Financial Statements of

HABITAT FOR HUMANITY SASKATCHEWAN INC.

And Independent Auditor's Report thereon

Year ended December 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements for the year ended December 31, 2024 are the responsibility of management and have been reviewed and approved by management. The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and of necessity include some amounts that are based on estimates and judgment.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of donations and other revenue.
- safeguard the assets and properties under Habitat for Humanity Saskatchewan Inc.'s administration.

Habitat for Humanity Saskatchewan Inc., carries out its responsibility for the financial statements through its Board of Directors. The Board of Directors meets with management and KPMG LLP to review financial matters, and to approve the financial statements upon finalization of the audit. KPMG LLP has free access to the Board of Directors.

KPMG LLP provides an independent audit of the financial statements. Their examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and procedures, which allow them to report on the fairness of the financial statements prepared by management.

Kelsey Stewart
Interim Executive Director
Habitat for Humanity Saskatchewan Inc.

HABITAT FOR HUMANITY SASKATCHEWAN INC.

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December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Habitat for Humanity Saskatchewan Inc.

Qualified Opinion

We have audited the financial statements of Habitat for Humanity Saskatchewan Inc. (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the ***"Basis for Qualified Opinion"*** section of our auditor's report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 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 Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2024 and December 31, 2023
- the donation revenue and (deficiency) excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2024 and December 31, 2023
- the net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended December 31, 2024 and December 31, 2023
- the (deficiency) excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2024 and December 31, 2023

Our opinion on the financial statements for the year ended December 31, 2023 was qualified accordingly because of the possible effects of this limitation in scope.

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 auditor's 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 qualified opinion.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2024, we also audited the adjustments that were applied to amend certain comparative information presented for the year ended December 31, 2023. In our opinion, such adjustments are appropriate and have been properly applied.

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 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 the 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:

- 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's 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Regina, Canada
April 16, 2025

HABITAT FOR HUMANITY SASKATCHEWAN INC.

Statement of Financial Position

December 31, 2024, with comparative information for 2023

		2024		2023 (amended – note 15)
Assets				
Current assets:				
Cash	$	1,837,256	$	1,859,188
Accounts receivable		16,359		21,546
Other assets		57,854		50,791
Current portion of mortgages receivable (note 3)		2,159,060		1,944,392
		4,070,529		3,875,917
Capital assets (note 5)		1,655,690		1,770,286
Construction in progress (note 6)		398,689		513,883
Homes held for sale (note 6, Schedule 1)		1,095,460		733,690
Land held for future builds (note 6)		750,947		1,462,290
Mortgages receivable (note 3)		14,617,182		15,691,625
Second mortgages receivable (note 4)		2,137,302		2,137,302
	$	24,725,799	$	26,184,993
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 11)	$	173,363	$	265,343
Other current liabilities (note 7)		192,257		193,432
		365,620		458,775
Long term debt (note 9)		4,913,809		5,171,600
Deferred revenue and contributions		277,929		312,152
Deferred capital contributions (note 8)		944,122		1,029,203
Forgivable loans (note 10)		3,035,025		3,204,550
Deferred second mortgage revenue (note 4)		2,137,302		2,137,302
		11,673,807		12,313,582
Net assets:				
Invested in capital assets		633,177		741,083
Invested in housing		12,245,103		12,556,531
Invested in programs		173,712		573,797
		13,051,992		13,871,411
Commitments (note 13)				
	$	24,725,799	$	26,184,993

See accompanying notes to financial statements.

On behalf of the Board:

HABITAT FOR HUMANITY SASKATCHEWAN INC.
Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

		2024		2023 (amended – note 15)
Revenue:				
Donation revenue	$	415,521	$	713,800
Grant revenue		603,502		515,812
Other income		132,936		40,868
Restore revenue (Schedule 2)		1,806,198		2,151,895
		2,958,157		3,422,375
Expenses:				
Restore expenses (Schedule 2)		1,315,297		1,335,152
Program expenses (Schedule 3)		489,392		445,513
General and administration expenses (Schedule 4)		1,594,701		1,856,151
		3,399,390		3,636,816
Deficiency of revenue before the undernoted:		(441,233)		(214,441)
Home sales and related activities:				
Home sales		1,198,005		698,472
Imputed interest income on mortgages receivable		876,212		955,668
Cost of home sales and building operations		(2,031,913)		(880,011)
Mortgage discount expense		(420,490)		(275,579)
		(378,186)		498,550
(Deficiency) excess of revenue over expenses	$	(819,419)	$	284,109

See accompanying notes to financial statements.

HABITAT FOR HUMANITY SASKATCHEWAN INC.

Statement of Changes in Net Assets

Year ended December 31, 2024

	Invested in capital assets	Invested in housing	Invested in programs	Total
Balance, beginning of year	$ 741,083	$ 12,556,531	$ 573,797	$ 13,871,411
Deficiency of revenue over expenses	-	(311,428)	(507,991)	(819,419)
Amortization of capital assets (note 5)	(192,987)	-	192,987	-
Amortization of deferred capital contributions (note 8)	85,081	-	(85,081)	-
Balance, end of year	$ 633,177	$ 12,245,103	$ 173,712	$ 13,051,992

Year ended December 31, 2023
(amended – note 15)

	Invested in capital assets	Invested in housing	Invested in programs	Total
Balance, beginning of year	$ 839,906	$ 12,526,982	$ 780,111	$ 14,146,999
Amendment (note 15)	-	(559,697)	-	(559,697)
Amended balance, beginning of year	$ 839,906	$ 11,967,285	$ 780,111	$ 13,587,302
Excess (deficiency) of revenue over expenses	-	589,246	(305,137)	284,109
Amortization of capital assets (note 5)	(183,904)	-	183,904	-
Amortization of deferred capital contributions (note 8)	85,081	-	(85,081)	-
Balance, end of year	$ 741,083	$ 12,556,531	$ 573,797	$ 13,871,411

See accompanying notes to the financial statements.

HABITAT FOR HUMANITY SASKATCHEWAN INC.

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023 (amended – note 15)
Cash provided by (used in):		
Operations:		
(Deficiency) excess of revenue over expenses	$ (819,419)	$ 284,109
Non-cash items:		
Amortization of forgivable loans	(429,525)	(402,587)
Amortization of forgivable loans - RICFF	(87,091)	-
Amortization of capital assets	192,987	183,904
Loss on sale of homes	50,165	-
Deferred contributions recognized as revenue	(119,303)	(146,943)
Mortgage discount expense	420,490	275,579
Imputed interest income on mortgages receivable	(876,212)	(955,668)
Impairment of land held for future builds (note 6)	720,540	-
Changes in non-cash working capital:		
Accounts receivable	5,187	311,500
Other assets	(7,063)	6,377
Deferred mortgage payments (note 7)	(10,041)	(35,193)
Accounts payable and accrued liabilities	(91,980)	(153,360)
	(1,051,267)	(632,282)
Financing:		
Repayment of bank overdraft	-	(537,271)
Proceeds from forgivable loans	260,000	-
Repayment of long-term debt	(161,834)	(402,184)
	98,166	(939,455)
Investing:		
Purchase of capital assets	(78,389)	-
Mortgage payments received	1,009,558	2,464,844
Proceeds on disposal of investments	-	69,000
	931,169	2,533,844
(Decrease) increase in cash	(21,932)	962,107
Cash, beginning of year	1,859,188	897,081
Cash, end of year	$ 1,837,256	$ 1,859,188

See accompanying notes to financial statements.

1. Purpose of the organization:

Habitat for Humanity Saskatchewan Inc. (the “Organization”) is a housing charity operating in affiliation with Habitat for Humanity Canada and Habitat for Humanity International. The Organization’s vision is to see a world where everyone has a safe and decent place to live.

The Organization operates throughout Saskatchewan with a mission to mobilize volunteers and community partners in building affordable housing and promoting home ownership through interest free mortgages as a means to breaking the cycle of poverty. In order to support administrative and fundraising efforts, the Organization also sells donated goods and materials at stores called ReStore.

The Organization is incorporated under *The Non-Profit Corporations Act* of Saskatchewan and is a registered charity with the Canada Revenue Agency (#891927030RR0001) and is not subject to income taxes.

The Organization’s homeownership program is established as follows:

(a) A family who meets the eligibility criteria is granted an interest free mortgage on newly constructed homes, making them a Partner Family;

(b) For repurchased homes, a Partner Family is considered a tenant until they complete the requirements to become a home owner. During this phase, monthly tenancy deposits are paid to the Organization. Tenancy deposits become Partner Family home equity when all requirements for home ownership are fulfilled and a mortgage is established;

(c) A Partner Family’s monthly payments to the Organization include amounts for property taxes which are remitted annually through MCAP, a third party billing and collection agency;

(d) If a Partner Family leaves the program, the Organization holds an option to purchase the home sold to the Partner Family at any time after the date of the mortgage, but before the first day of the 19th year following registration of the title to the land in the name of the owner (the Option). If the Option is exercised at any time during the first six (6) years immediately following registration of title to the land in the name of the Partner Family, then the purchase price shall be an amount equal to all mortgage payments made by the Partner Family under the mortgage, without interest. If the Option is exercised during the seventh (7th) through eighteenth (18th) years following registration of title to the land in the name of the Partner Family, then the purchase price shall be an amount equal to all mortgage payments made by the Partner Family under the mortgage, without interest plus an amount equal to 1/12 per complete year from the seventh (7th) year to the eighteenth (18th) year of the difference between the fair market value of the land and the original amount of the mortgage; and

1. Purpose of the organization (continued):

(e) The Organization incurs various Program Costs, which are expensed as incurred, as part of both its programs to support the homeownership mission.

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements were prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

(b) Mortgages receivable:

First and second mortgages are held by the Organization and are interest free to Partner Families.

First mortgages are originally recognized at fair value based on the Organization's borrowing rate in the year of inception. In subsequent years, first mortgages receivable are recognized at amortized cost by means of the recognition of a deemed interest income, calculated using a straight line method over the life of the mortgage.

Mortgages written prior to May 30, 2018 for Saskatoon properties were set up based on the following: At the time a house was sold, the organization provided a first mortgage to the homeowner, which was determined based on a formula using the cost of construction of the home, less prepayments received in advance of title transfer.

The home was then appraised and the difference between the appraised value and the value of the first mortgage was the value assigned to the second mortgage. Second mortgages are payable by the homeowner to the organization if they sell or move out of the home. There are two types of second mortgages; forgivable mortgages from prior to 2007 for which the payment is contingent upon certain criteria being met by the homeowner, and non-forgivable mortgages.

Any amount subsequently realized will be recognized as revenue in the period in which the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Second mortgages include terms for forgiveness, which are contingent upon the occurrence of certain future events, including the length of occupancy by the Partner Family. Due to the uncertainty of collection, second mortgages are originally recognized at a fair value of zero. If conditions arise that require forgivable portions to be repaid, or the right to forgiveness has been forfeited, the previously forgivable portion will be recognized as revenue.

2. Significant accounting policies (continued):

(c) Homes held for sale:

Homes held for sale are reported at the lower of cost or net realizable value. Net realizable value is determined as market value (appraised value) less any available new home GST rebate. Any excess costs over net realizable value are expensed in the year in which the impairment is identified.

(d) Construction in progress:

Construction in progress comprises land, materials, labour, and other direct costs accumulated to date for homes not yet completed. Construction in progress is valued at the lower of cost or net realizable value and any excess costs over net realizable value are expensed in the year in which the impairment is identified.

(e) Land for future builds:

Land for future builds includes fully serviced lots and raw land purchased for development. Land is valued at the lower of cost or net realizable value and includes lot costs, undeveloped land costs, underground servicing, and rezoning fees.

(f) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Capital assets are amortized on a straight line over the assets' estimated useful lives as follows:

Buildings	20-25 years
Portable building and fencing	10 years
Leasehold improvements	3-5 years
Office equipment	3-5 years
Warehouse equipment	5-8 years
Construction vehicles and equipment	5 years

(g) Tenant deposits:

Security deposits and monthly tenancy payments received from Partner Families while in the tenancy phase are offset against the sales price of the home at the time a first mortgage is granted by the Organization.

(h) Net assets invested in programs:

In accordance with the Organization's mission, all net assets not invested in capital assets or the Fund for Humanity are invested in program delivery.

2. Significant accounting policies (continued):

(i) Net assets invested in housing (also known as the Fund for Humanity):

The Fund for Humanity includes but is not limited to the mortgage payments made by the Organization’s partner families. The funds from the Fund for Humanity are spent exclusively on the build program and not used for operational purposes. A portion of general and administrative expenses are allocated to the Fund for Humanity to reflect the administrative time spent on the build and placement of properties.

(j) Revenue recognition:

The Organization follows the deferral method of accounting for contributions, which include donations and government grants. Restricted contributions are recognized as revenue during the year in which the related expenses are incurred. Forgivable loans are restricted contributions that are recorded as revenue in the year in which the Organization is entitled to recognize them, based on meeting conditions within the associated agreements. Unrestricted contributions and donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted capital contributions are deferred and amortized into revenue at the corresponding amortization rate of the related capital assets.

Home sales are recognized at the date of the first mortgage which transfers substantially all the rights and responsibilities of ownership to partner families.

ReStore sales consist entirely of donated merchandise. Revenue is recognized when the merchandise is sold.

(k) Donated goods and services:

Goods donated to ReStore are not recorded as inventory in these financial statements because fair value cannot be reasonably determined.

Other donated goods or services are recorded when fair value can be reasonably estimated.

A substantial number of volunteers make significant contributions of their time to the Organization; the fair value of this contributed time is not quantifiable and thus is not reflected in these financial statements.

2. Significant accounting policies (continued):

(l) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost. Transaction costs incurred on acquisition and financing costs are amortized using the straight-line method.

Financial assets are assessed for impairment at the end of the fiscal year. Where impairment is identified, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(m) Use of estimates:

The preparation of the financial statements 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 expense during the year. Actual results could differ from these estimates. Significant estimates include the carrying values of mortgages receivable, construction in progress, homes held for sale, land held for future builds, mortgage discount expense and imputed interest income from mortgages receivable.

3. Mortgages receivable:

	2024	2023 (amended – note 15)
Gross mortgages receivable	$ 26,788,612	$ 28,069,972
Unamortized mortgage discount	(10,012,370)	(10,433,955)
Present value of mortgages receivable	16,776,242	17,636,017
Less: current portion	2,159,060	1,944,392
Long-term portion	$ 14,617,182	$ 15,691,625

During 2024, 4 (2023 - 3) homes were sold to Partner Families. At December 31, 2024, 186 (2023 - 188) first mortgages remain outstanding.

4. Second mortgages:

Second mortgages bear no interest, are secured by a charge on the specific property and are due upon sale of the related property by the Partner Family. Certain second mortgages are forgivable, provided certain conditions have been met.

Provisions for the payment of the mortgages receivable have been established by an agreement between Partner Families and the organization to ensure that the Partner Families do not profit by selling a home shortly after taking residence.

The revenue associated with the second mortgages has been deferred.

	2024	2023
Second mortgage receivables - forgivable	$ 395,250	$ 395,250
Second mortgage receivables - non-forgivable	1,742,052	1,742,052
	$ 2,137,302	$ 2,137,302

5. Capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Buildings	$ 4,303,517	$ 2,791,935	$ 1,511,582	$ 1,683,723
Portable building and fencing	25,915	21,328	4,587	6,246
Land	68,850	-	68,850	68,850
Leasehold improvements	98,000	97,814	186	784
Office equipment	224,912	203,467	21,445	9,761
Warehouse equipment	24,842	24,561	281	468
Construction vehicles and equipment	383,814	335,055	48,759	454
	$ 5,129,850	$ 3,474,160	$ 1,655,690	$ 1,770,286

Total amortization recognized during the year is $192,987 (2023 - $183,904).

6. Home asset inventory:

	2024	2023
Homes held for sale (Schedule 1)	4 units	4 units
Construction in progress	3 units	5 units
Land for future builds	15 units	17 units

In 2024, land for future builds was impaired by $720,540 (2023 - $ nil).

7. Other current liabilities:

Other liabilities consists of the following:

	2024	2023
Current portion of long-term debt (note 9)	$ 166,357	$ 157,491
Deferred mortgage payments	25,900	35,941
	$ 192,257	$ 193,432

8. Deferred capital contributions:

Deferred capital contributions represent designated donations and grants for capital purchases that were unamortized at the year-end.

	2024	2023
Balance, beginning of year	$ 1,029,203	$ 1,114,284
Recognized as grant revenue	(85,081)	(85,081)
Balance, end of year	$ 944,122	$ 1,029,203

9. Bank indebtedness and long-term debt:

Long-term debt consists of the following:

	2024	2023
Conexus Credit Union term loan bearing interest at 3.04% per annum, combined monthly payments of $19,963, due March 2027, secured by demand promissory notes and assignment of specific Partner Family mortgages;	$ 3,730,943	$ 3,855,423
Conexus Credit Union term loan bearing interest at 3.925% per annum, combined monthly payments of $7,568, due March 2027, secured by demand promissory notes and assignment of specific Partner Family mortgages;	1,349,223	1,386,577
Regina Inner City Family Foundation Inc. net of unamortized discount, amount was forgiven in 2024	-	87,091
	5,080,166	5,329,091
Less: current portion (note 7)	166,357	157,491
Long-term portion of debt	$ 4,913,809	$ 5,171,600

Scheduled principal payments required for the next five years on fixed term loans are due as follows:

2025	$ 166,357
2026	171,839
2027	177,504
2028	183,358
2029	189,408
Thereafter	4,191,700
	$ 5,080,166

10. Forgivable loans:

The organization has received forgivable loans from Saskatchewan Housing Corporation ("SHC") and Canada Mortgage and Housing Corporation ("CMHC") for the sole purpose of constructing homes for Partner Families. Each SHC forgivable loan bears interest at 0% per annum and is forgivable over 10 years commencing on the first day of the month following the occupancy date of the home for which the loan was provided; the CMHC forgivable loan bears interest at 0% per annum and is forgivable over 20 years. In the event of default, the loans will no longer be forgiven and interest will be calculated on the principal amounts outstanding at rates noted below.

	2024	2023
SHC forgivable loan in the amount of $195,000 which is repayable on demand in event of default, plus interest of 5.04% per annum, maturing April 2032;	$ 156,000	$ 175,500
SHC forgivable loan in the amount of $975,000 which is repayable on demand in event of default, plus interest of 5.34% per annum, maturing October 2032;	708,500	806,000
SHC forgivable loan in the amount of $1,000,000 which is repayable on demand in event of default, plus interest of 5.14% per annum, maturing December 2031;	550,500	650,500
SHC forgivable loan in the amount of $1,000,000 which is repayable on demand in event of default, plus interest of 4.64% per annum, maturing February 2032;	565,000	660,000
SHC forgivable loan in the amount of $1,000,000 which is repayable on demand in event of default, plus interest of 4.74% per annum, maturing December 2030;	327,777	427,777
SHC forgivable loan in the amount of $260,000 which is repayable on demand in event of default, plus interest of 7.20% per annum, maturing December 2034;	260,000	-
CMHC forgivable loan in the amount of $508,159 which is repayable on demand in event of default, plus interest of 5.34% per annum, maturing June 2041.	467,248	484,773
	$ 3,035,025	$ 3,204,550

11. Accounts payable and accrued liabilities:

Included in accounts payable at year-end are government remittances of $1,186 (2023 – $93,699) which include amounts for GST, PST and source deductions.

12. Habitat for Humanity Canada fees:

The Organization remits payments for national programs and initiatives based on the number of builds, ReStore sales and nationally administered gifts in kind. Fees incurred during the year consist of the following:

	2024	2023
ReStore fees	$ 82,696	$ 88,517
Annual fee	37,500	50,000
Tithe fees	2,500	32,500
Other	1,853	-
	$ 124,549	$ 171,017

13. Commitments:

The Organization leases office space. Rents are fixed and include fixed maintenance costs.

Minimum annual base lease payments on this property are as follows:

	2024
2025	$ 185,554
2026	176,529
2027	175,881
2028	123,717
2029	51,549

14. Financial risks:

The Organization is not exposed to significant market, currency or other price risk through its financial instruments.

(a) Credit risk:

The Organization is exposed to credit risk in the event of non-payment of mortgages by Partner Families or from non-collection of accounts receivable. Management believes that the credit risk from non-collection of mortgages is minimal as the carrying value of the mortgages is secured by the value of the underlying homes.

(b) Liquidity risk:

The Organization manages its liquidity risk by monitoring forecasted and actual cash flows and financial liabilities. The Organization also bears liquidity risk with respect to debt arrangements.

15. Amended comparative information:

The comparative information presented in the financial statements has been amended for the correction of an error, which has been applied retrospectively. A correction has been made to apply consistency of the source data in the calculation of the mortgage discount. The amendment resulted in the following changes:

As at and for the year ended December 31, 2023	As previously reported	Amendment	As amended
Statement of Financial Position:			
Mortgages receivable	$ 16,206,544	$ (514,919)	$ 15,691,625
Net assets – invested in housing	13,071,450	(514,919)	12,556,531
Statement of Operations:			
Imputed interest income on mortgages receivable	$ 875,233	$ 80,435	$ 955,668
Mortgage discount expense	(239,922)	(35,657)	(275,579)
Excess of revenue over expenses	239,331	44,778	284,109
Statement of Cash Flows:			
Excess of revenue over expenses	$ 239,331	$ 44,778	$ 284,109
Mortgage discount expense	239,922	35,657	275,579
Imputed interest income on mortgages receivable	(875,233)	(80,435)	(955,668)
Statement of Changes in Net Assets:			
Invested in housing, beginning of year	$ 12,526,982	$ (559,697)	$ 11,697,285
Excess of revenue over expenses	544,468	44,778	589,246
Invested in housing, end of year	13,071,450	(514,919)	12,556,531

HABITAT FOR HUMANITY SASKATCHEWAN INC.

Schedules to Financial Statements

Year ended December 31, 2024, with comparative information for 2023

Schedule 1: Homes Held for Sale

		2024	2023
Saskatoon	0 Homes (2023 – 1)	$ -	$ 218,000
Regina	4 Homes (2023 – 2)	1,095,460	383,500
Duck Lake	0 Homes (2023 – 1)	-	132,190
		$ 1,095,460	$ 733,690

Schedule 2: ReStore Operations

	2024	2023
Sales	$ 1,806,198	$ 2,151,895
Expenses:		
Salaries and benefits	622,859	728,247
Amortization	180,720	175,793
Facilities	208,062	127,102
Interest and Bank Charges	21,979	5,672
Other	74,943	93,977
Habitat for Humanity Canada fees	82,696	88,517
Vehicle and other	96,270	81,238
Warehouse	17,635	31,451
Advertising and promotion	207	-
Office	9,926	3,155
	1,315,297	1,335,152
Restore contribution	$ 490,901	$ 816,743

Schedule 3: Program Expenses

	2024	2023
Other	$ 138,526	$ 167,693
Salaries and benefits	116,901	109,857
Advertising and promotions	21,824	25,623
Equipment Rental	2,241	3,395
Facilities	64,977	39,067
Office	8,782	1,708
Professional fees	124,840	59,865
Vehicle and travel	7,948	5,805
Habitat for Humanity Canada fees	3,353	32,500
Total program expense	$ 489,392	$ 445,513

Schedule 4: General and Administrative Expenses

	2024	2023
Salaries and benefits	$ 706,138	$ 548,065
Professional fees	411,526	518,874
Interest and bank charges	128,400	190,183
Other	41,153	304,546
Facilities	142,719	164,343
Amortization	12,266	8,111
Habitat for Humanity Canada fees	38,500	50,000
Equipment rental	657	11,579
Office	24,243	18,029
Vehicle and travel	37,157	37,288
Advertising and promotion	51,941	5,133
	$ 1,594,701	$ 1,856,151