	2025 Total Net Assets	2024 Total Net Assets
Balance, beginning of year	\$ 3,110	\$ 481,939	\$ 485,049	\$ 399,824
Investment in Property and Equipment	15,784	(15,784)	-	-
Amortization of deferred contributions	15,844	(15,844)	-	-
Amortization of property & equipment	(17,768)	17,768	-	-
Excess of Revenue over Expenditures for the year	-	70,399	70,399	85,225
Balance, end of year	<u>\$ 16,970</u>	<u>\$ 538,478</u>	<u>\$ 555,448</u>	<u>\$ 485,049</u>

Spencer House Seniors Centre

Statement of Cash Flow

Year Ended December 31, 2025

	<u>2025</u>	<u>2024</u>
Cash flow from operating activities:		
Excess of revenue over expenditures	\$ 70,399	\$ 85,225
Non-cash amortization of deferred capital grant	(15,844)	(14,244)
Unrealized (gain) loss on investments	(25,189)	(21,503)
Non-cash amortization	<u>17,768</u>	<u>14,589</u>
	47,134	64,067
Changes in operating working capital		
Accounts receivable	(6,155)	(13,029)
Restricted investments	(5,588)	-
Prepaid expense	756	(744)
Payables and accruals	40,439	14,238
Deferred revenue	<u>(371,342)</u>	<u>327,235</u>
	<u>(294,756)</u>	<u>391,767</u>
Cash flow from investing activities:		
Purchase of investments	(262,623)	(524,082)
Sale of investments	466,002	118,377
Deferred capital grants	16,005	21,912
Purchase of capital assets	<u>(31,789)</u>	<u>(25,366)</u>
	<u>187,595</u>	<u>(409,159)</u>
Cash Decrease	(107,161)	(17,392)
Cash, beginning of year	<u>266,922</u>	<u>284,314</u>
Cash, end of year	<u>\$ 159,761</u>	<u>\$ 266,922</u>

Spencer House Seniors Centre

Notes to Financial Statements

December 31, 2025

1. Nature of Operations

Spencer House Senior Centre (the "Centre") was incorporated under the Societies Act of Nova Scotia on July 2, 1979. The Centre is exempt from income taxes under Section 149 (1)(L) of the Income Tax Act and is a registered charity (charity number is 119159374). The Centre establishes, implements, and manages diverse programs and services designed for older adults, to assist them in living independently, maintaining their connections to their communities, creating friendships in an active and inclusive environment, prolonging their healthy lifestyles, and in advocating with governments, charities and other social agencies to continue to meet the needs of healthy older adults throughout Nova Scotia.

2. Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of three months or less.

Revenue Recognition

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

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Endowment contributions are recognized as direct increases in net assets.

Externally restricted contributions for the purchase of property, plant and equipment that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired property, plant and equipment. Externally restricted contributions for the purchase of property, plant and equipment that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

Contributed services

Volunteers contribute many hours per year to assist the Centre in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Property and Equipment

Property and equipment are recorded at cost and amortized over their useful lives using straight line amortization as outlined in Note 4. Contributed property and equipment are recorded at fair market value at the date of contribution.

Spencer House Seniors Centre

Notes to Financial Statements

December 31, 2025

2. Significant Accounting Policies (continued)

Financial Instruments

Investments available for trade are to be reported at fair market value. Investment held to maturity are to be recorded at cost.

Fair Value of Financial Assets and Financial Liabilities

Financial instruments of the Centre consist mainly of cash, accounts receivable, short-term investments, accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair values unless otherwise indicated.

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for non 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 revenues and expenditures during the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Government assistance

Government and other grants related to property, plant and equipment are accounted for as deferred government assistance and amortized on the same basis as the related property, plant and equipment. Operating grants are accounted for as a reduction of operating expenses.

3. Investments (at fair market value)

	<u>2025</u>	<u>2024</u>
Restricted Investments - Security for credit cards		
Royal Bank GIC 2.55%, due June 2026	\$ 12,588	\$ -
Royal Bank GIC 2.70%, due March 2026	5,000	-
Royal Bank GIC 4.90%, due June 2025	-	12,000
	<u>\$ 17,588</u>	<u>\$ 12,000</u>
Investments		
Royal Bank GIC 2.00%, due July 2026	\$ 200,000	\$ -
Royal Bank GIC 3.75%, due July 2025	-	200,000
Royalbank GIC 2.85%, due November 2025	-	200,000
National Bank Financial - Fixed income	88,472	83,366
National Bank Financial - Equity	201,469	188,009
National Bank Financial - Other assets	60,389	57,145
Total	550,330	728,520
Less current portion	(200,000)	(400,000)
	<u>\$ 350,330</u>	<u>\$ 328,520</u>

The National Bank financial funds were received from the estate of the late Margaret Dingley. The board has internally restricted the funds whereby a portion of investment income earned is used for operational purposes annually.

Spencer House Seniors Centre

Notes to Financial Statements

December 31, 2025

4. Property and Equipment

		<u>2025</u>		<u>Net Book</u>	<u>2024</u>
	<u>Rates</u>	<u>Cost</u>	<u>Accumulated</u> <u>Amortization</u>	<u>Value</u>	<u>Net Book</u> <u>Value</u>
Equipment	10Y SL	\$ 76,441	\$ 32,190	\$ 44,251	\$ 19,001
Leasehold Improvements	10Y SL	<u>125,128</u>	<u>36,107</u>	<u>89,021</u>	<u>100,250</u>
		<u>\$ 201,569</u>	<u>\$ 68,297</u>	<u>\$ 133,272</u>	<u>\$ 119,251</u>

5. Deferred Revenue

	<u>2025</u>	<u>2024</u>
Nova Scotia Department of Community Services	\$ 15,102	\$ 15,101
Feed NS Social Supermarket	25,871	-
Oasis Halifax	25,790	378,412
Seniors' Centre Without Walls	63,623	24,404
Happy at Home	-	75,839
Outdoor Project	1,596	1,757
Community Projects	10,330	19,073
Other Projects	<u>14,970</u>	<u>14,038</u>
	<u>\$ 157,282</u>	<u>\$ 528,624</u>

Changes in the deferred revenue balances are as follows:

Balance beginning of year	\$ 528,624	\$ 201,389
Add (Deduct):		
Amounts recognized as revenue during the year	(773,111)	(587,028)
Amounts received during the year	<u>401,769</u>	<u>914,263</u>
Balance end of year	<u>\$ 157,282</u>	<u>\$ 528,624</u>

6. Deferred Capital Grants

Grants received towards the acquisition of property and equipment are deferred and recognized to income at rates similar to the assets to which they relate.

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 116,141	\$ 108,473
Funding received	<u>16,005</u>	<u>21,912</u>
	132,146	130,385
Amortization of assistance	<u>(15,844)</u>	<u>(14,244)</u>
Balance, end of year	<u>\$ 116,302</u>	<u>\$ 116,141</u>

Spencer House Seniors Centre

Notes to Financial Statements

December 31, 2025

7. Capital Management

The Centre's objectives in managing capital are to ensure that sufficient financial resources are in place to deliver on the priorities set by the Board of Directors. Management and Directors of the Centre monitor its capital on an ongoing basis.

8. Revenue Details

	<u>2025</u>	<u>2024</u>
Donations	\$ 101,698	\$ 113,282
Dividends	10,083	7,828
Grant - Community Services	99,577	100,024
Grants - Various	35,213	79,828
Art and Soul Grant	15,118	-
Happy at Home	142,231	112,836
HRM Grant	1,123	-
Feed NS Social Supermarket Grant	17,288	-
In House Games	2,942	2,948
Interest Income	11,754	5,591
Lunch Sales	90,658	58,477
Membership Income	1,620	1,520
Misc. Activities	-	4,388
Oasis Halifax	342,681	117,457
Other Income	1,615	1,031
Programs	1,070	1,809
Realized gain on investments	5,609	11,657
Seniors' Centre Without Walls	77,502	47,062
Social Services Recovery Grant	-	76,787
United Way	27,000	27,000
Unrealized gain on investments	25,189	21,503
	<u>\$ 1,009,971</u>	<u>\$ 791,028</u>

9. Comparative Figures

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