

MARY CENTRE
Financial Statements
March 31, 2026

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Mary Centre

Opinion

We have audited the financial statements of Mary Centre (the "Organization"), which comprise the statement of financial position as at March 31, 2026, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, and the results of its operations and 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with 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 the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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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INDEPENDENT AUDITORS' REPORT - continued

Auditors' 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 Organization'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Organization 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.

Williams & Partners

Chartered Professional Accountants LLP
Licensed Public Accountants

Markham, Ontario
June 26, 2026

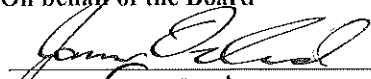
MARY CENTRE

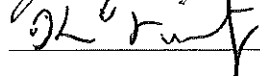
Statement of Financial Position

March 31, 2026

	2026 \$	2025 \$
Assets		
Current		
Cash	1,420,258	2,337,588
Accounts receivable	109,327	112,874
Short-term investments (notes 5, 10 and 12)	406,215	349,733
Prepaid expenses	83,733	40,417
	2,019,533	2,840,612
Capital assets (note 4)	4,650,683	2,775,180
Long-term investments (notes 5, 10 and 12)	1,498,456	1,701,340
	8,168,672	7,317,132
Liabilities		
Current		
Accounts payable and accrued liabilities	904,189	1,239,892
Current portion of mortgages payable (note 7)	26,292	426,573
Current portion of deferred capital contributions (note 8)	23,277	27,330
Deferred contributions (note 9)	241,537	296,940
	1,195,295	1,990,735
Mortgage payable (note 7)	1,169,317	10,432
Deferred capital contributions (note 8)	364,068	387,343
Replacement reserve (note 10)	250,152	240,712
	2,978,832	2,629,222
<i>Commitments (note 15)</i>		
Net Assets		
Internally restricted (note 12)	300,000	300,000
Invested in capital assets (note 13)	3,067,729	1,923,502
Unrestricted	1,822,111	2,464,408
	5,189,840	4,687,910
	8,168,672	7,317,132

On behalf of the Board

 Director

 Director

See accompanying notes

MARY CENTRE

Statement of Operations

Year Ended March 31, 2026

	2026	2025
	\$	\$
Revenues		
Ontario Ministry of Children, Community and Social Services		
Operating	8,445,873	8,367,461
Dedicated Supportive Housing	142,618	147,638
Fee for service	731,693	570,340
Rent	504,927	581,366
Catholic Charities of the Archdiocese of Toronto (<i>note 14</i>)	168,826	168,760
Peel Region community agency subsidy	157,075	43,670
Investment income	111,308	133,821
Fundraising and donations	31,547	41,349
Capital contributions (<i>note 8</i>)	27,328	32,739
	<u>10,321,195</u>	<u>10,087,144</u>
Expenses		
Advertising and promotion	3,376	33,320
Amortization	94,579	103,620
Bank charges and fees	9,014	7,847
Equipment replacement	11,234	36,768
Food	287,439	259,758
Insurance	16,669	15,743
Interest	18,037	20,859
Office and general	182,741	150,989
Professional development	92,396	71,235
Professional fees	60,892	137,012
Purchased services	122,599	300,340
Rent	462,788	439,469
Repairs and maintenance	205,352	211,857
Residents' needs	241,853	207,789
Salaries and benefits (<i>note 11</i>)	7,747,212	7,389,831
Travel	87,670	70,174
Utilities and telephone	175,414	152,095
	<u>9,819,265</u>	<u>9,608,706</u>
Excess of revenues over expenses	<u>501,930</u>	<u>478,438</u>

MARY CENTRE

Statement of Changes in Net Assets

Year Ended March 31, 2026

	Internally restricted \$	Invested in capital assets \$	Unrestricted \$	2026 \$	2025 \$
Net assets, beginning of year	300,000	1,923,502	2,464,408	4,687,910	4,209,472
Excess of revenues over expenses	-	-	501,930	501,930	478,438
Interfund transfers (<i>note 13</i>)	-	1,144,227	(1,144,227)	-	-
Net assets, end of year	300,000	3,067,729	1,822,111	5,189,840	4,687,910

MARY CENTRE

Statement of Cash Flows

Year Ended March 31, 2026

	2026 \$	2025 \$
Cash flows from operating activities		
Excess of revenues over expenses	501,930	478,438
<i>Items not affecting cash:</i>		
Amortization of capital assets	94,579	103,620
Deferred capital contributions recognized	(27,328)	(32,739)
Deferred contributions recognized	(55,403)	-
	<u>513,778</u>	<u>549,319</u>
<i>Changes in non-cash working capital:</i>		
Accounts receivable	3,547	23,642
Prepaid expenses	(43,316)	134,840
Accounts payable and accrued liabilities	(335,703)	350,937
Deferred contributions received	-	228,193
	<u>(375,472)</u>	<u>737,612</u>
	<u>138,306</u>	<u>1,286,931</u>
Cash flows from investing activities		
Purchase of capital assets	(1,970,082)	(2,074)
Investments	146,402	(104,164)
	<u>(1,823,680)</u>	<u>(106,238)</u>
Cash flows from financing activities		
Mortgage principal payments paid	(441,396)	(191,231)
Proceeds from mortgage payable	1,200,000	-
Contributions to replacement reserve	9,440	9,440
	<u>768,044</u>	<u>(181,791)</u>
Increase (decrease) in cash	(917,330)	998,902
Cash, beginning	<u>2,337,588</u>	<u>1,338,686</u>
Cash, ending	<u>1,420,258</u>	<u>2,337,588</u>

MARY CENTRE

Notes to Financial Statements

Year Ended March 31, 2026

1. PURPOSE OF ORGANIZATION

Mary Centre (the "Organization") provides residential and adult support services to adults with developmental disabilities in Toronto and surrounding areas of Ontario. Mary Centre is a registered charity, incorporated on October 27, 1987 under the laws of the Province of Ontario as a corporation without share capital, and has been granted tax exempt status under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is probable.

Restricted contributions related to general operations are deferred and recognized as revenue in the year in which the related expenses are recognized. Restricted contributions related to capital assets are deferred and amortized over the useful life of the assets.

Program revenue is recognized when services are performed and collection is probable.

Rent revenue is recognized as premises and facilities are provided for use.

Interest income is recognized on an accrual basis.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value and subsequently measures all of its financial assets and liabilities at amortized cost, except for investments in equity and fixed income instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and mortgages payable.

Investments are stated at fair value for those equity instruments that are quoted in an active market, and all other investments are stated at amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down from impairment is recognized as a charge against excess of revenues over expenses.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided for on a declining balance basis at the following annual rates:

Buildings	4%
Building improvements	4%
Furniture and fixtures	20%
Motor vehicles	30%
Other machinery and equipment	20%

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

Employee future benefits

Employees of the Organization are eligible to be members of the DBplus CAAT Pension Plan, a multi-employer defined benefit plan. As sufficient information is not available to use defined benefit plan accounting, this plan is accounted for as a defined contribution plan, where the Organization's pension expense represents the contributions made during the year and no pension liability has been included in the financial statements.

Donated materials and services

These financial statements do not reflect donated materials and services except where the fair value can be reasonably estimated and when they are in the course of normal operations.

Members of the Board of Directors of the Organization serve without remuneration.

Operating leases

Operating lease payments are recognized as an expense on a straight-line basis unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Use of estimates

The preparation of the Organization's financial statements, in accordance with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumption which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year. Estimates are used when accounting for amortization of capital assets, deferred contributions, deferred capital contributions and legal contingencies, if any. Due to the inherent uncertainty involved with making such estimates, actual results could differ from those reported. As adjustments become necessary, they are reported in excess of revenues over expenses in the period in which they become known.

3. FINANCIAL INSTRUMENTS RISK EXPOSURES

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations at the date of the statement of financial position:

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 Organization is exposed to credit risk on the accounts receivable from its clients and other organizations. In order to reduce its credit risk, the Organization has adopted credit policies which include the analysis of the financial position of its clients and other organizations and the regular review of their credit limits.

Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due as a result of the Organization's inability to liquidate assets in a timely manner and at a reasonable price.

The Organization is exposed to liquidity risk with respect to its accounts payable and accrued liabilities, and mortgage payable, and mitigates this risk by preparing and monitoring detailed budgets and forecasts of cash flows and maintaining large cash reserves.

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 those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all securities traded in the market. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Organization is not exposed to currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Organization is exposed to interest rate risk on its investments and mortgage bearing interest at fixed rates.

(ii) Other price risk

Other 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 or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Organization is exposed to other price risk on its investments to the extent that there is a change in the markets in which they are traded. As at March 31, 2026, the Organization is not subject to other price risk.

Change in risk

There was an increase in liquidity risk due to the net increase in accounts payable and accrued liabilities, and mortgage payable. There was an increase in interest rate risk due to the increase in mortgage payable. There were no other significant changes to the Organization's financial instrument risk exposures in the fiscal year.

MARY CENTRE

Notes to Financial Statements

Year Ended March 31, 2026

4. CAPITAL ASSETS

	Cost \$	Accumulated amortization \$	2026 Net book value \$	2025 Net book value \$
Buildings	4,322,721	1,565,398	2,757,323	1,223,063
Building improvements	651,412	242,064	409,348	426,404
Furniture and fixtures	133,172	126,458	6,714	8,393
Land	1,238,386	-	1,238,386	858,386
Motor vehicles	305,502	283,255	22,247	31,781
Other machinery and equipment	615,881	399,216	216,665	227,153
	<u>7,267,074</u>	<u>2,616,391</u>	<u>4,650,683</u>	<u>2,775,180</u>

With the exception of the building at 842 Wilson Ave. and 35 George Pipher Lane, MCCSS, Dedicated Supportive Housing provided major funding for the acquisition of all buildings. The Organization is therefore not free to dispose of MCCSS funded facilities, nor use the assets for other purposes, without the consent of MCCSS.

There were no impairment indicators affecting capital assets noted for the year ended March 31, 2026.

5. INVESTMENTS

	2026 \$	2025 \$
Guaranteed investment certificates (i)	1,904,671	2,051,073
Less current portion	<u>(406,215)</u>	<u>(349,733)</u>
	<u>1,498,456</u>	<u>1,701,340</u>

Supplementary information

- i) The guaranteed investment certificates bear interest at rates between 3.39% and 5.55% per annum, maturing at various dates between July 2026 and November 2029.

Included in investments is \$300,000 (2025 - \$300,000) that is restricted for purposes as described in note 12.

MARY CENTRE

Notes to Financial Statements

Year Ended March 31, 2026

6. CREDIT FACILITIES

The Organization has available to it credit facilities by way of the following:

- a) \$1,195,609 non-revolving term loan, repayable in accordance with obligations as described in note 7;
- b) Credit card to a maximum amount of \$30,000.

The credit facilities, as detailed above, are secured by the following:

- a) General security agreement, constituting a first ranking security interest in all personal property of the Organization;
- b) Collateral mortgage in the amount of \$1,200,000 on the lands and improvements located at 35 George Pipher Lane, Whitchurch-Stouffville, Ontario;
- c) Certificate of insurance evidencing fire and other perils coverage on 35 George Pipher Lane, Whitchurch-Stouffville, Ontario, showing the Bank as first mortgagee;
- d) Certificate of insurance evidencing fire and other perils coverage on the property located at 842 Wilson Avenue, Toronto, Ontario, showing the Bank as first mortgagee.

7. MORTGAGE PAYABLE

	2026 \$	2025 \$
Mortgage payable bearing interest at 4.630% per annum, payable in blended monthly installments of \$6,759 principal and interest, due January 15, 2030, secured by land and building at 35 George Pipher Lane, Whitchurch-Stouffville, Ontario with a carrying value of \$1,963,181 (2025 - \$NIL).	1,195,609	-
Mortgage payable bearing interest at 1.718% per annum, payable in blended monthly installments of \$1,620 principal and interest, was repaid in January 2026.	-	24,435
Mortgage payable bearing interest at 6.672% per annum, payable in blended monthly installments of \$1,862 principal and interest, was repaid in December 2025.	-	56,240
Mortgage payable bearing interest at 3.250% per annum, payable in blended monthly installments of \$5,435 principal and interest, was repaid in March 2026.	-	356,330
	1,195,609	437,005
Principal due in one year	(26,292)	(426,573)
	1,169,317	10,432

Principal repayments due in each of the next four years are as follows:

	\$
2027	26,292
2028	27,536
2029	28,838
2030	1,112,943
	1,195,609

MARY CENTRE**Notes to Financial Statements****Year Ended March 31, 2026****8. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions represent restricted contributions towards the purchase of building improvements and other capital assets.

	2026 \$	2025 \$
Balance, beginning	414,673	447,412
Less amounts amortized to revenue	(27,328)	(32,739)
Balance, ending	387,345	414,673
Less current portion	(23,277)	(27,330)
Long-term portion	364,068	387,343

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted contributions related to various program funding. The changes in the deferred contributions balance for the year are as follows:

	2026 \$	2025 \$
Balance, beginning	296,940	68,747
Contributions received during the year	8,588,491	8,793,224
Less amounts amortized to revenue	(8,643,894)	(8,565,031)
Balance, ending	241,537	296,940

10. REPLACEMENT RESERVE

Replacement reserve funds totaling \$240,712 (2025 - \$240,712) were provided by the Ontario Ministry of Children, Community and Social Services ("MCCSS") and equivalent amounts are held in investments. The replacement reserve must be used in connection with the repair and maintenance of capital assets.

During the year, \$9,440 (2025 - \$9,440) was transferred to the replacement reserve fund and expenses of \$NIL (2025 - \$NIL) were paid. This amount is subject to MCCSS review and may change.

11. PENSION PLAN

Employees of the Organization are eligible to be members of the DBplus CAAT Pension Plan, a multi-employer defined benefit plan. Employer contributions made to the plan in the year by the Organization amounts to \$271,874 (2025 - \$242,042). This amount has been included in salaries and benefits expense on the statement of operations.

As at December 31, 2025, the DBplus CAAT Pension Plan reported a surplus of approximately \$7,379,000,000 (December 31, 2024 - \$6,686,000,000).

12. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets, totaling \$300,000 (2025 - \$300,000) as established by the Board of Directors, is to be maintained to provide financial security in the event of future need and equivalent amounts are held in investments.

MARY CENTRE**Notes to Financial Statements****Year Ended March 31, 2026****13. INVESTED IN CAPITAL ASSETS**

	2026	2025
	\$	\$
Capital assets, net book value	4,650,683	2,775,180
Less: mortgages payable	(1,195,609)	(437,005)
Less: deferred capital contributions	(387,345)	(414,673)
Net assets invested in capital assets	<u>3,067,729</u>	<u>1,923,502</u>

The change in net assets invested in capital assets consists of:

Repayment (proceeds) of mortgages payable	(758,604)	191,231
Plus: revenue recognized from deferred capital contributions	27,328	32,739
Less: amortization of capital assets	(94,579)	(103,620)
Add: addition of capital assets	<u>1,970,082</u>	<u>2,074</u>
Increase in net assets invested in capital assets	<u>1,144,227</u>	<u>122,424</u>

14. CATHOLIC CHARITIES OF THE ARCHDIOCESE OF TORONTO

During the year, the Organization received \$172,979 (2025 - \$168,760) in funding from Catholic Charities of the Archdiocese of Toronto, an organization which the Organization is a member agency of. Of the amount received, \$126,638 (2025 - \$126,572) has been recognized as revenue and \$46,341 (2025 - \$42,188) is included in deferred contributions. During the year, \$42,188 (2025 - \$42,188) of deferred contributions from previous year has also been recognized as revenue.

15. COMMITMENTS

The Organization is committed to various operating leases for office space and residential properties through to January 2031. Future minimum lease payments over the next five years are as follows:

	\$
2027	176,575
2028	153,535
2029	142,015
2030	90,085
2031	<u>56,346</u>
	<u>618,556</u>

16. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the presentation of the current year.