THE REDWOOD...FOR WOMEN AND CHILDREN FLEEING ABUSE

FINANCIAL STATEMENTS

MARCH 31, 2026

INDEX

INDEPENDENT AUDITOR'S REPORT

To Members of
The Redwood...For Women and Children Fleeing Abuse

Opinion
We have audited the financial statements of The Redwood...For Women and Children Fleeing Abuse which comprise the statement of financial position as at March 31, 2026, and the statement of operations, statement of changes in net assets and statement of 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 the entity as at March 31, 2026, and the results of its 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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of 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 entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Norton McMullen LLP

NORTON McMULLEN LLP
Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada
July 13, 2026

THE REDWOOD...FOR WOMEN AND CHILDREN FLEEING ABUSE

STATEMENT OF FINANCIAL POSITION

As at March 31,	2026	2025
ASSETS		
Current		
Cash	$ 939,700	$ 1,176,400
Investments (Note 2)	478,700	514,100
Investments - Internally restricted (Note 2)	3,920,000	3,500,000
Accounts receivable	153,200	56,200
HST refundable	134,500	131,300
Prepaid expenses	41,900	41,300
	$ 5,668,000	$ 5,419,300
Capital Assets (Note 3)	1,337,000	885,700
	$ 7,005,000	$ 6,305,000
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 335,700	331,600
Government remittances payable	15,800	14,200
Deferred revenue (Note 4)	514,500	516,300
	$ 866,000	$ 862,100
NET ASSETS		
General Fund	$ 2,219,000	$ 1,942,900
Restricted Funds	3,920,000	3,500,000
	$ 6,139,000	$ 5,442,900
	$ 7,005,000	$ 6,305,000

Commitments (Note 5)

Approved by the Board:

Bamuel Director

[signature] Director

See accompanying notes

THE REDWOOD...FOR WOMEN AND CHILDREN FLEEING ABUSE

STATEMENT OF CHANGES IN NET ASSETS

As at March 31, 2026

	BALANCE - Beginning	Excess of Revenues over Expenses	Transfers (Note 8)	BALANCE - Ending
GENERAL FUND	$ 1,942,900	$ 696,100	$ (420,000)	$ 2,219,000
RESTRICTED FUNDS				
Internally Restricted Fund	$ 750,000	$ -	$ -	$ 750,000
Violence Prevention Initiative Fund	300,000	-	420,000	720,000
Safe Housing Initiative Fund	2,450,000	-	-	2,450,000
	$ 3,500,000	$ -	$ 420,000	$ 3,920,000
	$ 5,442,900	$ 696,100	$ -	$ 6,139,000
PRIOR YEAR	$ 5,199,000	$ 243,900	$ -	$ 5,442,900

See accompanying notes

THE REDWOOD...FOR WOMEN AND CHILDREN FLEEING ABUSE

STATEMENT OF OPERATIONS

For the year ended March 31,	2026	2025
REVENUES		
Ministry of Children, Community and Social Services (Note 6)	**$ 1,657,600**	$ 1,539,800
Fundraising and donations	**1,312,800**	1,067,200
Grants - Federal	**949,400**	941,900
Restricted Gifts	**624,800**	579,400
Grants - Other	**552,000**	503,500
United Way Toronto	**192,000**	192,000
Investment income	**89,900**	148,400
Other income	**300**	12,900
	$ 5,378,800	$ 4,985,100
EXPENSES		
Salaries, benefits and staff development	**$ 3,012,800**	$ 2,882,900
Violence prevention program and special projects	**649,500**	743,400
Resident services program	**367,100**	370,100
Facilities and occupancy	**309,100**	392,600
General and operations	**158,900**	130,300
Communications, fund developments, and stewardship	**112,200**	67,200
Children and youth program	**109,200**	159,300
Professional need allowance - City of Toronto	**24,700**	16,600
	$ 4,743,500	$ 4,762,400
EXCESS OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING:	**$ 635,300**	$ 222,700
OTHER INCOME (EXPENSES)		
Unrealized gain on investments	**$ 109,200**	$ 65,600
Amortization of capital assets	**(48,400)**	(44,400)
	$ 60,800	$ 21,200
EXCESS OF REVENUES OVER EXPENSES	**$ 696,100**	$ 243,900

THE REDWOOD...FOR WOMEN AND CHILDREN FLEEING ABUSE

STATEMENT OF CASH FLOWS

For the year ended March 31,		2026		2025
CASH WAS PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Excess of revenues over expenses	$	696,100	$	243,900
Items not affecting cash:				
Unrealized gain on investments		(109,200)		(65,600)
Amortization		48,400		44,400
	$	635,300	$	222,700
Net change in non-cash working capital balances:				
Accounts receivable		(97,000)		49,300
HST refundable		(3,200)		(74,600)
Prepaid expenses		(600)		62,500
Accounts payable and accrued liabilities		4,100		143,000
Government remittances payable		1,600		(7,600)
Deferred revenue		(1,800)		27,000
	$	538,400	$	422,300
INVESTING ACTIVITIES				
Purchase of investments	$	(275,400)	$	(588,000)
Purchase of capital assets		(499,700)		-
	$	(775,100)	$	(588,000)
DECREASE IN CASH	$	(236,700)	$	(165,700)
CASH - Beginning		1,176,400		1,342,100
CASH - Ending	$	939,700	$	1,176,400

See accompanying notes

PURPOSE OF THE ORGANIZATION

The Redwood...For Women and Children Fleeing Abuse (the "Organization") was incorporated as a corporation without share capital on April 5, 1990. Effective April 1, 1991, the Organization was granted tax-exempt status as a charitable organization. The Organization is dedicated to breaking the cycle of family violence through the provision of a haven of safety and support for women and children fleeing abuse, as well as through community education and advocacy.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) **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 based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

Significant estimates include the valuation of accounts receivable, certain accrued liabilities and the estimated useful life of capital assets.

b) **Fund Accounting**

Resources are classified into funds according to the activities or objectives specified as follows:

The **General Fund** reports unrestricted assets, including capital assets, liabilities, revenues and expenses related to the operating activities of the Organization.

The Organization has designated an **Internally Restricted Fund** to ensure that the agency could operate in case of unforeseen financial difficulties or emergencies. The balance is intended to reflect the estimated cost of operating the shelter for a four-month period.

In furtherance of the Organization's mandate to support women and children to live and thrive without abuse, homelessness and poverty, the Organization has created a **Violence Prevention Initiatives Fund** to ensure that the 3 pilot programs under this initiative develop into strong, sustainable programs that reach those in need and have lasting impacts.

The Organization has created a **Safe Housing Initiative Fund** which is designated for a new building project to improve and further develop the current state of the Organization's transitional housing facilities.

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

c) **Cash**

Cash consists of deposits held in the Organization's bank accounts.

d) **Investments**

Investments consist of mutual funds and guaranteed investment certificates (GIC's). Mutual funds are measured at fair value. GIC's are measured at amortized cost.

e) **Capital Assets**

Capital assets are recorded at cost. Amortization is provided over the estimated useful life of the assets using the following annual rates and methods:

Building	5% declining balance
Building improvement	5% declining balance
Automobile	20% declining balance
Equipment, furniture and fixtures	20% declining balance
Computer equipment	30% declining balance

f) **Impairment of Capital Assets**

When a tangible capital asset no longer contributes to an organization's ability to provide goods and services, or the value of future economic benefits or service potential associated with the tangible capital asset is less than its carrying amount, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost.

g) **Revenue Recognition**

The Organization follows the deferral method of accounting for contributions.

Grants and government subsidies are recognized as revenue in the year earned and when all conditions as to their use have been met. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Donations are recorded as received on a cash basis since pledges are not legally enforceable claims.

h) **Contributed Services**

Volunteers contribute a significant number of hours per year to assist the Organization in carrying out its activities. Because of the difficulty in determining their fair market value, contributed services are not recognized in the financial statements.

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

i) **Financial Instruments**

Initial Measurement
The Organization initially measures its financial assets and liabilities originating or exchanged in arm's length transactions at fair value.

Subsequent Measurement
The Organization subsequently measures all its financial assets and liabilities at amortized cost, except for investments held in mutual funds which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenses.

Financial assets subsequently measured at amortized cost include cash, investments held in GIC's, and certain amounts included in accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Other than investments held in mutual funds, the Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment
Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

2. INVESTMENTS

Investments consist of money market mutual funds and short-term GIC's maturing at various dates between April 2, 2026 and June 4, 2026 (2025 - between April 24, 2025 and February 26, 2026) and earning interest at rates ranging from 2.05% to 3.77% (2025 - 3.35% to 5.25%) as follows:

	2026	2025
GIC's, at amortized cost	$ 945,800	$ 3,134,600
Mutual funds, at fair value	3,452,900	879,500
	$ 4,398,700	$ 4,014,100

Investments are allocated as follows:

	2026	2025
Unrestricted	$ 478,700	$ 514,100
Restricted in support of restricted funds	3,920,000	3,500,000
	$ 4,398,700	$ 4,014,100

3. CAPITAL ASSETS

Capital assets consist of the following:

	2026			2025
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 109,400	$ -	$ 109,400	$ 109,400
Building	300,000	230,500	69,400	73,200
Building improvement	2,098,100	1,194,500	903,600	685,200
Automobile	278,700	25,500	253,200	16,100
Equipment, furniture and fixtures	276,000	274,600	1,400	1,800
Computer equipment	33,600	33,600	-	-
	$ 3,095,800	$ 1,758,700	$ 1,337,000	$ 885,700

4. DEFERRED REVENUE

The change in deferred revenue is as follows:

	2026	2025
Deferred revenue - Beginning	$ 516,300	$ 489,300
Add: amount received for spending in future periods	489,500	350,000
Less: amount spent during the year and recognized as revenue	(491,300)	(323,000)
Deferred revenue - Ending	$ 514,500	$ 516,300

5. COMMITMENTS

The Organization entered into a lease agreement for a premise commencing on June 1, 2023 and expiring on May 31, 2028. Future minimum annual rental payments (excluding property taxes, maintenance, and insurance) for each of the next three years are as follows:

2027	$ 12,902
2028	13,289
2029	2,226
	$ 28,417

In addition, the Organization has entered into a commitment related to a renovation project that continued subsequent to year-end. As of the date of these financial statements, $140,410 has been paid or payable subsequent to year-end. These transactions are not reflected in the financial statements.

6. CONTRACT WITH THE MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES

The Organization has a service contract with the Ontario Ministry of Children, Community and Social Services (MCCSS). One requirement of the contract is the preparation by management of a Transfer Payment Annual Reconciliation (TPAR) which summarizes by service, all revenues and expenses pertaining to the contract. Any resulting surplus would be repayable to MCCSS. The following is a summary of revenues and expenses for the services funded by the contract:

	2026		
Service Name	**MCCSS Funding**	**Net Expenses**	**Surplus (Deficit)**
Emergency Residential - Violence Against Women	**$ 1,582,400**	**$ 1,582,400**	**$ -**
CRRF Violence Towards Women	**75,200**	**75,200**	**-**
	$ 1,657,600	**$ 1,657,600**	**$ -**

	2025		
Service Name	MCCSS Funding	Net Expenses	Surplus (Deficit)
Emergency Residential - Violence Against Women	$ 1,498,600	$ 1,498,600	$ -
CRRF Violence Towards Women	41,200	41,200	-
	$ 1,539,800	$ 1,539,800	$ -

7. TRANSFERS

During the year, the Board approved a transfer of $420,000 (2025 - $Nil) from the General Fund to the Violence Prevention Initiative Fund. The funds are designated for projects in efforts to prevent violence against women.

8. **FINANCIAL INSTRUMENTS**

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's exposure to and concentrations of risk at March 31, 2026:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable, however the risk is limited as it consists primarily of amounts due from funders and the federal government. There is no allowance for doubtful accounts recorded in the year (2025 - $Nil). There has been no change in the assessment of credit risk from the prior year.

b) **Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization manages this risk by managing its working capital and by generating sufficient cash flow from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) **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 price risk. The Organization is mainly exposed to interest rate risk and price risk as follows:

i) **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. The Organization is exposed to interest rate risk with respect to its temporary investments held in fixed income GIC's. The exposure to this risk fluctuates as the investments and related interest rates change from year to year.

ii) **Price Risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to price risk through its investments held in mutual funds.

9. **COMPARATIVE FIGURES**

Certain of the comparative figures have been restated in order to conform with the presentation adopted in the current year.