# UNITED HOUSING

NON-CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2026

Famme & Co.
*Professional Corporation*

CHARTERED PROFESSIONAL ACCOUNTANTS

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# INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Housing
Stratford, Ontario

## Opinion

We have audited the non-consolidated financial statements of **United Housing**, which comprise the non-consolidated balance sheet as at **March 31, 2026** and the non-consolidated statements of operations, net assets (deficit), and cash flows for the 405 day period then ended and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of **United Housing** as at **March 31, 2026** and the results of its operations and its cash flows for the 405 day period 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 Auditors' Responsibilities for the audit of the non-consolidated financial statements section of our report. We are independent of **United Housing** in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with the Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 over seeing the entity's financial reporting process.

**Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated financial statements. 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:

(a) Identify and assess the risks of material misstatement of the non-consolidated 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.

(b) 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.

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

(d) Conclude on the appropriateness of the entity'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 auditors' report to the related disclosures in the non-consolidated 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 entity to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

Famme + Co.

Professional Corporation
Chartered Professional Accountants
*Authorized to practise public accounting by*
*the Chartered Professional Accountants of Ontario*

Stratford, Ontario
August 21, 2026

# United Housing
## Non-Consolidated Balance Sheet
As at March 31, 2026

### ASSETS

| | | |
|---|---|---|
| **Current Assets** | | |
| Cash | $ 786,902 | |
| Short-term investments and accrued interest (Note 3) | 3,503,740 | |
| HST receivable | 319 | |
| | | $ 4,290,961 |
| **Investments** - ***at cost*** | | |
| Loan receivable - United Way of Perth - Huron, non-interest bearing, no fixed repayment terms or due date | | 1,013,267 |
| **Property, Plant, and Equipment** - ***at cost*** | | |
| Land - 710 Nelson Ave. South, Listowel | 366,622 | |
| Building - 710 Nelson Ave. South, Listowel | 1,221,409 | |
| | 1,588,031 | |
| Land - 24-26 Brunswick Street, Stratford | 225,000 | |
| Building under construction - 24-26 Brunswick Street, Stratford | 733,900 | |
| | 958,900 | |
| Computer hardware | 1,699 | |
| | 2,548,630 | |
| Less: Accumulated amortization | 49,790 | |
| | | 2,498,840 |
| | | $ 7,803,068 |

Approved on Behalf of the Board:

Director

Director

**(See Accompanying Notes to the Non-Consolidated Financial Statements)**

# United Housing
## Non-Consolidated Balance Sheet
As at March 31, 2026

**LIABILITIES**

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts payable and accrued liabilities | $ 38,905 | |
| Rent deposits | 1,886 | |
| Current portion of long-term liabilities | 35,174 | |
| | | $ 75,965 |
| **Long-Term Liabilities** | | |
| Community Bonds (Note 5) | 699,500 | |
| Promissory note payable - Municipality of North Perth, 3.65%, payable $ 26,900 semi-annually, including principal and interest, due December, 2037 | 519,013 | |
| Perth Meadows obligation (Note 4) | 4,739,930 | |
| Deferred revenue (Note 4) | 1,823,392 | |
| | 7,781,835 | |
| Less: Current portion | 35,174 | |
| | | 7,746,661 |

**NET ASSETS (DEFICIT)**

| | |
|---|---|
| **Net Assets (Deficit)** | (19,558) |
| | $ 7,803,068 |

**(See Accompanying Notes to the Non-Consolidated Financial Statements)**

## United Housing
## Non-Consolidated Statement of Net Assets (Deficit)
For the 405 day period ended March 31, 2026

| | | |
|---|---|---|
| **Balance - beginning of period** | $ - | |
| Net expenditures over revenue for the period | (19,558) | |
| **Balance (deficit) - end of period** | | $ (19,558) |

**(See Accompanying Notes to the Non-Consolidated Financial Statements)**

## United Housing
## Non-Consolidated Statement of Operations
For the 405 day period ended March 31, 2026

| | | |
|---|---|---|
| **Revenue** | | |
| **710 Nelson Ave. South, Listowel (Perth Meadows)** | | |
| Occupancy fees - townhomes | $ 22,958 | |
| Occupancy fees - suites | 83,651 | |
| Unit transfer fees | 9,415 | |
| Deferred life lease revenue (Note 4) | 58,293 | |
| | 174,317 | |
| **General** | | |
| Interest | 25,374 | |
| | | $ 199,691 |
| **Expenses** | | |
| **710 Nelson Ave. South, Listowel (Perth Meadows)** | | |
| Amortization of property, plant, and equipment | 48,856 | |
| Contracted services | 24,075 | |
| Insurance | 7,172 | |
| Interest on long-term debt | 6,650 | |
| Materials and supplies | 1,597 | |
| Office and administration | 1,889 | |
| Professional fees | 5,612 | |
| Property taxes | 17,986 | |
| Repairs and maintenance | 40,898 | |
| Travel | 3,461 | |
| Utilities | 41,582 | |
| | 199,778 | |
| **24-26 Brunswick Street, Stratford** | | |
| Repairs and maintenance | 800 | |
| **General** | | |
| Amortization of property, plant, and equipment | 934 | |
| Bank charges | 1,603 | |
| Bond management fees | 193 | |
| Consulting fees - finance | 5,033 | |
| Insurance | 2,111 | |
| Interest on long-term debt | 7,667 | |
| Professional fees | 1,130 | |
| | 18,671 | |
| | | 219,249 |
| Net expenditures over revenue for the period | | $ (19,558) |
| **Allocated as follows:** | | |
| 710 Nelson Ave. South, Listowel (Perth Meadows) | | (25,461) |
| 24-26 Brunswick Street, Stratford | | (800) |
| General | | 6,703 |
| | | $ (19,558) |

**(See Accompanying Notes to the Non-Consolidated Financial Statements)**

# United Housing
## Non-Consolidated Statement of Cash Flows
For the 405 day period ended March 31, 2026

| | | |
|---|---|---|
| **Cash Provided By (Used In):** | | |
| **Operating Activities** | | |
| Net expenditures over revenues for the period | $ (19,558) | |
| Items not requiring cash | | |
| Deferred life lease revenue | (58,293) | |
| Amortization of property, plant, and equipment | 49,790 | |
| Net changes in non-cash current operating accounts | | |
| Increase (decrease) HST receivable | (319) | |
| Increase (decrease) in accounts payable and accrued liabilities | 38,905 | |
| Increase (decrease) in rent deposits | 1,886 | |
| Increase (decrease) in deferred revenue | (9,225) | |
| | | $ 3,186 |
| **Financing Activities** | | |
| Proceeds from promissory note payable - North Perth | 519,013 | |
| Proceeds from Community Bonds | 699,500 | |
| | | 1,218,513 |
| **Investing Activities** | | |
| Purchase of property, plant, and equipment | (2,548,630) | |
| Advances to United Way of Perth - Huron | (1,013,267) | |
| Perth Meadows obligation | 4,739,930 | |
| Perth Meadows deferred revenue acquired | 1,890,910 | |
| | | 3,068,943 |
| **Increase in cash and cash equivalents** | | 4,290,642 |
| **Cash and cash equivalents - beginning of period** | | - |
| **Cash and cash equivalents - end of period** | | $ 4,290,642 |

**Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents comprise the following non-consolidated balance sheet amounts:**

| | |
|---|---|
| Cash | 786,902 |
| Short-term investments and accrued interest | 3,503,740 |
| | $ 4,290,642 |

**(See Accompanying Notes to the Non-Consolidated Financial Statements)**

# United Housing
## Notes to the Non-Consolidated Financial Statements
For the 405 day period ended March 31, 2026

## 1. Purpose of the Organization

The purpose of United Housing is to build strong, healthy communities by developing, creating, constructing, and managing affordable housing in Perth-Huron.

The organization was Incorporated February 19, 2025, without share capital under the laws of Canada as a not-for-profit organization.

The period covered is 405 days, as the organization had no activity between February 19, 2025 and March 31, 2025.

## 2. Accounting Policies

These non-consolidated financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations summarized below:

(a) Revenue Recognition

Revenue from occupancy fees, unit transfer fees, and investment income are recognized in revenue as it is earned.

(b) Use of Estimates

Preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires the Board to make estimates and assumptions that could affect amounts reported as assets, liabilities, revenues, and expenses. Due to measurement uncertainty, results could differ from those estimates.

(c) Financial Instruments

A financial asset is any asset that is cash; a contractual right to receive cash from another party; or an equity instrument of another entity. A financial liability is any liability that is a contractual obligation to deliver cash to another party.

Financial assets and liabilities are initially measured at fair value, except for certain non-arm's length transactions. Subsequently, financial assets and financial liabilities are measured 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 net income.

(d) Amortization

Amortization of property, plant, and equipment is calculated using the declining-balance method at the rates reflected in the accompanying schedule of property, plant, and equipment and amortization.

(e) Income Taxes

United Housing is a not-for-profit organization under the Income Tax Act (Canada) and, as such, is exempt from corporate income tax.

## 3. Short-Term Investments and Accrued Interest

| | **2026** |
|---|---|
| High interest savings account at Market Value | $ 3,503,740 |

## 4. 710 Nelson Ave. South, Listowel (Perth Meadows)

The organization acquired the assets and liabilities of 710 Nelson Ave. South, Listowel (known as "Perth Meadows") in December, 2025 from the Municipality of North Perth. This property is a senior's complex consisting of 18 town homes and 36 suite units, which the organization operates as life lease or rental units.

The assets and obligation associated with this purchase have been recorded at their gross value as an addition in property, plant, and equipment, deferred revenue and Perth Meadows obligation on the statement of non-consolidated financial position.

The property, plant, and equipment of Perth Meadows was originally built in 2002. Deferred revenue relates to the purchases of the original units in 2002 and has been amortized and included in income over 50 years. Deferred revenue related to the original units is continuing to be amortized and included in income over the years remaining.

Some of the life leases purchased by the tenants of Perth Meadows contain a "guaranteed buy back" clause whereby the organization could be liable to the purchaser for up to 95% of the original purchase price upon termination of the agreement by the tenant.

## 5 Community Bonds

The organization issued community bonds to investors. The bonds are managed by an unrelated third-party Tapestry Community Capital. There are three series of bonds offered. Series A has a minimum investment of $ 25,000, pays simple interest at maturity at 3.5% and matures 7 years after purchase. Series B has a minimum investment of $ 5,000, pays simple interest annually at 3% and matures 5 years after purchase; and Series C has a minimum investment of $ 1,000, pays simple interest annually at 2.5% and matures 5 years after purchase. At March 31, 2026, the organization has $ 50,000 of Series A bonds issued, $ 645,000 of Series B bonds issued, and $ 4,500 of Series C bonds issued for a total of $ 699,500 of bonds issued.

## 6. Long-Term Liabilities

Management considers callable liabilities to include all loans with no fixed repayment terms or due date. Management further does not believe that the demand features of the callable liabilities will be exercised in the current period. Management expects maturing liabilities to be renewed at the same or similar terms. Assuming payment of the callable liabilities is not demanded and maturing liabilities are renewed at same or similar terms, regular principal payments required on all long-term liabilities for the next five years are as follows:

| | |
|---|---|
| 2027 | $ 35,174 |
| 2028 | 36,469 |
| 2029 | 37,813 |
| 2030 | 39,205 |
| 2031 | 690,149 |
| | $ 838,810 |

## 7. Basis of Non-Consolidation

These non-consolidated financial statements do not include the operations of United Way of Perth - Huron. United Way of Perth - Huron shares common board members and management but the statements were not consolidated for financial statement purposes.

## 8. Financial Instruments

It is management's opinion that the company is not subject to any significant risks associated with its financial instruments.

# United Housing

## Non-Consolidated Schedule of Property, Plant, and Equipment, and Amortization

For the 405 day period ended March 31, 2026

| | As at February 19, 2025 | | | | | | | | | As at March 31, 2026 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Cost** | **Accum. Amort.** | **Unamort. Bal.** | **Add.** | **Disp.** | **Gain** | **Unamort. Bal.** | **Rate %** | **Prov.** | **Cost** | **Accum. Amort.** | **Unamort. Bal.** |
| Land - 710 Nelson Ave. South, Listowel | | | | 366,622 | | | 366,622 | | | 366,622 | | 366,622 |
| Land - 24-26 Brunswick Street, Stratford | | | | 225,000 | | | 225,000 | | | 225,000 | | 225,000 |
| Building - 710 Nelson Ave. South, Listowel | | | | 1,221,409 | | | 1,221,409 | 4 | 48,856 | 1,221,409 | 48,856 | 1,172,553 |
| Computer hardware | | | | 1,699 | | | 1,699 | 55 | 934 | 1,699 | 934 | 765 |
| Building under construction - 24-26 Brunswick Street, Stratford | | | | 733,900 | | | 733,900 | | | 733,900 | | 733,900 |
| | | | | **2,548,630** | | | **2,548,630** | | **49,790** | **2,548,630** | **49,790** | **2,498,840** |