OTTER HOUSING ASSOCIATION INC

COMPILATION ENGAGEMENT REPORT

FINANCIAL INFORMATION

DECEMBER 31, 2025

Jakob G. N. Walsh
Professional Corporation

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COMPILATION ENGAGEMENT REPORT

To Board of Directors of **Otter Housing Association Inc.**

On the basis of information provided by the Board of Directors, I have compiled the statement of financial position of **Otter Housing Association Inc.** as at **December 31, 2025**, the statements of net assets invested in property, plant and equipment and surplus and operations for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

The Board of Directors is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I have performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires me to comply with relevant ethical requirements. My responsibility is to assist the Board of Directors in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor were I required to perform procedures to verify the accuracy or completeness of the information provided by the Board of Directors. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Jakob G.N. Walsh Professional Corporation
Chartered Professional Accountant

May 16, 2026

Clarenville, Newfoundland and Labrador

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OTTER HOUSING ASSOCIATION INC.

Statement of Financial Position

December 31, 2025

	2025	2024
Assets		
Current assets		
Cash	$ 21,322	40,716
Investments	377,691	333,880
Receivable	806,190	15,000
Prepaids	533	-
Total current assets	1,205,736	389,596
Investment in Newfoundland and Labrador Credit Union, at cost	100	100
Property, plant and equipment (Note 3)	145,027	33,902
	$ 1,350,863	423,598
Liabilities and Surplus		
Current		
Payables and accruals	$ 2,070	2,070
Harmonized sales tax	10,547	5,090
Deferred capital grant/commitment	1,124,969	340,079
Deferred revenue	15,000	15,000
Total liabilities	1,152,586	362,239
Net assets invested in property, plant and equipment, per accompanying statement	145,027	33,902
Surplus (deficit), per accompanying statement	53,250	27,457
Total net assets	198,277	61,359
	$ 1,350,863	423,598

Approved:

______________________ **Director**

______________________ **Director**

See accompanying notes

OTTER HOUSING ASSOCIATION INC.

Statement of Net Assets Invested in Property, Plant and Equipment and Surplus

December 31, 2025

	2025	2024
Net assets invested in property, plant and equipment		
Balance, beginning	**$ 33,902**	26,981
Add capital expenditure out of revenue	**111,125**	6,921
Balance, ending	**$ 145,027**	33,902
Surplus		
Balance, beginning	**$ 27,457**	(557)
Add: excess of receipts over expenditures (deficit), per accompanying statement	**25,793**	28,014
Surplus, ending	**$ 53,250**	27,457

See accompanying notes

OTTER HOUSING ASSOCIATION INC.

Statement of Operations

Year ended December 31, 2025

	2025	2024
Receipts		
Recognition of deferred capital grant	$ 111,125	6,921
Housing Accelerator Fund management fees	78,000	42,315
Investment income	8,811	5,880
Community Housing Transformation Centre grant	-	35,000
Community-Led Housing Fund grant	-	5,000
Catering services	-	164
	197,936	95,280
Expenditures		
Capital expenditure out of revenue	111,125	6,921
Wages and employee benefits	56,413	56,804
Professional fees	2,000	1,800
Office and operating supplies	1,330	1,204
Licenses, subscriptions and fees	826	404
Bank charges	449	133
	172,143	67,266
Excess of receipts over expenditures	$ 25,793	28,014

See accompanying notes

OTTER HOUSING ASSOCIATION INC.

Notes to the Financial Information

December 31, 2025

1. **Purpose of organization**

   The Incorporation is a non-profit entity, that is creating affordable housing in Port Rexton, Newfoundland. It is incorporated under the Corporations Act of Newfoundland and Labrador as an Incorporation without share capital. The corporation is exempt from corporate income taxes under section 149 of the Income Tax Act.

2. **Basis of accounting**

   The basis of accounting applied in the preparation of the financial information is on the historical cost basis, reflecting cash transactions with the addition of:

   Accounts receivable

   Investments

   Investment in share capital

   Property, plant and equipment

   No provision for amortization of property, plant and equipment is recorded in the financial information of the organization. Property, plant and equipment purchased out of general revenue are fully charged against revenue in the year of acquisition. The equity of the organization in property, plant and equipment is represented by a credit account, “Net Assets Invested in Property, plant and equipment.” Property, plant and equipment disposed of are deleted from the accounts at their original cost.

   Accounts payable and accrued liabilities

   Deferred revenue

   Contributed Services

   The activities of the organization are dependant upon the many hours contributed by its board of directors. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial information.

OTTER HOUSING ASSOCIATION INC.

Notes to the Financial Information

December 31, 2025

3. **Property, plant and equipment**

	2025				2024
	Original Cost Beginning Of Year	**Additions**	**Disposals**	**Original Cost End Of Year**	Original Cost End Of Year
Land	**$ 3,996**	**1,800**	**-**	**5,796**	3,996
Building feasibility study	**27,350**	**109,325**	**-**	**136,675**	27,350
Computer equipment	**2,247**	**-**	**-**	**2,247**	2,247
Furniture and fixtures	**309**	**-**	**-**	**309**	309
	$ 33,902	**111,125**	**-**	**145,027**	33,902