

**Governance & Audit Committee
AGENDA**

Monday, June 10, 2024 @ 5:00pm

<https://us02web.zoom.us/j/86073672624?pwd=ZDNVUFhDUUtuMWFhZGN1VjVWNOcGRadz09>

Meeting ID: 860 7367 2624 Passcode: 097982

Item	Description	MRP
1.0	Call to Order and Introductions	Deborah Wybou
2.0	Approval of the Agenda	Deborah Wybou
3.0	Declaration of Conflict of Interest	Deborah Wybou
4.0	Approval of Previous Minutes: April 25, 2024*	Deborah Wybou
5.0	Business Arising from the Minutes	
6.0	New Business	
6.1	Draft Audited Financial Statements*	Heather Harris-Jones & Teed Saunders Doyle
	6.1.1 York Care Centre Inc	
	6.1.2 York Development Inc	
	6.1.3 Centre of Innovation & Research in Aging Inc	
6.2	Draft Unaudited Financial Statements*	Heather Harris-Jones
	6.2.1 York County Properties	
6.3	Appointment of Auditors 2024/25	Deborah Wybou
7.0	Next Meeting: Thursday, September 19, 2024 @ 5:30pm	

**Denotes attachment*

Proposed Motions

1. That the minutes of April 25, 2024 be approved as presented by the Governance & Audit Committee.
2. That the audited financial statements for York Care Centre, York Development Inc., and CIRA be recommended to the Board of Directors for approval.
3. That the unaudited financial statements for York County Properties be recommended to the Board of Directors for approval.
4. That Teed Saunders Doyle be recommended to the Board of Directors as the auditors for 2024/25 financial audit.

Minutes of meeting of the Governance & Audit Committee
Thursday, April 25, 2024 at 5:00pm

Present: Deborah Wybou, Lyne St-Pierre-Ellis, Tracey Burkhardt (virtual), Wayne Snowdon, Marjorie Belzile, Andrea Seymour, Geri Geldart (ex-officio)

Regrets: Donna Curtis Maillet

1. Call to order & Introductions

Ms. Wybou (Chair) called the meeting to order at 5:00pm.

2. Declarations of Conflict of Interest

Ms. Wybou asked members to review the agenda and self-identify if there was the potential for a conflict of interest. No conflicts were identified.

3. Approval of Agenda

*It was moved by Andrea Seymour and seconded by Wayne Snowdon that the agenda be approved.
- Motion carried*

4. Approval of Previous Minutes: February 8, 2024

*It was moved by Marjorie Belize and seconded by Lyne St-Pierre-Ellis that the minutes of February 8, 2024 be approved with corrected spelling of Marjorie Belzile and Wayne Snowdon.
- Motion carried*

5. Business Arising

5.1 Centre of Excellence

G Geldart advised that Stiletto Consulting has been engaged to facilitate a session on May 27th to examine the concept of "Centre of Excellence". A draft agenda for the session was included in the agenda package for feedback. The committee requested that staff prepare a briefing note which addresses Exercise #2 "What Do We Excel At?" in advance of the session.

The session will be held on May 27th from 5:00 – 8:00, with dinner.

5.2 Board Evaluation Results

G. Geldart presented the results of the board evaluation survey. A summary briefing note was included in the agenda package.

- The results were generally strong in all areas surveyed.
- There were several statements that received “Unsure” ratings. These areas should be considered when reviewing the content of board orientation and board development sessions (Code of Conduct, history and traditions, sector issues and trends).
- The committee discussed the annual planning cycle. Board members are generally satisfied with the approach taken this year with the establishment of annual workplans for each committee and the board as a whole. Last year, the Executive Committee and the Committee Chairs met in late August to develop the workplans which were then presented and adopted by each committee. This approach should be followed in 24/25.
- Regarding the methodology, the electronic tool was considered to be easy to use and should be used again next year.
- The committee recommends that the survey utilize a three-point scale rather than a five-point scale.

5.3 Board Reappointments

Ms. Wybou advised that the four members of the board who are eligible for reappointment have indicated a willingness to stand for reappointment.

Motion:

It was moved by Tracey Burkhardt and seconded by Andrea Seymour that the Governance & Audit Committee recommend that Lyne St-Pierre-Ellis, Doug Holt, Brenda Bosse and Pierre LeBlanc be recommended for reappointment to the Board of Directors for a three-year term.

- Motion carried

6. New Business

6.1 Report from the President & CEO

G. Geldart shared her Quarter 4 report.

- The three “Ends” policies which were approved by the Board of Directors in February have been shared with the senior leadership team and will form the basis for discussions in the coming months.
- A social media recruitment campaign resulted in expressions of interest from a number of potential candidates. These were referred to the Board Chair and the Chair of Governance and Audit.
- A Volunteer Recognition event will be held on April 25th. Several committee members indicated their intention to join the event.
- The Board Chair and CEO met with the Board Chair of the Mill Cove Nursing Home, providing assistance in their review of governance policies.

6.2 Board Appointments

Ms. Wybou presented the profiles of two potential board candidates. Mr. Dana Bursey brings significant IT experience having worked in government and private sector organizations. Dr. Wayne Albert, currently the Dean of Kinesiology, in addition to his expertise in research and education, brings an interest in the long-term care sector.

Motion:

It was moved by Marjorie Belzile and seconded by Wayne Snowdon that the Governance & Audit Committee recommend that Dana Bursey and Wayne Albert be recommended for appointment to the Board of Directors for a three-year term.

- Motion carried

6.3 Policies for Review

The following policies were reviewed.

6.3.1 Gov-O-265 Orientation of New Board Members

Revisions made to add detail regarding the process and content of the orientation process.

6.3.2 Gov-R-270 Reimbursement to members for out-of-pocket expenses

Revisions made to remove the printing allowance and the travel allowance for routine meetings of the board. Travel expenses, when a board member is required to travel on behalf of the board, will be compensated according to York Care Centre's travel policy.

6.3.3 Gov-R-275 Resolution Book

Reviewed. No changes recommended.

6.3.4 Gov-R-278 Retirement or Resignation Gifts

Revisions to reflect that a recognition gift in the form of a gift certificate be presented to any retiring or resigning board member who has completed at least one three-year term.

Motion:

It was moved by Tracey Burkhardt and seconded by Lyne St-Pierre-Ellis that the Governance & Audit Committee recommend to the Board of Directors that the policies Gov-O-265-Orientation of New Board Members, Gov- R-270 – Reimbursement to Members for Out-of-Pocket Expenses, Gov-R-275 Resolution Book and Gov-R-278-Retirement or Resignation Gifts, be approved as amended.

- Motion carried

6.4 2024 – 2025 Calendar of Meetings

G. Geldart presented a draft Calendar of Meetings for the 24/25 Board Year. The committee requested that all meeting start times be moved to 5:30 pm respecting the work commitments of many board members.

6.5 Email Votes

Ms. Wybou raised the issue of email votes, asking if the board of directors requires such a voting procedure. Generally, the governance literature does not support the use of email votes given the limitations of email to support secure discussion and debate. While email votes could negate the need for an in-person meeting for a non-contentious issue, with the evolution of virtual meeting technology, better options are now available. In the event of an emergency, if the full board could not be convened, virtually or in-person in a timely manner, the Executive Committee has the power to act on behalf of the board. For these reasons, the committee does not recommend the use of email voting.

7. Next Meeting

The next meeting – Tentatively scheduled for Thursday, September 19, 2024 at 5:30.

8. Adjournment.

The meeting was adjourned at 6:35 on a motion by Mr. Snowdon.

Deborah Wybou, Chair

Gerri Geldart, Recorder

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YORK CARE CENTRE INC.
Financial Statements
Year Ended March 31, 2024

YORK CARE CENTRE INC.
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Year Ended March 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of York Care Centre Inc.

Opinion

We have audited the financial statements of York Care Centre Inc. (the "Corporation"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets (liabilities), operations - operating fund 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 Corporation as at March 31, 2024, 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 (ASNPO).

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 Corporation 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 ASNPO, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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.

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:

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Independent Auditors' Report to the Board of Directors of York Care Centre Inc. *(continued)*

- 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 Corporation'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 Corporation'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 Corporation 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.

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

YORK CARE CENTRE INC.

Statement of Financial Position

March 31, 2024

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	Operating Fund	Replacement Reserve	Residents Trust	Activity Fund	2024	2023 <i>(Restated)</i>
ASSETS						
CURRENT						
Cash	\$ 2,037,503	\$ 6,629	\$ 32,334	\$ 2,861	\$ 2,079,327	\$ 2,184,440
Accounts receivable <i>(Note 4)</i>	251,450	-	32,431	-	283,881	178,440
Due from related parties <i>(Note 5)</i>	44,674	-	-	-	44,674	41,084
Inventory	97,837	-	-	-	97,837	148,059
Prepaid expenses	34,466	-	-	-	34,466	48,059
	2,465,930	6,629	64,765	2,861	2,540,185	2,600,083
CAPITAL ASSETS <i>(Note 6)</i>	25,909,694	-	-	-	25,909,694	27,243,423
	\$ 28,375,624	\$ 6,629	\$ 64,765	\$ 2,861	\$ 28,449,879	\$ 29,843,505
LIABILITIES						
CURRENT						
Accounts payable and accrued liabilities <i>(Note 7)</i>	\$ 3,227,982	\$ -	\$ 8,165	\$ -	\$ 3,236,147	\$ 3,508,011
Deferred revenue	108,802	-	-	-	108,802	108,802
Current portion of long term debt <i>(Note 8)</i>	2,282,069	-	-	-	2,282,069	2,230,292
Due to related party <i>(Note 5)</i>	126,696	-	-	-	126,696	-
	5,745,549	-	8,165	-	5,753,714	5,847,105
LONG TERM DEBT <i>(Note 8)</i>	10,008,066	-	-	-	10,008,066	12,290,048
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS <i>(Note 9)</i>	1,470,736	-	-	-	1,470,736	1,761,228
	17,224,351	-	8,165	-	17,232,516	19,898,381
NET ASSETS (LIABILITIES)						
UNRESTRICTED	(997,550)	-	-	-	(997,550)	(1,078,475)
INVESTED IN CAPITAL ASSETS	12,148,823	-	-	-	12,148,823	10,961,855
RESTRICTED	-	6,629	56,600	2,861	66,090	61,744
	11,151,273	6,629	56,600	2,861	11,217,363	9,945,124
	\$ 28,375,624	\$ 6,629	\$ 64,765	\$ 2,861	\$ 28,449,879	\$ 29,843,505

CONTINGENCIES *(Note 10)*

ON BEHALF OF THE BOARD

Director

Director

YORK CARE CENTRE INC.
Statement of Operations and Changes in Net Assets (Liabilities)
Year Ended March 31, 2024

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	Operating Fund 2024	Replacement Reserve 2024	Residents Trust 2024	Activity Fund 2024	Total 2024	Total 2023 <i>(Restated)</i>
REVENUE						
Residential	\$ 22,988,650	\$ -	\$ -	\$ -	\$ 22,988,650	\$ 23,251,154
Other	1,549,386	-	-	1,517	1,550,903	1,499,237
	<u>24,538,036</u>	-	-	1,517	<u>24,539,553</u>	24,750,391
EXPENDITURES	21,888,729	-	-	792	21,889,521	21,924,943
	2,649,307	-	-	725	2,650,032	2,825,448
DEPRECIATION	1,502,524	-	-	-	1,502,524	1,510,195
	1,146,783	-	-	725	1,147,508	1,315,253
INVESTMENT INCOME	124,410	247	-	-	124,657	73,509
	1,271,193	247	-	725	1,272,165	1,388,762
CHANGE IN RESIDENT TRUST	-	-	74	-	74	4,437
NET INCOME FOR THE YEAR	1,271,193	247	74	725	1,272,239	1,393,199
NET ASSETS - BEGINNING OF YEAR (AS PREVIOUSLY REPORTED)	(92,047)	3,082	56,526	2,136	(30,303)	(254,585)
PRIOR PERIOD ADJUSTMENT (Note 14)	9,975,427	-	-	-	9,975,427	8,806,510
AS RESTATED	9,883,380	3,082	56,526	2,136	9,945,124	8,551,925
INTER-FUND TRANSFERS	(3,300)	3,300	-	-	-	-
NET ASSETS - END OF YEAR	<u>\$ 11,151,273</u>	<u>\$ 6,629</u>	<u>\$ 56,600</u>	<u>\$ 2,861</u>	<u>\$ 11,217,363</u>	<u>\$ 9,945,124</u>

YORK CARE CENTRE INC.
Statement of Operations - Operating Fund
Year Ended March 31, 2024

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	2024	2023 <i>(Restated)</i>
REVENUE		
Province of New Brunswick subsidy	\$ 17,295,821	\$ 17,679,458
Subsidized residents	3,771,077	3,795,959
Private pay residents	1,921,752	1,775,737
	22,988,650	23,251,154
OTHER REVENUES		
Province of New Brunswick grants		
Retirement allowances	140,867	99,247
Other special needs	297,087	259,048
Dietary	116,925	98,926
Administration <i>(Note 11)</i>	235,724	277,689
Care	130,500	127,425
Support services <i>(Note 11)</i>	241,160	242,610
Education	50,000	50,000
Project workers	46,631	42,228
Amortization of deferred contributions - capital assets <i>(Note 9)</i>	290,492	300,533
	1,549,386	1,497,706
EXPENDITURES		
Nursing	9,952,251	10,039,809
Employee benefits	3,076,289	3,234,729
Plant operation	2,364,711	2,426,549
Food services	2,411,087	2,294,048
Administration	1,574,162	1,390,934
Housekeeping	1,228,254	1,191,711
Interest on long term debt	373,426	435,940
Laundry	387,641	376,974
Recreation	328,508	317,216
Research	55,300	55,000
Education	58,767	77,732
Project workers	50,785	42,953
Pastoral	27,548	23,341
	21,888,729	21,906,936
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS BEFORE DEPRECIATION AND INVESTMENT INCOME	2,649,307	2,841,924
DEPRECIATION	1,502,524	1,510,195
EXCESS OF REVENUE OVER EXPENDITURES BEFORE INVESTMENT INCOME	1,146,783	1,331,729
INVESTMENT INCOME	124,410	73,245
EXCESS OF REVENUE OF EXPENDITURES	\$ 1,271,193	\$ 1,404,974

YORK CARE CENTRE INC.

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**Statement of Cash Flows
Year Ended March 31, 2024**

	2024	2023 <i>(Restated)</i>
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 1,271,193	\$ 1,404,974
Items not affecting cash:		
Depreciation of capital assets	1,502,524	1,510,195
Amortization of deferred contributions	<u>(290,492)</u>	<u>(300,533)</u>
	<u>2,483,225</u>	<u>2,614,636</u>
Changes in non-cash working capital:		
Accounts receivable	(105,441)	47,122
Inventory	50,222	(25,967)
Prepaid expenses	13,593	(4,284)
Accounts payable and accrued liabilities	(271,866)	559,101
Deferred revenue	<u>-</u>	<u>(1,377)</u>
	<u>(313,492)</u>	<u>574,595</u>
Cash flow from operating activities	<u>2,169,733</u>	<u>3,189,231</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(168,795)</u>	<u>(226,192)</u>
FINANCING ACTIVITIES		
Due (to) from related parties	123,106	21,059
Repayment of long term debt	<u>(2,230,205)</u>	<u>(2,167,689)</u>
Cash flow used by financing activities	<u>(2,107,099)</u>	<u>(2,146,630)</u>
OTHER CASH FLOW ITEMS		
Net income (expense) - Replacement reserve	247	(17,006)
Net income - Residents trust	74	4,437
Net income - Activity fund	<u>725</u>	<u>794</u>
	<u>1,046</u>	<u>(11,775)</u>
INCREASE (DECREASE) IN CASH FLOW	(105,115)	804,634
CASH - BEGINNING OF YEAR	<u>2,184,441</u>	<u>1,379,807</u>
CASH - END OF YEAR	<u>\$ 2,079,326</u>	<u>\$ 2,184,441</u>
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest paid	<u>\$ 373,426</u>	<u>\$ 435,940</u>

1. NATURE OF OPERATIONS

York Care Centre Inc. (the "Corporation") is a registered charity under the Income Tax Act. The Corporation's primary purpose is to provide nursing home care and to advance matters that impact the elderly and aging in the Fredericton region.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), with the exception of the following accounting policies:

The Corporation does not record the liability associated with their employee's post-employment benefits as it has not been actuarially determined and the amount cannot be reasonably determined by other methods.

Fund accounting

York Care Centre Inc. follows the restricted fund method of accounting for contributions and has established the following funds:

Replacement reserve

In accordance with agreements signed with the Province of New Brunswick, the Corporation is required to establish a funded replacement reserve for capital assets. This reserve is increased by annual charges against income equal to the amount provided by the Province of New Brunswick in the annual budget until it has reached a maximum level of \$341,630. The amount funded and contributed to the replacement reserve for the year was \$3,300 (2023 - \$3,300)

Residents trust

The Corporation administers residents' trust fund on behalf of its residents. These funds are not available for the benefit of the Corporation.

Activity Fund

Amounts reported in this fund represent fundraising by the residents and related expenses for quality of life improvements and social events. Expenditures from this fund are processed at the request of the Residents Council and after Chief Executive Officer approval.

Cash and cash equivalents

The Corporation considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash and cash equivalents. Bank borrowings are considered to be financing activities.

Revenue recognition

The Corporation generates revenue through residential accommodation and related services to qualifying individuals. Revenue is recognized from the provision of these services on an accrual basis, using the restricted fund method. Revenue is recognized when there is persuasive evidence of an arrangement, the associate fees are fixed or determinable and collection is reasonably assured.

Interest income is not subject to external restrictions. Interest income has been recorded directly in the statement of operations.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Contributed services

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

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Capital assets and deferred contributions

Capital assets and deferred contributions are stated at cost or deemed cost less accumulated amortization. Capital assets and deferred contributions are amortized over their estimated useful lives on a straight-line basis at the following rates:

Improvements	10 years
Buildings	30 - 40 years
Equipment	5 years

The Corporation regularly reviews its capital assets and deferred contributions to eliminate obsolete items. When a capital asset no longer has any long-term service potential to the Corporation, the excess of its net carrying value over any residual value is recognized as an expense in the statement of operations and changes in net assets (liabilities).

Certain of these assets are funded by specific grants. The Corporation accounts for these capital grants as deferred contributions. Amortization of these deferred contributions is provided for at the same rate as depreciation on the related assets.

Interest expense incurred to finance construction is capitalized with the related asset on large projects.

No depreciation is recorded on assets under construction. Depreciation on constructed assets commences in the year the total project is completed.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Example of significant estimates include:

- the allowance for doubtful accounts;
- the allowance for inventory obsolescence;
- providing for amortization of capital assets;
- the estimated useful lives of assets; and
- the recoverability of tangible assets.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in excess of revenue over expenditures. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Pension Plans

Substantially all full-time employees of the Corporation belong to the Pension Plan for General and Service Employees of New Brunswick Nursing Homes, the Pension Plan for Management Employees of New Brunswick Nursing Homes or the Pension Plan for Nursing and Paramedical Employees of New Brunswick Nursing Homes. All are multi-employer defined benefit pension plans. Contributions are made by both the Corporation and the employees. Since sufficient information is not readily available to account for the Corporation's participation in the plan using defined benefit pension plan accounting, these financial statements have been prepared using accounting rules for defined contribution pension plans.

Retiring allowances

Retiring allowances are paid to employees in accordance with their respective collective bargaining agreement. Retiring allowances are funded by the Department of Social Development, Province of New Brunswick and are recorded in the year of retirement when funding is provided.

3. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2024.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from residents. The risk is mitigated as follows:

- certain admission standards are maintained which include a thorough review of a resident's financial resources and ability to contribute towards their cost of care;
- the amount of private pay revenue that nursing homes can charge is capped by the Province of New Brunswick;
- the Corporation does not have significant exposure to any individual resident or counterpart; and
- the Corporation closely monitors outstanding accounts receivable and has provided for potential credit losses in the amount of \$37,689 (2023 - \$25,153).

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YORK CARE CENTRE INC.
Notes to Financial Statements
Year Ended March 31, 2024

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3. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its receipt of funds from its residents and other related sources, long-term debt, and accounts payable, government remittances payable and other obligations. Liquidity risk is mitigated as follows:

- the Corporation prepares and closely monitors detailed annual operating budgets and reviews working capital on a regular basis; and
- The Corporation has the ability to obtain working capital loans through the Province of New Brunswick, should cash requirements exceed cash generated from operating activities.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

4. ACCOUNTS RECEIVABLE

	2024	2023
Harmonized sales tax receivable	\$ 46,517	\$ 67,672
Department of Social Development - Province of New Brunswick	64,062	44,607
Accounts receivable - residents	115,209	40,075
Other	63,351	31,875
Trust fund receivable	32,431	19,364
Allowance for doubtful accounts	(37,689)	(25,153)
	\$ 283,881	\$ 178,440

5. DUE TO/FROM RELATED PARTIES

	2024	2023
York Developments Inc.	\$ 18,666	\$ 17,871
York Developments Inc. - Supportive Housing	12,408	12,483
Centre for Innovation and Research in Aging Inc.	5,270	5,203
York Care Foundation Inc.	3,990	1,914
York County Properties	2,086	1,893
York Developments Inc. - Adult Day Program	2,254	1,720
Due to related parties	44,674	41,084
York Developments Inc.	(126,696)	-
Net balance (to) from related parties	\$ (82,022)	\$ 41,084

YORK CARE CENTRE INC.
Notes to Financial Statements
Year Ended March 31, 2024

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6. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value (Restated)
Land	\$ 3,350	\$ -	\$ 3,350	\$ 3,350
<u>Original buildings</u>				
Building	4,033,704	2,924,159	1,109,545	1,210,388
Major refurbishment - Phase I	12,640,757	5,280,863	7,359,894	7,675,912
Major refurbishment - Phase II	23,301,590	8,155,158	15,146,432	15,728,970
<u>Improvements</u>				
Land	258,183	148,533	109,650	105,803
Buildings	4,944,385	3,337,820	1,606,565	1,834,820
Solarium	85,520	77,320	8,200	11,479
<u>Other buildings</u>				
Friendship and resource center	440,853	326,111	114,742	125,764
Chapel	157,831	53,663	104,168	110,482
<u>Equipment</u>				
Original	3,886,026	3,538,878	347,148	436,455
Furniture and fixtures	649,380	649,380	-	-
	\$ 50,401,579	\$ 24,491,885	\$ 25,909,694	\$ 27,243,423

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Suppliers and sundry	\$ 703,064	\$ 1,105,378
Accrued wages	1,137,641	1,058,775
Vacation pay	836,598	881,763
Department of Social Development - Province of New Brunswick	462,784	370,507
Government remittances payable	71,176	73,919
Other	24,884	17,669
	\$ 3,236,147	\$ 3,508,011

8. LONG TERM DEBT

	2024	2023
National Bank of Canada term loan bearing interest at 3.17% per annum, repayable in monthly blended payments of \$16,285. The loan matures on November 23, 2027.	\$ 675,484	\$ 846,480
National Bank of Canada term loan bearing interest at 2.76% per annum, repayable in monthly blended payments of \$59,858. The loan matures on April 2, 2027.	2,120,777	2,770,776
National Bank of Canada term loan bearing interest at 2.89% per annum, repayable in monthly blended payments of \$102,482. The loan matures on March 29, 2030.	6,766,920	7,785,129

(continues)

YORK CARE CENTRE INC.
Notes to Financial Statements
Year Ended March 31, 2024

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8. LONG TERM DEBT (continued)

	2024	2023
National Bank of Canada term loan bearing interest at 2.27% per annum, repayable in monthly blended payments of \$35,216. The loan matures on February 23, 2031.	2,702,626	3,059,461
Province of New Brunswick mortgage payable bearing interest at 8% per annum, repayable in monthly blended payments of \$3,130. The loan matures on November 1, 2024 and is secured by a fixed charge on the Dixon building with a carrying value of \$1,109,545 (2023 - \$1,210,387).	24,328	58,494
	12,290,135	14,520,340
Amounts payable within one year	(2,282,069)	(2,230,292)
	\$ 10,008,066	\$ 12,290,048

Principal repayment terms are approximately:

2025	\$ 2,282,069
2026	2,321,177
2027	2,386,372
2028	1,722,040
2029	1,575,995
Thereafter	2,002,482
	\$ 12,290,135

All monthly interest and principal payments on term loans have been included in the annual budget funded by the Department of Social Development and the Province of New Brunswick.

9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2024	2023
Balance - beginning of year	\$ 1,761,228	\$ 2,061,761
Less: Amounts amortized to revenue	(290,492)	(300,533)
Balance - end of year	\$ 1,470,736	\$ 1,761,228

10. CONTINGENCIES

As at March 31, 2024, the balance of the Province of New Brunswick unearned capital contribution was \$2,192 (2023 - \$2,192). Should the Corporation default on its loan payments to the Province of New Brunswick, this balance, as well as the outstanding principal balance, of the loan would become payable.

The Corporation is from time to time involved in certain legal proceedings, as well as demands, claims and threatened litigation that arise in the normal course of its operations. The ultimate outcome of any litigation is uncertain and, regardless of outcome, litigation can have an adverse impact on the business because of defense costs, negative publicity, diversion of management resources and other factors.

11. RELATED PARTY TRANSACTIONS

The Corporation had the following transactions with related parties in the normal course of business; all transactions are recorded at their exchange value.

- The Corporation acts as a payroll agent for York Developments Inc. and the Centre for Innovation and Research on Aging Inc. ("CIRA"), who all share common management, and has receivables (*Note 5*) at year end with respect to these transactions. Balances due from related parties are non-interest bearing and have no fixed repayment terms.
- The Corporation received property management fees of \$55,554 (2023 - \$54,117) and management fees of \$223,129 (2023 - \$201,754) included in other revenue from York Developments Inc.
- The Corporation received property and management fees of \$106,510 (2023 - \$104,302) included in other revenue from CIRA.

12. CAPITAL MANAGEMENT

Management considers capital to be fund balances. The Corporation's objective when managing capital is to maintain financial strength to sustain delivery of its core activities.

13. EMPLOYEE FUTURE BENEFITS

The Corporation has an obligation for post-employment benefits for most of its employees. The value of the retirement allowance obligation has not been actuarially determined and the amount cannot be reasonably determined by other methods; therefore, no liability has been recorded. These benefits are funded by the Province of New Brunswick at the time the employee receives the benefit.

During the year, the Corporation expensed retiring allowances, included in employee benefit expenses, for which matching funding was received of \$140,867 (2023 - \$99,247).

14. PRIOR PERIOD ADJUSTMENT AND CHANGE IN ACCOUNTING POLICY

During the year, the board approved the change in accounting policy for depreciation on the original buildings based on the estimated useful life in accordance with ASNPO rather than principal reduction of long-term debt. This change has been applied retroactively and prior year depreciation has been reduced by \$1,168,917, net income was increased by \$1,168,917, and capital assets and net assets have been increased by \$9,975,427.

York Care Centre Inc.

The accompanying financial information is presented as supplementary information only. In this respect, they do not form part of the financial statements of York Care Centre Inc. for the year ended March 31, 2024

York Care Centre Inc.

Comparison of Department of Social Development budget and actual revenue and expenditure (unaudited)

Year ended March 31 2024

	Budget	Actual	Variance
Revenue			
Residents	\$ 23,004,219	\$ 22,988,649	\$ 15,570
Recoveries - Department of Social Development- Province of NB	437,954	437,954	-
	\$ 23,442,173	\$ 23,426,603	\$ 15,570
Expenditure			
Salaries			
Administration	\$ 565,684	\$ 916,670	\$ (350,986)
Nursing care services	9,857,597	9,117,070	740,527
Education	-	9,649	(9,649)
Pastoral	-	27,170	(27,170)
Recreation	295,122	289,110	6,012
Food services	1,294,282	1,282,301	11,981
Laundry	492,142	260,549	231,593
Housekeeping	1,205,363	1,124,598	80,765
Plant operations	232,207	313,623	(81,416)
	\$ 13,942,397	\$ 13,340,740	\$ 601,657
Supplies			
Administration	\$ 359,347	\$ 647,162	\$ (287,815)
Nursing care services	110,288	651,449	(541,161)
Research	-	55,300	(55,300)
Recreation	11,441	34,485	(23,044)
Food services	854,693	1,124,429	(269,736)
Laundry	110,210	127,092	(16,882)
Housekeeping	81,280	103,656	(22,376)
Plant operations	2,046,854	1,997,207	49,647
Minor equipment	12,991	257,166	(244,175)
	\$ 3,587,104	\$ 4,997,946	\$ (1,410,842)
Other			
Pastoral services	\$ 3,994	\$ 378	\$ 3,616
Employee benefits	3,261,528	3,076,289	185,239
Education	40,219	49,118	(8,899)
	\$ 3,305,741	\$ 3,125,785	\$ 179,956
Capital			
Mortgage blended payments	\$ 951,263	\$ 951,263	\$ -
Approved bank loan	1,652,368	1,652,368	-
Depreciation	-	503,122	(503,122)
Reserve per CMHC agreement	3,300	3,300	-
	\$ 2,606,931	\$ 3,110,053	\$ (503,122)

York Care Centre Inc.
Comparison of Department of Social Development budget and actual revenue and expenditure (continued)

(unaudited)

Year ended March 31, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Total operating expenditure	\$ 23,442,173	\$ 24,574,524	\$ (1,132,351)
Net variance	\$ -	\$ (1,147,921)	\$ 1,147,921
Due to government			
Recoveries - project worker	\$ -	\$ 46,631	\$ (46,631)
Project worker expenditures	-	(50,785)	50,785
	\$ -	\$ (4,155)	\$ 4,155
Due to York Care Centre operations			
Investment income	\$ -	\$ 124,410	\$ (124,410)
Recoveries - dietary	-	116,927	(116,927)
Recoveries - administration	-	235,724	(235,724)
Recoveries - care	-	130,500	(130,500)
Recoveries - education	-	50,000	(50,000)
Recoveries - operations	-	241,160	(241,160)
	\$ -	\$ 898,721	\$ (898,721)
Net deficit	\$ -	\$ (253,355)	\$ 253,355
Reconciling items			
Replacement reserve per CMHC agreement	\$ -	\$ 3,300	\$ (3,300)
Amortization of deferred contributions	-	290,491	(290,491)
	\$ -	\$ 40,437	\$ (40,437)

York Care Centre Inc.
Year-End Reconciliation of Non-Transferable Expenditure (unaudited)
For the year ended March 31, 2024

	Budget	Actual	Variance
	\$	\$	\$
Mortgage	951,263	951,263	-
Bank loan	1,652,368	1,652,368	-
CMHC reserve	3,300	3,300	-
Pension plans - general services/nurses/SHCP	1,093,904	908,117	(185,787)
Pension plan - management	76,782	76,782	-
Nurses retention premium	19,823	19,823	-
Retirement allowance	140,867	140,867	-
Total	<u>3,938,307</u>	<u>3,752,520</u>	(185,787)

Year end reconciliation of non - transferrable expenditures due to Department of Social **(185,787)**

Amount owing to Department of Social Development re 2022-23 Fiscal Year **(186,758)**

Total owing to Department of Social Development March 31, 2024 **(372,545)**

Note - only variances reported above are required to be paid

York Care Centre Inc.**Details of non-transferable expenditures (unaudited)**

March 31, 2024

	<u>G / L</u>	<u>Balance</u>	<u>Loan</u> <u>proceeds</u> <u>received</u>	<u>Balance</u>	<u>Interest</u>	<u>Repaid</u>	<u>Repaid</u>	<u>Total</u>
	<u>Account</u>	<u>April 1, 2023</u>	<u>(converted)</u> <u>2023-2024</u>	<u>March 31, 2024</u>	<u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Paid</u>
III	4702	\$ 58,494	\$ -	\$ 24,328	8.00%	\$ 34,166	\$ 3,388	\$ 37,555
IV	4409	2,770,776	-	2,120,777	2.76%	649,999	68,292	718,291
V	4406	846,480	-	675,484	3.17%	170,996	24,420	195,416
VI	4749	3,059,461	-	2,702,626	2.27%	356,835	65,752	422,587
VII	4750	7,785,129	-	6,766,920	2.89%	1,018,209	211,573	1,229,782
		<u>\$14,520,340</u>	<u>\$ -</u>	<u>\$ 12,290,135</u>		<u>\$ 2,230,205</u>	<u>\$ 373,426</u>	<u>\$2,603,631</u>

	<u>Balance</u>	<u>Contributions</u>	<u>Interest</u>	<u>Funds</u>	<u>Balance</u>
	<u>April 1, 2023</u>	<u>During</u>	<u>Earned</u>	<u>Expended</u>	<u>March 31, 2024</u>
		<u>Year</u>	<u>During</u>	<u>During</u>	
			<u>Year</u>	<u>Year</u>	
C.M.H.C Replacement Reserve	\$ 3,082	\$ 3,300	\$ 247	\$ -	\$ 6,629

York Care Centre Inc.
Reconciliation of Province of New Brunswick
Subsidies to Financial Statements
(unaudited)
Year Ended March 31, 2024

Per Department of Social Development pay documents		\$ 17,643,229
Add:		
Revenue Adjustment for Feb/23 (Deducted in April/23)	\$ 4,817	
Feb 2023 Vacant Bed Days (Deducted in April/23)	2,875	
March 2023 Vacant Bed Days (Deducted in May/23)	8,159	
March 2023 Vacant Bed Day (Deducted in May/23)	625	
Year end Settlement 21/22	<u>97,331</u>	
		<u>113,807</u>
Deduct:		
Feb 2024 Vacant Bed Days (Deducted in April/24)	\$ 3,750	
March 2024 Vacant Bed Days (Deducted in May/24)	4,750	
Revenue Adjustment for Feb/24 (Deducted in April/24)	1,541	
Revenue Adjustment for March/24 (Deducted in May/24)	13,220	
Government grants and Budget Amendments:		
Retirement Allowance	\$ 140,867	
Special Needs / Extra Hours of Care	5,860	
Maternity Leave	2,534	
Education and Leadership	19,448	
Capital Projects	194,993	
Recruitment	12,000	
RN Double Overtime	<u>62,252</u>	
		<u>461,215</u>
Per financial statements		<u><u>\$ 17,295,821</u></u>

York Care Centre Inc.

Schedule of Salaries and Supplies (unaudited)

For the year ended March 31, 2024

	Salaries	Supplies	2024	2023
	\$	\$	\$	\$
Expenditures				
Administration	916,672	657,490	1,574,162	1,390,934
Depreciation	-	1,502,524	1,502,524	1,510,195
Education	9,649	49,118	58,767	77,732
Employee Benefits (note 14)	-	3,076,289	3,076,289	3,234,729
Food Services	1,282,301	1,128,786	2,411,087	2,294,048
Housekeeping	1,124,598	103,656	1,228,254	1,191,711
Interest on long-term debt	-	373,426	373,426	435,940
Laundry	260,549	127,092	387,641	376,974
Nursing Care Services	9,335,229	617,022	9,952,251	10,039,809
Pastoral	27,170	378	27,548	23,341
Plant Operations	313,623	2,051,086	2,364,709	2,426,549
Project workers	50,785	-	50,785	42,953
Recreation	289,110	39,398	328,508	317,216
Research	-	55,300	55,300	55,000
Total	<u>13,609,686</u>	<u>9,781,566</u>	<u>23,391,252</u>	<u>23,417,131</u>

York Care Centre Inc.

Schedule of supplementary detail of certain expenditures (unaudited)

Year ended March 31, 2024

2024

2023

Administration

Advertising	\$ 4,340	\$ 2,624
Association fees	42,175	47,874
Bank interest and charges	3,136	3,464
Business machine expense	22,665	22,069
Computer hardware, Software, Support & Supplies	191,928	181,267
Consulting	34,626	25,428
Postage	3,270	4,477
Printing and office supplies	7,161	10,449
Professional services - audit	16,671	15,878
Travel and convention - board	3,294	899
Other supplies and expenses	100,308	99,665
Minor equipment	10,286	22,554
Other budget amendment related expenses	217,393	37,757
Legal	-	18,584
Local travel	237	146
	\$ 657,490	\$ 493,135

Care services

Medical supplies	\$ 168,077	\$ 114,783
Drug supplies	2,282	4,587
Other	298,407	90,701
Incontinent supplies	162,283	143,910
Fees - medical staff (net)	20,400	20,400
Care related budget amendments	-	9,467
Birch Grove Memory Lane Project	-	5,546
Minor equipment	183,733	208,127
	\$ 835,182	\$ 597,521

Research

Supplies	\$ 55,300	\$ 55,000
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Recreation and Pastoral

Recreation - supplies	\$ 39,398	\$ 53,672
Pastoral supplies	378	181
	\$ 39,776	\$ 53,853

Food Services

Food	\$ 917,519	\$ 785,589
Supplements	58,979	49,934
Supplies	135,993	128,460
Dish and utensil replacement	11,938	16,379
Minor equipment	4,357	33,382
	\$ 1,128,786	\$ 1,013,744

Laundry and linen

Supplies - general	\$ 51,233	\$ 50,988
Linen replacement	74,679	51,441
Mattress replacement	1,180	11,939
	\$ 127,092	\$ 114,368

York Care Centre Inc.
Schedule of supplementary detail of certain expenditures (continued)
(unaudited)

Year ended March 31,	2024	2023
Housekeeping Supplies	\$ 103,656	\$ 86,847
Plant operation		
Fuel and heating	\$ 202,976	\$ 228,214
Electricity	464,410	455,959
Insurance - plant and vehicles	74,291	66,215
Property taxes	679,295	703,947
Water and sewerage	45,800	50,300
Telephone	94,617	57,148
Cablevision	47,785	45,801
	\$ 1,609,174	\$ 1,607,584
Maintenance		
Other Maintenance Items	\$ 89,698	\$ 94,634
Purchased services	114,829	141,075
Vehicle expenses	15,214	17,011
Minor equipment	53,877	66,608
	\$ 273,618	\$ 319,328
Repairs		
Buildings and grounds	\$ 168,295	\$ 172,751
Employee benefits		
Canada pension	\$ 653,192	\$ 649,649
Employment insurance	258,517	257,409
Workers' Compensation	476,469	564,929
Health care insurance	295,402	292,653
Retirement allowances	140,867	103,582
Professional fees	7,650	8,600
Uniform allowance	29,413	36,146
	\$ 1,861,510	\$ 1,912,968
General pension plan	\$ 657,008	\$ 653,218
Management pension plan	94,210	103,527
Nursing pension plans	277,774	378,261
Non-transferable - pension	185,787	186,758
	\$ 3,076,289	\$ 3,234,732
Education seminars, fees and supplies	\$ 49,118	\$ 64,671
	\$ 8,123,776	\$ 7,813,534

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YORK DEVELOPMENTS INC.

Financial Statements

Year Ended March 31, 2024

YORK DEVELOPMENTS INC.
Index to Financial Statements
Year Ended March 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of York Developments Inc.

Opinion

We have audited the financial statements of York Developments Inc. (the "Corporation"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets, operations - operating fund and cashflows for the year 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 Corporation as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with the financial reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991.

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 Corporation 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.

Emphasis of Matter

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Corporation to comply with the reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991.

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 the reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Independent Auditors' Report to the Board of Directors of York Developments Inc. *(continued)*

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.

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 Corporation'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 Corporation'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 Corporation 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.

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

YORK DEVELOPMENTS INC.

Statement of Financial Position

March 31, 2024

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	Operating Fund	Replacement Reserve	Supportive Housing Replacement Reserve	Vacancy Reserve	2024	2023
ASSETS						
CURRENT						
Cash	\$ 418,003	\$ 73,688	\$ 185,173	\$ 46,117	\$ 722,981	\$ 604,016
Accounts receivable	38,470	-	-	-	38,470	24,483
Due from York Care Centre Inc.	93,368	-	-	-	93,368	-
Prepaid expenses	60,310	-	-	-	60,310	58,901
	610,151	73,688	185,173	46,117	915,129	687,400
CAPITAL ASSETS (Note 4)	1,975,762	-	-	-	1,975,762	2,150,656
	\$ 2,585,913	\$ 73,688	\$ 185,173	\$ 46,117	\$ 2,890,891	\$ 2,838,056
LIABILITIES						
CURRENT						
Payables and accruals	\$ 161,708	\$ -	\$ -	\$ -	\$ 161,708	\$ 150,071
Due to York Care Centre Inc.	-	-	-	-	-	32,074
Deferred revenue	136,813	-	-	-	136,813	9,483
Current portion of mortgage payable (Note 5)	58,818	-	-	-	58,818	55,625
	357,339	-	-	-	357,339	247,253
MORTGAGE PAYABLE (Note 5)	1,119,864	-	-	-	1,119,864	1,178,682
FORGIVABLE SUPPORTIVE HOUSING LOANS (Note 6)	377,337	-	-	-	377,337	450,727
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 7)	3,002	-	-	-	3,002	5,002
	1,857,542	-	-	-	1,857,542	1,881,664
NET ASSETS						
UNRESTRICTED	311,629	-	-	-	311,629	200,464
RESTRICTED	-	73,688	185,173	46,117	304,978	295,308
INVESTED IN CAPITAL ASSETS	416,742	-	-	-	416,742	460,620
	728,371	73,688	185,173	46,117	1,033,349	956,392
	\$ 2,585,913	\$ 73,688	\$ 185,173	\$ 46,117	\$ 2,890,891	\$ 2,838,056

ON BEHALF OF THE BOARD

Director

Director

YORK DEVELOPMENTS INC.
Statement of Operations and Changes in Net Assets
Year Ended March 31, 2024

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	Operating Fund 2024	Replacement Reserve 2024	Supportive Housing Replacement Reserve 2024	Vacancy Reserve 2024	Total 2024	Total 2023
REVENUE						
Rentals and care	\$ 1,390,671	\$ -	\$ -	\$ -	\$ 1,390,671	\$ 1,173,275
Other revenue	149,989	-	-	-	149,989	113,178
	1,540,660	-	-	-	1,540,660	1,286,453
EXPENDITURES	1,304,618	-	-	-	1,304,618	1,041,610
	236,042	-	-	-	236,042	244,843
DEPRECIATION	174,893	-	-	-	174,893	180,351
	61,149	-	-	-	61,149	64,492
INTEREST INCOME	-	5,070	8,358	2,380	15,808	4,372
NET REVENUES	61,149	5,070	8,358	2,380	76,957	68,864
NET ASSETS - BEGINNING OF YEAR	661,084	89,145	162,426	43,737	956,392	887,528
INTER-FUND TRANSFERS	6,138	(20,527)	14,389	-	-	-
NET ASSETS - END OF YEAR	\$ 728,371	\$ 73,688	\$ 185,173	\$ 46,117	\$ 1,033,349	\$ 956,392

YORK DEVELOPMENTS INC.
Statement of Operations - Operating Fund
Year Ended March 31, 2024

DRAFT

	2024	2023
REVENUE		
Rentals	\$ 741,207	\$ 707,369
Tenant services	244,119	223,945
Province of New Brunswick care revenue	232,655	112,975
Province of New Brunswick subsidy payments (Note 8)	127,883	113,088
Forgiveness of debt (Note 6)	73,390	73,390
Other	60,440	37,788
Client paid care revenue	44,807	15,898
Project workers	14,159	-
Amortization of deferred contributions (Note 7)	2,000	2,000
	1,540,660	1,286,453
EXPENDITURES		
Salaries and wages	475,452	332,913
Administration charges (Note 9)	191,686	162,902
Repairs and maintenance - building	102,211	63,530
Electricity	74,492	67,008
Property taxes	74,462	71,977
Mortgage interest	64,278	53,682
Food services	63,283	54,451
Security (Note 9)	55,554	54,117
Employee benefits	48,743	35,006
Insurance	48,579	39,889
Project workers	16,025	-
Utilities	15,004	14,732
Supplies	13,687	16,819
Minor equipment and furnishings	13,225	6,283
Professional fees	11,695	16,481
Garbage removal	10,505	9,280
Fire alarm, sprinkler and elevator inspection	10,109	9,476
Grounds maintenance	7,860	15,740
Telephone	2,279	2,287
Travel	1,921	1,066
Housing association	1,286	1,572
Bank charges	919	3,281
Advertising and promotion	693	1,805
Repairs and maintenance - equipment	417	7,043
Cable	253	270
	1,304,618	1,041,610
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS BEFORE DEPRECIATION	236,042	244,843
DEPRECIATION	174,893	180,351
EXCESS OF REVENUE OVER EXPENDITURES	61,149	64,492

YORK DEVELOPMENTS INC.

DRAFT

**Statement of Cash Flows
Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 61,149	\$ 64,492
Items not affecting cash:		
Depreciation of capital assets	174,893	180,351
Forgiveness of debt	(73,390)	(73,390)
Amortization of deferred contributions	(2,000)	(2,000)
	<u>160,652</u>	<u>169,453</u>
Changes in non-cash working capital:		
Accounts receivable	(13,987)	4,593
Prepaid expenses	(1,409)	(1,455)
Payables and accruals	11,638	(6,442)
Deferred revenue	127,330	1,703
	<u>123,572</u>	<u>(1,601)</u>
Cash flow from operating activities	<u>284,224</u>	<u>167,852</u>
FINANCING ACTIVITIES		
Due to (from) York Care Centre Inc.	(125,442)	-
Proceeds from long term financing	-	1,239,259
Repayment of mortgage payable	(55,625)	(1,334,529)
Cash flow used by financing activities	<u>(181,067)</u>	<u>(95,270)</u>
OTHER CASH FLOW ITEMS		
Net revenue - replacement reserve	5,070	2,700
Net revenue - supportive housing	8,358	358
Net revenue - vacancy reserve	2,380	1,314
	<u>15,808</u>	<u>4,372</u>
INCREASE IN CASH FLOWS	118,965	76,954
CASH - BEGINNING OF YEAR	604,016	527,062
CASH - END OF YEAR	\$ 722,981	\$ 604,016
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest paid	\$ 64,278	\$ 53,682

1. NATURE OF OPERATIONS

York Developments Inc. (the "Corporation") owns and rents subsidized apartment units in the Fredericton area. The Corporation is a not-for-profit organization and exempt from federal and provincial corporate taxes under paragraph 149(1)(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of Presentation

The financial statements have been prepared in accordance with the significant accounting policies noted below to comply with the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991. In this regard, the basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations because depreciation is recorded according to principal reduction on mortgages and not as a measurement of consumption of the estimated useful life of the related capital asset. Further details on accounting policies are provided below.

Replacement Reserve

Under the terms of an agreement with the Province of New Brunswick, the replacement reserve account is to be credited with an annually adjusted amount of \$18,373 until the reserve amount accumulates to \$183,730 plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Direct Deposit Insurance Corporation or as may otherwise be approved by the Province of New Brunswick from time to time. The funds in the account may only be used as approved by the Province of New Brunswick. Withdrawals are credited to interest first and then principal.

Replacement Reserve - Supportive Housing

TD Comercial Banking (the "Approved Lender"), does not require that monthly payments be made into a replacement reserve account and that those funds be held in trust with the Approved Lender. However, the Corporation will continue to deposit \$1,500 per month into a separate interest bearing bank account during the amortization period of the loan. The funds previously held by Industrial Alliance have been transferred to the Corporation and are being held in the this separate bank account. The amount is to be used as a reserve for major capital repairs.

Cash and Cash Equivalents

The Corporation considers cash on hand, short term deposits and balances with banks, net of overdrafts as cash and cash equivalents. Bank borrowings are considered to be financing.

Revenue Recognition

Rental and care revenue are recorded as revenue on an accrual basis and when collection is reasonably assured.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Capital assets, deferred contributions and forgivable loans

Capital assets are recorded at cost and depreciated over their estimated useful lives on a straight-line basis using the following rates:

Original land and buildings	Over the term of the associated debt in amounts equal to the annual principal amount
Buildings and land improvements	10 years
Other facilities	20 - 30 years
Equipment	5 years

Certain of these assets are funded by specific grants or forgivable loans. The Corporation accounts for these capital grants as deferred contributions. Depreciation of the deferred contributions is provided for at the same rate as depreciation on the related assets.

The depreciation method and the estimated useful lives of capital assets are reviewed on a regular basis or when events and circumstances warrant. When a capital asset no longer has long-term service potential to the Corporation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations - operating fund.

Interest expense incurred to finance construction is capitalized with the related asset on large projects.

No depreciation is recorded on assets under construction. Depreciation on constructed assets commences in the year the total project is completed.

Impairment of Long Lived Assets

The Corporation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value. No impairment charges were recorded during the years ended March 31, 2024 or 2023.

Measurement uncertainty

The preparation of financial statements in conformity with the financial reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991 requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in excess of revenue over expenditures in the period in which they become known. Actual results could differ from these estimates.

Example of significant estimates include:

- the allowance for doubtful accounts;
- providing for depreciation of capital assets;
- the estimated useful lives of assets; and
- the recoverability of tangible assets.

Notes to Financial Statements

Year Ended March 31, 2024

3. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2024.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from its tenants. In order to reduce its credit risk, the Corporation reviews a new tenant's credit history before extending credit and conducts regular reviews of its existing tenants' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Corporation has a significant number of tenants which minimizes concentration of credit risk. As at March 31, 2024, the corporation does not have significant exposure to any individual tenant or counter party.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its receipt of funds from its tenants and the other related sources, payables and accruals, mortgage payable, and other obligations.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its mortgage payable which bears interest at 5.36% per annum.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
<u>Original land and buildings</u>				
91 Sunset Drive*	\$ 518,208	\$ 477,162	\$ 41,046	\$ 41,046
95 Sunset Drive*	516,127	452,256	63,871	63,871
116 Sunset Drive (12 units)*	1,333,457	691,977	641,480	684,927
116 Sunset Drive (19 units)*	2,062,837	1,118,400	944,437	1,035,112
120 Sunset Drive*	973,166	834,643	138,523	138,523
Buildings and land improvements	765,131	647,521	117,610	137,352
Equipment	156,492	127,697	28,795	49,825
	<u>\$ 6,325,418</u>	<u>\$ 4,349,656</u>	<u>\$ 1,975,762</u>	<u>\$ 2,150,656</u>

*The depreciation on these assets is equal to the principal repayments of the related mortgages in accordance with the Department of Social Development policy 401-3.

5. MORTGAGE PAYABLE

	<u>2024</u>	<u>2023</u>
TD Canada Trust loan bearing interest at 5.36%, repayable in monthly payments of \$9,992 including principal and interest amortized over 15 years with a 10 year term maturing February 14, 2033.	\$ 1,178,682	\$ 1,234,307
Amounts payable within one year	<u>(58,818)</u>	<u>(55,625)</u>
	<u>\$ 1,119,864</u>	<u>\$ 1,178,682</u>

Principal repayment terms are approximately:

2025	\$ 58,818
2026	62,013
2027	65,382
2028	68,798
2029	72,670
Thereafter	<u>851,001</u>
	<u>\$ 1,178,682</u>

6. FORGIVABLE SUPPORTIVE HOUSING LOANS

	<u>2024</u>	<u>2023</u>
Province of New Brunswick (Affordable Rental Housing Program) 4.80% forgivable loan. The forgivable loan is earned evenly over 20 years ending May 1, 2027 subject to continuing to meet certain terms and conditions.	\$ 102,521	\$ 135,771
Province of New Brunswick (Affordable Rental Housing Program) 4.30% forgivable loan. The forgivable loan is earned evenly over 20 years ending March 31, 2031 subject to continuing to meet certain terms and conditions.	168,000	192,000
Province of New Brunswick (Affordable Rental Housing Program) 3.10% forgivable loan. The forgivable loan is earned evenly over 17 years ending May 1, 2031 subject to continuing to meet certain terms and conditions.	45,098	51,862
Province of New Brunswick (Affordable Rental Housing Program) 3.30% forgivable loan. The forgivable loan is earned evenly over 16 years ending May 1, 2031 subject to continuing to meet certain terms and conditions.	<u>61,718</u>	<u>71,094</u>
	<u>\$ 377,337</u>	<u>\$ 450,727</u>

(continues)

Notes to Financial Statements

Year Ended March 31, 2024

6. FORGIVABLE SUPPORTIVE HOUSING LOANS (continued)

As at March 31, 2024, all terms and conditions of the forgivable loans have been met.

The changes in the forgivable loans are as follows:

	2024	2023
Balance - Beginning of year	\$ 450,727	\$ 524,117
Less: Amount forgiven	<u>(73,390)</u>	<u>(73,390)</u>
	<u>\$ 377,337</u>	<u>\$ 450,727</u>

Amount of loans forgiven is included in amortization of deferred contributions and forgiveness of debt in the statement of operations - operating fund.

7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2024	2023
Balance - Beginning of year	\$ 5,002	\$ 7,002
Less: Amounts amortized to revenue	<u>(2,000)</u>	<u>(2,000)</u>
Balance - End of year	<u>\$ 3,002</u>	<u>\$ 5,002</u>

Amount amortized to revenue is included in amortization of deferred contributions and forgiveness of debt in the statement of operations - operating fund.

8. PROVINCE OF NEW BRUNSWICK SUBSIDY PAYMENTS

The Corporation has received assistance totaling \$128,883 (2023 - \$113,088) through the Province of New Brunswick Department of Social Development in relation to supportive housing tenant occupancy.

9. RELATED PARTY TRANSACTIONS

The Corporation had the following transactions with related parties in the normal course of business; all transactions are recorded at their exchange value.

- Project management fees of supportive services of \$55,554 (2023 - \$54,117), and management fees of \$223,129 (2023 - \$200,204) were paid to York Care Centre Inc., who share common management, during the fiscal year.
- The Corporation pays certain expenses for the Centre for Research in Aging Inc., who share common management, and has receivables as at March 31, 2024, with respect to those transactions of \$943 (2023 - \$782).

10. CAPITAL MANAGEMENT

Management considers capital to be fund balances. The Corporation's objective when managing capital is to maintain financial strength to sustain long-term delivery of its core activities within its own organization and within its related parties.

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

DRAFT

YORK DEVELOPMENTS INC. - 91, 95, 120 SUNSET DRIVE

Financial Statements

Year Ended March 31, 2024

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COMPILATION ENGAGEMENT REPORT

To the Board of Directors of York Developments Inc. - 91, 95, 120 Sunset Drive

On the basis of information provided by management, we have compiled the statement of operations and change in net assets for the operating and the replacement reserve funds of York Developments Inc. - 91,95,120 Sunset Drive, for the year ended March 31, 2024.

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

We performed this engagement in accordance with reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991. Our responsibility is to assist management in the preparation of the financial statements.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the statements provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial statements.

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

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

YORK DEVELOPMENTS INC. - 91, 95, 120 SUNSET DRIVE
Statement of Operations and Change in Net Assets - Operating Fund
Year Ended March 31, 2024

DRAFT

	2024	2023
REVENUE		
Rentals	\$ 520,669	\$ 496,511
Forgiveness of debt	16,140	16,140
Other	10,597	11,060
	547,406	523,711
EXPENDITURES		
Administration charges	147,447	130,718
Repairs and maintenance - building	76,222	43,265
Salaries and wages	75,799	74,040
Property taxes	52,712	50,946
Security	38,888	37,882
Insurance	35,460	29,049
Electricity	25,653	23,084
Utilities	11,148	10,876
Minor equipment and furnishings	7,901	1,612
Garbage removal	7,715	6,814
Fire alarm rental, sprinkler and elevator inspection	6,812	5,544
Audit fees	6,629	5,146
Employee benefits	6,482	6,518
Grounds maintenance	4,214	12,060
Supplies	2,515	4,051
Telephone	2,050	2,287
Legal fees	1,487	1,648
Travel	673	753
Housing association	624	1,075
Repairs and maintenance - equipment	419	7,044
Bank charges	28	-
Board expense	-	810
Depreciation	16,796	16,796
	527,674	472,018
EXCESS OF REVENUE OVER EXPENDITURES	19,732	51,693
NET ASSETS - BEGINNING OF YEAR	578,808	528,165
	598,540	579,858
TRANSFER TO REPLACEMENT RESERVE	(18,000)	(18,000)
TRANSFER FROM REPLACEMENT RESERVE	38,527	16,950
NET ASSETS - END OF YEAR	\$ 619,067	\$ 578,808

YORK DEVELOPMENTS INC. - 91, 95, 120 SUNSET DRIVE
Statement of Operations and Changes in Net Assets - Replacement Reserve
Year Ended March 31, 2024

DRAFT

	2024	2023
INTEREST INCOME	\$ 5,070	\$ 2,700
TRANSFERS		
Transfer from Operating Fund	18,000	18,000
Transfer to Operating Fund	<u>(38,527)</u>	<u>(16,950)</u>
CHANGE IN FUND BALANCE	(15,457)	3,750
NET ASSETS - BEGINNING OF YEAR	<u>89,145</u>	<u>85,395</u>
NET ASSETS - END OF YEAR	\$ 73,688	\$ 89,145

DRAFT

YORK DEVELOPMENTS INC. - 116 SUNSET DRIVE

Financial Statements

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COMPILATION ENGAGEMENT REPORT

To the Board of Directors of York Developments Inc. - 116 Sunset Drive

On the basis of information provided by management, we have compiled the statement of operations and changes in net assets for the operating fund, supportive housing replacement reserve, and the vacancy reserve for the year ended March 31, 2024.

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

We performed this engagement in accordance with reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991. Our responsibility is to assist management in the preparation of the financial statements.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the statements provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial statements.

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

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

YORK DEVELOPMENTS INC. - 116 SUNSET DRIVE
Statement of Operations and Changes in Net Assets - Operating Fund
Year Ended March 31, 2024

DRAFT

	2024	2023
REVENUE		
Tenant services	\$ 244,119	\$ 223,945
Rentals	220,538	210,858
Province of New Brunswick care revenue	160,057	93,446
Province of New Brunswick subsidy payments	127,883	113,088
Forgiveness of debt	57,250	57,250
Other	18,883	10,900
Project workers	14,159	-
Client paid care revenue	6,631	2,564
	849,520	712,051
EXPENDITURES		
Salaries and wages	307,714	228,670
Mortgage interest	64,278	53,682
Food services	53,163	51,565
Electricity	48,838	43,923
Administration charges	41,139	29,824
Employee benefits	31,619	24,640
Property taxes	21,750	21,031
Repairs and maintenance	21,561	15,861
Security	16,666	16,235
Project workers	15,993	-
Insurance	12,438	10,191
Supplies	5,716	10,101
Utilities	3,856	3,856
Ground maintenance	3,646	3,679
Minor equipment and furnishings	3,623	4,499
Audit fees	3,579	2,679
Fire alarm rental, sprinkler and elevator inspection	3,298	3,932
Garbage removal	2,790	2,466
Bank charges	890	3,283
Housing association	662	497
Cable	253	270
Advertising	204	927
Travel	20	-
Legal fees	-	7,008
Depreciation	158,098	163,556
	821,794	702,375
EXCESS OF REVENUE OVER EXPENDITURES	27,726	9,676
NET ASSETS - BEGINNING OF YEAR	114,552	121,376
	142,278	131,052
NET TRANSFER TO SUPPORTIVE HOUSING REPLACEMENT RESERVE	(14,389)	(16,500)
NET ASSETS - END OF YEAR	\$ 127,889	\$ 114,552

Statement of Operations and Changes in Net Assets - Supportive Housing Replacement Reserve
 Year Ended March 31, 2024

	2024	2023
INTEREST INCOME	\$ 8,358	\$ 358
TRANSFERS		
Transfer from Operating Fund	18,000	16,500
Transfer to Operating Fund	(3,611)	-
	14,389	16,500
CHANGE IN FUND BALANCE	22,747	16,858
NET ASSETS - BEGINNING OF YEAR	162,426	145,568
NET ASSETS - END OF YEAR	\$ 185,173	\$ 162,426

YORK DEVELOPMENTS INC. - 116 SUNSET DRIVE
Statement of Operations and Changes in Net Assets - Vacancy Reserve
Year Ended March 31, 2024

DRAFT

	2024	2023
INTEREST INCOME	\$ 2,380	\$ 1,314
NET ASSETS - BEGINNING OF YEAR	<u>43,737</u>	<u>42,423</u>
NET ASSETS - END OF YEAR	<u>\$ 46,117</u>	<u>\$ 43,737</u>

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YORK DEVELOPMENTS INC. - ADULT DAY PROGRAM

Financial Statements

Year Ended March 31, 2024

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COMPILATION ENGAGEMENT REPORT

To the Board of Directors of York Developments Inc. - Adult Day Program

On the basis of information provided by management, we have compiled the statement of income and deficit for the year ended March 31, 2024.

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

We performed this engagement in accordance with reporting provisions of the Province of New Brunswick, Department of Social Development policy 401-3 dated November 30, 1991. Our responsibility is to assist management in the preparation of the financial statements.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the statement provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial statement.

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

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

YORK DEVELOPMENTS INC. - ADULT DAY PROGRAM**DRAFT****Statement of Income and Deficit****Year Ended March 31, 2024**

	2024	2023
REVENUE		
Province of New Brunswick care revenue	\$ 72,598	\$ 19,529
Client paid care revenue	38,176	13,335
Other	30,960	15,828
Amortization of deferred contributions	2,000	2,000
	<u>143,734</u>	<u>50,692</u>
EXPENDITURES		
Salaries and wages	91,970	30,203
Employee benefits	10,641	3,848
Food services	10,120	2,887
Supplies	5,456	2,669
Repairs and maintenance - building	4,428	4,403
Administration charges	3,100	1,550
Minor equipment and furnishings	1,701	170
Travel	1,228	313
Insurance	681	649
Advertising	489	878
Telephone	230	-
	<u>130,044</u>	<u>47,570</u>
EXCESS OF REVENUE OVER EXPENDITURES	13,690	3,122
DEFICIT - BEGINNING OF YEAR	<u>(32,281)</u>	<u>(35,403)</u>
DEFICIT - END OF YEAR	<u>\$ (18,591)</u>	<u>\$ (32,281)</u>

CENTRE FOR INNOVATION AND RESEARCH IN AGING INC.
Financial Statements
Year Ended March 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Members of Centre for Innovation and Research in Aging Inc.

Opinion

We have audited the financial statements of Centre for Innovation and Research in Aging Inc. (the "Corporation"), which comprise the statement of financial position as at March 31, 2024, 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 Corporation as at March 31, 2024, 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 (ASNPO).

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 Corporation 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 ASNPO, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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.

(continues)

Independent Auditors' Report to the Members of Centre for Innovation and Research in Aging Inc. *(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 Corporation'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 Corporation'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 Corporation 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.

Saint John, New Brunswick
June 24, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

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: : : : :
: : : : :

Statement of Financial Position

March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 248,277	\$ 546,798
Accounts receivable	1,013	1,243
Harmonized sales tax recoverable	6,440	9,745
	<u>255,730</u>	<u>557,786</u>
CAPITAL ASSET (Note 4)	<u>2,582</u>	<u>5,061</u>
	<u>\$ 258,312</u>	<u>\$ 562,847</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 49,144	\$ 48,381
Due to related parties (Notes 6, 8)	6,213	5,985
	<u>55,357</u>	<u>54,366</u>
DEFERRED CONTRIBUTIONS (Note 7)	<u>164,507</u>	<u>486,818</u>
	<u>219,864</u>	<u>541,184</u>
NET ASSETS		
UNRESTRICTED	35,866	16,602
INVESTED IN CAPITAL ASSETS	<u>2,582</u>	<u>5,061</u>
	<u>38,448</u>	<u>21,663</u>
	<u>\$ 258,312</u>	<u>\$ 562,847</u>

ON BEHALF OF THE BOARD

Director_____
Director

Statement of Operations
Year Ended March 31, 2024

	2024	2023
REVENUE		
Project grants	\$ 596,309	\$ 749,593
Symposium	45,588	40,420
Operational grants <i>(Note 8)</i>	45,000	45,000
Project workers	7,356	9,985
Other	-	1,500
	<u>694,253</u>	<u>846,498</u>
EXPENDITURES		
Project expenditures	596,309	749,593
Administration	47,826	38,779
Symposium expenses	45,469	42,428
Project workers	8,797	9,985
Depreciation	2,479	3,237
	<u>700,880</u>	<u>844,022</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FROM OPERATIONS	<u>(6,627)</u>	<u>2,476</u>
INTEREST INCOME	<u>23,412</u>	<u>16,702</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 16,785</u>	<u>\$ 19,178</u>

Statement of Changes in Net Assets

Year Ended March 31, 2024

	Unrestricted		Invested in Capital Assets		2024		2023	
NET ASSETS - BEGINNING OF YEAR	\$	16,602	\$	5,061	\$	21,663	\$	2,485
EXCESS OF (DEFICIENCY) OF REVENUE OVER EXPENDITURES		19,264		(2,479)		16,785		19,178
NET ASSETS - END OF YEAR	\$	35,866	\$	2,582	\$	38,448	\$	21,663

Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 16,785	\$ 19,178
Item not affecting cash:		
Amortization of capital asset	2,479	3,237
	<u>19,264</u>	<u>22,415</u>
Changes in non-cash working capital:		
Accounts receivable	230	2,517
Harmonized sales tax payable (recoverable)	3,305	(4,568)
Accounts payable	763	(38,800)
Deferred contributions	(322,311)	(117,926)
	<u>(318,013)</u>	<u>(158,777)</u>
Cash flow used by operating activities	<u>(298,749)</u>	<u>(136,362)</u>
FINANCING ACTIVITY		
Due to (from) related parties	228	(11,197)
DECREASE IN CASH FLOWS	(298,521)	(147,559)
CASH - BEGINNING OF YEAR	546,798	694,357
CASH - END OF YEAR	\$ 248,277	\$ 546,798

Notes to Financial Statements

Year Ended March 31, 2024

1. NATURE OF OPERATIONS

Centre for Innovation and Research in Aging Inc., (the "Corporation"), was incorporated on March 15, 2018 for the primary purpose of conducting scientific research to advance matters that impact the elderly and aging. The Corporation is a not-for-profit organization and is exempt from federal and provincial corporate taxes under paragraph 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of Presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO").

Cash and Cash Equivalents

The Corporation consists cash on hand, short-term deposits and balances with banks, net of overdrafts as cash and cash equivalents.

Revenue Recognition

The Corporation generates revenue through project grants and related research services. Grant revenue is recognized when there is reasonable assurance that the Corporation has complied with and will continue to comply with all conditions necessary to obtain the grants. Symposium revenue is recognized when received. Other revenue is recognized when there is a persuasive evidence of an arrangement, the associated fees are fixed or determinable and collection is reasonably assured.

Contributed Services

Volunteers contribute, as participants, numerous hours per year to assist the Corporation in carrying out its activities. The fair value of these donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in excess (deficiency) of revenue over expenditures. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Examples of significant estimates include

- providing for amortization of capital asset;
- the estimated useful lives of assets; and
- the recoverability of tangible asset.

(continues)

Notes to Financial Statements

Year Ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Capital Assets

Capital Assets are stated at cost or deemed cost less accumulated depreciation. Capital Assets are depreciated over their estimated useful lives on a straight-line basis at the following rate:

Equipment	5 years
-----------	---------

The Corporation regularly reviews its capital assets to eliminate obsolete items.

Certain of these assets may be funded by specific grants. The Corporation accounts for these capital grants as deferred contributions. Depreciation of these deferred contributions is provided for at the same rate as depreciation on the related assets.

Interest expense incurred to finance construction is capitalized with the related asset on large projects.

No depreciation is recorded on assets under construction. Depreciation on constructed assets commences in the year the total project is completed.

3. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2024.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk through receivables. As at March 31, 2024, the corporation does not have significant exposure to any individual client or counterparty.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its receipt of funds from its grantors and other related sources, and accounts payable and accrued liabilities. To manage liquidity risk, the Corporation has the ability to obtain working capital loans through the Province of New Brunswick, should cash requirements exceed cash generated from operating activities.

Currency Risk

Currency risk is the risk to the corporation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Corporation is not exposed to exchange risk as it does not hold any cash, accounts receivable or accounts payable in foreign currencies.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Corporation is not exposed to interest rate risk as it does not have any variable interest rate debt or bank indebtedness.

Notes to Financial Statements

Year Ended March 31, 2024

4. CAPITAL ASSET

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Equipment	\$ 16,186	\$ 13,604	\$ 2,582	\$ 5,061

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Vacation payable	\$ 14,552	\$ 16,887
Government remittances payable	9,483	6,982
Trade accounts payable	598	3,735
Accrued liabilities	24,511	20,777
	<u>\$ 49,144</u>	<u>\$ 48,381</u>

6. DUE TO RELATED PARTIES

	2024	2023
York Care Centre Inc.	\$ 5,270	\$ 5,203
York Developments Inc.	943	782
	<u>\$ 6,213</u>	<u>\$ 5,985</u>

7. DEFERRED CONTRIBUTIONS

The changes in the deferred contributions balance for the year are as follows:

	2024	2023
Balance - Beginning of year	\$ 486,818	\$ 604,744
Add: Contributions received during year	273,998	631,667
Less: Amounts amortized to revenue	(596,309)	(749,593)
Balance - End of year	<u>\$ 164,507</u>	<u>\$ 486,818</u>

8. RELATED PARTY TRANSACTIONS

The Corporation had the following transactions with related parties in the normal course of business; all transactions are recorded at their exchange value. Balances due from related parties are non-interest bearing and have no fixed repayment terms.

(continues)

Notes to Financial Statements

Year Ended March 31, 2024

8. RELATED PARTY TRANSACTIONS (continued)

- York Care Centre Inc. acts as the payroll agent for the Centre for Innovation and Research in Aging Inc. who share common management and has payables at year end with respect of these transactions for \$5,270 (2023 - \$5,203). York Care Centre Inc. also provided an operational grant to the Corporation of \$45,000 (2023 - \$45,000) during the year.
- York Developments Inc. pays certain expenses on the Corporation's behalf and share common management. The expenses are charged back to the Corporation. The amount of such expenses included in accounts payable at March 31, 2024 is \$943 (2023 - \$782).

9. CAPITAL MANAGEMENT

Management considers capital to be fund balances. The Corporation's objective when managing capital is to maintain financial strength to sustain long-term delivery of its core activities within its own organization and within its related parties.

10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

CENTRE FOR INNOVATION AND RESEARCH IN AGING INC.

DRAFT

Project Related Revenue and Expenditures (Unaudited)

(Schedule 1)

Year Ended March 31, 2024

The accompanying financial information is presented as supplementary information only. In this respect, it does not form part of the financial statements of Centre for Innovation and Research in Aging Inc. for the year ended March 31, 2024.

	Opening deferred revenue 2023	Revenue received 2024	Revenue recognized 2024	Ending deferred revenue 2024
RA Co-op program Dept of PETL	\$ 19,349	\$ -	\$ -	\$ 19,349
Improve Immunization Project HSPP	12,503	-	12,503	-
Poly pharmacy App Phase 2 Project HSPP	86,068	-	75,294	10,774
Healthcare Excellence Canada Project	5,000	5,000	10,010	(10)
GENIE	200,150	215	195,150	5,215
Passive Aware	163,748	(216)	157,183	6,349
Passive Aware at Home	-	47,011	23,437	23,574
A Day in the Life	-	42,988	33,732	9,256
Promote Physical Activity - Phase 2	-	89,000	89,000	-
Discover and Adopt	-	90,000	-	90,000
	\$ 486,818	\$ 273,998	\$ 596,309	\$ 164,507



**Financial Statements
(Unaudited)**

York County Properties Inc.

March 31, 2024

Contents

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Statement of Operations and Changes in Net Assets	1
Statement of Financial Position	2
Statement of Cash Flows	3
Notes to the Financial Statements	4-5

York County Properties Inc.
Statement of Operations and Changes
in Net Assets
(Unaudited)

Year Ended March 31,	2024	2023
Revenue		
Mortgage Interest	\$ -	\$ 876
Interest income	<u>24,066</u>	<u>14,740</u>
	<u>24,066</u>	<u>15,616</u>
Expenses		
Reimbursement of parent company expenses	23,767	15,298
Miscellaneous	0	0
Property taxes	<u>299</u>	<u>318</u>
	<u>24,066</u>	<u>15,616</u>
Excess of (expenditures over revenue) revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>
Net assets, beginning of year	\$ 456,771	\$ 456,771
Excess of (expenditures over revenue) revenues over expenditures	-	-
Net assets, end of year	<u>\$ 456,771</u>	<u>\$ 456,771</u>

See accompanying notes to the financial statements.

York County Properties Inc.
Statement of Financial Position
(Unaudited)

March 31,	2024	2023
Assets		
Current		
Cash and cash equivalents	\$ 449,170	\$ 449,170
Receivables	2,086	1,893
Prepays	<u>0</u>	<u>0</u>
	451,256	451,063
Land (Note 3)	<u>7,601</u>	7,601
	<u>\$ 458,857</u>	<u>\$ 458,664</u>
Liabilities		
Current		
Payables and accruals	<u>\$2,086</u>	<u>\$1,893</u>
	\$2,086	\$1,893
Fund Balances	<u>456,771</u>	456,771
	<u>\$ 458,857</u>	<u>\$ 458,664</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See accompanying notes to the financial statements.

York County Properties Inc.
Statement of Cash Flows
(Unaudited)

Year Ended March 31,

2024

2023

Increase (decrease) in cash and cash equivalents

Operating

Excess of (expenditures over revenues)

revenues over expenditures

\$ - \$ -

Gain on sale of assets

- -
\$0 **\$0**

Changes in

Receivables

(193) 36,628

Prepays

- -

Payables and accruals

193 1,569

Deferred revenue

- -

- 38,197

Investing

Proceeds on sale of assets net of disposal costs

- -

- -

Net (decrease) increase in cash and cash equivalents

- 38,197

Cash and cash equivalents, beginning of year

449,169 410,972

Cash and cash equivalents, end of year

\$ 449,169 \$ 449,169

See accompanying notes to the financial statements.

York County Properties Inc.
Notes to the Financial Statements
(Unaudited)
March 31, 2024

1. Nature of operations

The corporation has had limited activity over the past several years, but has funds available to help support senior housing projects.

The corporation operated the historic W.W.Boyce Farmer's Market for many years. As of February 28, 2009 the the W.W Boyce Farmer's Market was sold to the Province of New Brunswick. As per a review performed by Canada Revenue Agency in the fall of 2010, the organization no longer qualifies as a not-for-profit, and is reporting based Accounting Standards for Private Enterprises (ASPE).

2. Summary of significant accounting policies

Revenue and expenditures

Revenue and expenditures are recorded according to the accrual basis of accounting. Administration expenditures are not subject to reallocation procedures to projects and activities.

Capital assets

Capital assets are recorded at cost.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

Use of estimates

Under Canadian Generally Accepted Accounting Principles management is required to make estimates and assumptions to prepare financial statements. These estimates are based on management's best knowledge of current events and actions that the corporation may undertake in the future. These estimates and assumptions may affect the amount of assets and liabilities presented as at the reporting date and the reported amount of revenue and expenses during the fiscal period. Actual results may be different from the estimates and assumptions used.

3. Land

	Cost	Accumulated Depreciation	2024 Net Book Value	2023 Net Book Value
Land - York Farm	7,601	-	7,601	7,601
	<u>\$ 7,601</u>	<u>\$ -</u>	<u>\$ 7,601</u>	<u>\$ 7,601</u>

York County Properties Inc.
Notes to the Financial Statements
(Unaudited)
March 31, 2024

4. Net Assets	2024	2023
Capital fund	\$ 7,601	\$ 7,601
Operating Fund	<u>449,170</u>	<u>449,170</u>
	<u>\$ 456,771</u>	<u>\$ 456,771</u>

5. Financial instruments

The company's financial instruments consist of cash and cash equivalents, receivables or payables and amounts due to/from related parties. Unless otherwise noted it is management's opinion that the company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted due to their short period to maturity.

6. Capital Management

Management considers capital to be net assets. The company's objective when managing capital is to maintain financial strength to sustain long term delivery of its core activities within its own organization and within the York Group of Companies.
