

AVENS - A COMMUNITY FOR SENIORS
Yellowknife, NT

FINANCIAL STATEMENTS
For the year ended March 31, 2017

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MANAGEMENT'S RESPONSIBILITY FOR REPORTING

AVENS - A
Community for
Seniors

Owners of:
Aven Manor
long term care

Aven Cottages
dementia care

Aven Court/Aven Ridge
independent housing

Baker Community Centre
wellness

The accompanying financial statements have been prepared by management, which is responsible for the reliability, integrity and objectivity of the information provided. They have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Where necessary the statements include amounts that are based on informed judgments and estimates by management, giving appropriate consideration to reasonable limits of materiality.

In discharging its responsibility for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained. These controls include quality standards in hiring and training employees, written policies and procedures manuals, and accountability for performance within appropriate and well-defined areas of responsibility. The Board's management recognizes its responsibility for conducting the Board's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate.

The accounting firm of Avery Cooper & Co. Ltd. Chartered Professional Accountants annually provide an independent, objective audit for the purpose of expressing an opinion on the financial statements in accordance with Canadian generally accepted auditing standards.

Morgan Gebauer

Morgan Gebauer, CPA, CA
Chief Executive Officer
AVENS- A Community for Seniors

August 23, 2017

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AVENS Vision: Seniors have a safe and caring community for life.



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INDEPENDENT AUDITOR'S REPORT

To the Members of
AVENS - A Community for Seniors

We have audited the accompanying financial statements of AVENS - A Community for Seniors, which comprise the Statement of Financial Position as at March 31, 2017, and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of AVENS - A Community for Seniors as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Chartered Professional Accountants
Yellowknife, NT

August 23, 2017



AVENS - A COMMUNITY FOR SENIORS

STATEMENT OF FINANCIAL POSITION

March 31, 2017

ASSETS

| | 2017 | 2016 |
|---|----------------------|----------------------|
| CURRENT | | |
| Cash (note 3) | \$ 67,729 | \$ 147,532 |
| Term deposits (note 3) | 33,029 | 34,045 |
| Accounts receivable (note 4) | 14,496 | 19,660 |
| Prepaid expenses | 97,761 | 139,033 |
| | 213,015 | 340,270 |
| INVESTMENTS (note 5) | 1,115,675 | 1,310,114 |
| TANGIBLE CAPITAL ASSETS (note 6) | 32,885,150 | 33,603,453 |
| | \$ 34,213,840 | \$ 35,253,837 |

LIABILITIES

| | | |
|---|------------|------------|
| CURRENT | | |
| Bank indebtedness (note 3) | \$ 72,314 | \$ 191,841 |
| Wages and benefits payable | 407,917 | 426,994 |
| Trade payables and accruals (note 7) | 294,988 | 215,353 |
| Security deposits (note 3) | 32,883 | 33,561 |
| Contributions repayable (note 8) | 189,931 | 345,669 |
| Deferred revenue (note 9) | 19,793 | 1,530 |
| Current portion of long-term debt | 439,384 | 424,361 |
| | 1,457,210 | 1,639,309 |
| LONG-TERM DEBT (note 10) | 4,425,249 | 4,964,633 |
| DEFERRED GOVERNMENT ASSISTANCE (note 11) | 12,839 | 13,955 |
| DEFERRED CAPITAL CONTRIBUTIONS (note 12) | 13,493,524 | 13,837,892 |
| | 19,388,822 | 20,455,789 |

CONTINGENCY (note 13)

NET ASSETS

| | | |
|--|----------------------|----------------------|
| UNRESTRICTED SURPLUS (DEFICIT) per page 3 | (833,693) | (660,677) |
| APPROPRIATED SURPLUS per page 3 | 25,000 | 47,000 |
| RESTRICTED REPLACEMENT RESERVE per page 3 | 909,108 | 838,664 |
| INVESTMENT IN CAPITAL ASSETS per page 3 | 14,514,154 | 14,362,612 |
| ENDOWMENT FUNDS per page 3 | 210,449 | 210,449 |
| | 14,825,018 | 14,798,048 |
| | \$ 34,213,840 | \$ 35,253,837 |

Approved:



Director



Director

AVENS - A COMMUNITY FOR SENIORS

STATEMENT OF OPERATIONS

For the year ended March 31, 2017

| | (Unaudited) 2017 Budget (note 23) | 2017 Actual | 2016 Actual |
|--|--|-------------------|---------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| REVENUES | | | |
| Contributions from YHSSA | \$ 7,252,261 | \$ 7,934,560 | \$ 7,275,216 |
| Rental fees | 838,639 | 859,775 | 828,180 |
| Contributions from NWTCH | 689,309 | 571,429 | 631,232 |
| Amortization of deferred capital contributions | 444,657 | 395,485 | 436,658 |
| Donations and fundraising | 105,000 | 173,686 | 196,529 |
| Fees and expense recoveries | 53,000 | 57,422 | 47,549 |
| Grants | - | 29,233 | 5,657 |
| Interest income | 10,000 | 5,882 | 9,033 |
| Contributions from Government of Canada | - | 5,260 | 36,457 |
| | <u>9,392,866</u> | <u>10,032,732</u> | <u>9,466,511</u> |
| EXPENSES | | | |
| Advertising and promotion | 7,500 | 3,045 | 8,407 |
| Amortization of tangible capital assets | 863,341 | 850,278 | 873,139 |
| Bad debts | - | 5,356 | - |
| Computer | 40,000 | 61,723 | 64,242 |
| Departmental supplies | 100,000 | 86,477 | 107,331 |
| Dietary | 250,000 | 200,213 | 247,444 |
| Fundraising | - | 113 | 5,014 |
| Insurance | 157,000 | 126,543 | 167,474 |
| Interest and bank charges | 5,000 | 10,715 | 7,091 |
| Interest on long-term debt | 188,326 | 174,553 | 187,703 |
| Membership | 12,000 | 7,387 | 11,750 |
| Office and administration | 30,000 | 19,212 | 78,047 |
| Office supplies | 21,000 | 11,443 | 15,122 |
| Professional fees | 110,000 | 193,088 | 177,536 |
| Property taxes | 141,715 | 163,715 | 163,715 |
| Repairs and maintenance | 217,500 | 188,767 | 189,499 |
| Salaries and benefits | 6,632,000 | 7,309,125 | 7,057,744 |
| Subcontract | 50,000 | 30,948 | 151,094 |
| Training and development | 93,000 | 83,401 | 56,469 |
| Utilities | 469,500 | 479,660 | 483,610 |
| | <u>9,387,882</u> | <u>10,005,762</u> | <u>10,052,431</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | <u>\$ 4,984</u> | <u>\$ 26,970</u> | <u>\$ (585,920)</u> |

AVENS - A COMMUNITY FOR SENIORS

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2017

2017

| | Unrestricted Surplus | Appropriated Surplus | Restricted Replacement Reserve | Investment in Capital Assets | Endowment Funds | Total |
|--|-------------------------|-------------------------|--------------------------------------|---------------------------------|--------------------|----------------------|
| BALANCE, opening | \$ (660,677) | \$ 47,000 | \$ 838,664 | \$ 14,362,612 | \$ 210,449 | \$ 14,798,048 |
| Excess of revenues over expenses | 26,970 | - | - | - | - | 26,970 |
| Transfers (notes 15 and 16) | (48,444) | (22,000) | 70,444 | - | - | - |
| Purchase of tangible capital assets | (131,975) | - | - | 131,975 | - | - |
| Amortization of tangible capital assets | 850,278 | - | - | (850,278) | - | - |
| Repayment of long-term debt | (283,490) | - | - | 283,490 | - | - |
| Additions to deferred capital contributions | 50,000 | - | - | (50,000) | - | - |
| Amortization of deferred capital contributions | (394,368) | - | - | 394,368 | - | - |
| Amortization of deferred government assistance | (1,116) | - | - | 1,116 | - | - |
| Contributed long-term debt repayments | (240,871) | - | - | 240,871 | - | - |
| BALANCE, closing | <u>\$ (833,693)</u> | <u>\$ 25,000</u> | <u>\$ 909,108</u> | <u>\$ 14,514,154</u> | <u>\$ 210,449</u> | <u>\$ 14,825,018</u> |

AVENS - A COMMUNITY FOR SENIORS

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2017

2016

| | <u>Unrestricted Surplus</u> | <u>Appropriated Surplus</u> | <u>Restricted Replacement Reserve</u> | <u>Investment in Capital Assets</u> | <u>Endowment Funds</u> | <u>Total</u> |
|--|---------------------------------|---------------------------------|---|---|----------------------------|----------------------|
| BALANCE, opening | \$ 65,198 | \$ 360,900 | \$ 775,820 | \$ 13,971,601 | \$ 210,449 | \$ 15,383,968 |
| Deficiency of revenues over expenses | (585,920) | - | - | - | - | (585,920) |
| Transfers | 251,056 | (313,900) | 62,844 | - | - | - |
| Purchase of tangible capital assets | (448,255) | - | - | 448,255 | - | - |
| Amortization of tangible capital assets | 873,139 | - | - | (873,139) | - | - |
| Repayment of long-term debt | (278,387) | - | - | 278,387 | - | - |
| Additions to deferred capital contributions | 30,000 | - | - | (30,000) | - | - |
| Amortization of deferred capital contributions | (435,444) | - | - | 435,444 | - | - |
| Amortization of deferred government assistance | (1,213) | - | - | 1,213 | - | - |
| Contributed long-term debt repayments | <u>(130,851)</u> | <u>-</u> | <u>-</u> | <u>130,851</u> | <u>-</u> | <u>-</u> |
| BALANCE, closing | <u>\$ (660,677)</u> | <u>\$ 47,000</u> | <u>\$ 838,664</u> | <u>\$ 14,362,612</u> | <u>\$ 210,449</u> | <u>\$ 14,798,048</u> |

AVENS - A COMMUNITY FOR SENIORS

STATEMENT OF CASH FLOWS

For the year ended March 31, 2017

| | 2017 | 2016 |
|---|------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES (note 21) | | |
| Cash received from: | | |
| YHSSA contributions | \$ 7,935,216 | \$ 7,275,216 |
| Donations, fees, and recoveries | 982,319 | 1,166,903 |
| NWTHC contributions | 471,800 | 480,000 |
| Grants | 96,733 | 177,654 |
| Government of Canada contributions | - | 36,457 |
| | <u>9,486,068</u> | <u>9,136,230</u> |
| Cash paid for: | | |
| Interest paid | 99,154 | 102,276 |
| Contributions repaid | 269,014 | 10,244 |
| Materials and services | 1,564,954 | 1,952,145 |
| Salaries and benefits | 7,328,202 | 6,958,986 |
| | <u>9,261,324</u> | <u>9,023,651</u> |
| | <u>224,744</u> | <u>112,579</u> |
| CASH FLOWS FROM FINANCING ACTIVITY | | |
| Repayment of long-term debt | (283,490) | (278,385) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Decrease (increase) in investments | 194,439 | (426,043) |
| Purchase of tangible capital assets | (96,985) | (487,756) |
| | <u>97,454</u> | <u>(913,799)</u> |
| DECREASE (INCREASE) IN BANK INDEBTEDNESS | 38,708 | (1,079,605) |
| (DEFICIENCY) CASH AND CASH EQUIVALENTS), opening | <u>(10,264)</u> | <u>1,069,341</u> |
| CASH (BANK INDEBTEDNESS), closing | <u>\$ 28,444</u> | <u>\$ (10,264)</u> |
| REPRESENTED BY: | | |
| Cash | \$ 67,729 | \$ 147,532 |
| Term deposits | 33,029 | 34,045 |
| Bank indebtedness | (72,314) | (191,841) |
| | <u>\$ 28,444</u> | <u>\$ (10,264)</u> |

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

1. NATURE OF OPERATIONS

AVENS - A Community for Seniors (the "Association"), is a non-profit organization incorporated April 29, 1983 under the Societies Act of the Northwest Territories, whose mission is providing quality community living choices for seniors by delivering quality services in a safe and respectful manner. The Association is a registered charity under paragraph 149(1)(f) of the Income Tax Act and qualifies as a charitable organization under subsection 149.1(1) of the Income Tax Act.

The Association receives the majority of its revenues through a funding agreement from the Yellowknife Health and Social Services Authority ("YHSSA"), and the Northwest Territories Housing Corporation ("NWT HC"). The Association's continued operations are dependent on these funding agreements and on satisfying the terms of the agreements.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Cash equivalents

The Association considers demand deposits held with banks including security deposits and retention accounts, and highly-liquid investments to be cash equivalents.

(b) Designated cash

Under the agreement with the NWT HC, the Association is required to set aside funds on an annual basis to create a Replacement Reserve. Funds, along with accumulated interest, must be held in a separate bank account or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by NWT HC from time to time.

(c) Financial instruments

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for term deposits and investments which are measured at fair value.

(d) Inventory

Inventory, which includes office and housekeeping supplies to be consumed in the rendering of services, are recorded at the lower of cost and current replacement cost and is included in prepaid expenses. Cost is determined on a first-in, first-out basis.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Tangible capital assets

Tangible capital assets are recorded at cost for individual items exceeding \$5,000 and amortized using the following rates and methods:

Buildings are amortized on a straight-line basis as follows:

| | |
|------------------------|-----------------------|
| Aven Manor | - 25 to 57 years; |
| Aven Court | - 25 to 57 years; |
| Aven Ridge | - 15 to 50 years; |
| Aven Cottages | - 25 to 67 years, and |
| Baker Community Centre | - 25 to 57 years |

| | |
|---------------------------|-------------------------------|
| Furniture and fixtures | - 20% (5 years) straight-line |
| Gazebo | - 20% (5 years) straight-line |
| Vehicle | - 30% declining balance |
| Emergency exits/Sidewalks | - 8% declining balance |

Donated tangible capital assets are recorded as additions to tangible capital assets and deferred capital contributions. Such donations are recorded at the fair market value of the donated tangible capital asset at the date of donation. When the fair market value is not known and cannot be reasonably estimated, the tangible capital asset is recognized at nominal value.

(f) Revenue recognition

The Association follows the deferral method of accounting for contributions. Externally restricted contributions for expenses of the current year are recognized as revenue in the current year. Externally restricted contributions for expenses of one or more future years are recorded as deferred revenue and recognized as revenue in the same year or years as the related expenses are recognized.

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

Externally restricted contributions for the purchase of tangible capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. Externally restricted contributions for the purchase of tangible capital assets that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

Externally restricted contributions for the repayment of debt that was incurred to fund the purchase of tangible capital assets that will be amortized, and are received to fund the periodic mortgage repayments, are recognized as revenue when received.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Revenue recognition, continued

Endowment contributions, consisting of restricted contributions subject to externally imposed stipulations specifying that they be maintained permanently, are recognized as direct increases in net assets in the current year.

Because of the difficulty in recording their fair value, contributed materials and services are not recognized in the financial statements.

Investment income that is not externally restricted is recognized as revenue when earned. Externally restricted investment income that must be added to the principal amount of contributions held for endowment are recognized directly in net assets. Other externally restricted investment income are recognized as revenue when earned, in the appropriate deferred contributions balance or directly in net assets, depending on the nature of the restrictions on the same basis as described above.

Rental fees, and fees and expense recoveries, are recognized as revenue when earned.

(g) Funding

The Association is primarily funded by the YHSSA and the NWT HC in accordance with established budget arrangements. It is the general practice of the NWT HC to adjust their funding based upon the ending financial position of the Association.

(h) Allocated expenses

The Association's primary operating activities consist of Aven Manor, Aven Court, Aven Ridge, and Aven Cottages Territorial Dementia Facility. Common general support expenses are allocated by identifying the appropriate basis of allocating each component of expense, and applies that basis consistently each year.

In particular, expenses allocated on a 50/50 basis to Aven Manor and Aven Cottages include salaries and wages, and dietary food.

Insurance expense is allocated based on assessed building values.

Expenses such as professional fees, telephone, ground maintenance, office supplies, computer, and bank charges, are allocated based on the number of respective residential units using the following percentages:

Aven Manor - 30%;
Aven Court - 25%;
Aven Cottages - 35%, and
Aven Ridge - 10%

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Employee future benefits

Defined contribution plan accounting is applied to the Association's Group Pension Plan whereby contributions are expensed when due as the Association has insufficient information to apply defined benefit plan accounting.

(j) Measurement uncertainty

The preparation of financial statements in accordance 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, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary they are reported in income in the period in which they become known.

Significant estimates include the determination of the deemed cost and useful lives of tangible capital assets, bad debt provisions, and the allocation of general support and administrative expenses to projects and facilities.

3. CASH

The Association holds \$35,317 (2016 - \$38,612) in trust on behalf of its Aven Manor residents. These funds are administered under the stewardship of the Chief Executive Officer in the capacity of Power of Attorney. In addition, the Association holds \$4,593 (2016 - \$4,217) in trust on behalf of its Social Committee. These trust funds are not included in these financial statements.

| | <u>2017</u> | <u>2016</u> |
|--|------------------|--------------------|
| Operating bank account (bank indebtedness) | \$ (72,314) | \$ (191,841) |
| Retention accounts for designated funds | <u>67,729</u> | <u>147,532</u> |
| | (4,585) | (44,309) |
| Term deposits | <u>33,029</u> | <u>34,045</u> |
| | <u>\$ 28,444</u> | <u>\$ (10,264)</u> |

Operating bank indebtedness of \$72,314 (2016 - \$191,841) represents cheques issued in excess of deposits of \$72,314 (2016 - \$149,297) and a bank overdraft of \$nil (2016 - \$42,544). Security deposits received from Aven Court and Aven Ridge tenants are deposited in a separate bank account. Interest earned during the year is credited to the account. A liability account due to Aven Court tenants is shown on the Statement of Financial Position as security deposits.

A \$150,000 revolving demand credit facility is available from the Royal Bank of Canada, revolving by the bank in increments of \$5,000, interest rate at bank prime plus 1.40% per annum, interest payable monthly. At March 31, 2017, the credit facility has not been utilized

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

4. ACCOUNTS RECEIVABLE

| | 2017 | 2016 |
|---------|-----------|-----------|
| General | \$ 3,690 | \$ 711 |
| GST | 10,806 | 18,949 |
| | \$ 14,496 | \$ 19,660 |

During the year, the Association entered into an agreement with the GNWT Department of Health and Social Services to develop a business case for the development of a 48 long term care bed facility, a capital project. The maximum capital contribution is for \$100,000 of which \$50,000 is received during the year and included in deferred capital contributions (Note 12). The Association incurred capital expenditures totaling \$79,336 during the year, leaving an amount receivable from GNWT of \$29,336. Accordingly, this receivable and corresponding increase to deferred capital contributions is not recognized in these financial statements until received.

5. INVESTMENTS

Investments, consisting primarily of demand deposits, includes a guaranteed investment certificate (GIC) with RBC Dominion Securities, with interest at 2.58% per annum, maturing June 19, 2017, and cash designated for restricted replacement reserves, appropriated surplus, and endowment funds. Investments include accrued interest income totaling \$3,179 (2016 - \$2,484).

| | 2017 | 2016 |
|---|--------------|--------------|
| Replacement Reserves and Endowment Funds: | | |
| Aven Cottages | \$ 88,107 | \$ 87,931 |
| Aven Court | 208,566 | 187,076 |
| Aven Manor | 303,588 | 301,553 |
| Aven Ridge | 173,941 | 153,697 |
| Baker Community Centre Endowment Fund | 204,675 | 208,957 |
| | 978,877 | 939,214 |
| General Operations to fund Appropriated Surplus | 136,798 | 370,900 |
| | \$ 1,115,675 | \$ 1,310,114 |

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

5. INVESTMENTS, continued

Investments as at March 31, 2017 matures during the following fiscal years:

| | <u>Cost</u> | <u>2017 Market value</u> | <u>2016 Market value</u> |
|------|---------------------|------------------------------|------------------------------|
| GIC: | | | |
| 2018 | \$ 24,533 | \$ 27,712 | \$ 27,017 |
| Cash | <u>1,087,903</u> | <u>1,087,963</u> | <u>1,283,097</u> |
| | <u>\$ 1,112,436</u> | <u>\$ 1,115,675</u> | <u>\$ 1,310,114</u> |

6. TANGIBLE CAPITAL ASSETS

| | <u>2017</u> | | <u>2016</u> | |
|---------------------------|----------------------|-------------------------------------|----------------------|----------------------|
| | <u>Cost</u> | <u>Accumulated amortization</u> | <u>Net</u> | <u>Net</u> |
| Assets under construction | \$ 1,238,124 | \$ - | \$ 1,238,124 | \$ 1,158,788 |
| Buildings | 33,957,585 | 9,682,507 | 24,275,078 | 25,069,916 |
| Furniture and fixtures | 857,049 | 681,441 | 175,608 | 175,692 |
| Land | 7,190,000 | - | 7,190,000 | 7,190,000 |
| Paving and grounds | 6,751 | 6,751 | - | - |
| Vehicle | <u>80,221</u> | <u>73,881</u> | <u>6,340</u> | <u>9,057</u> |
| | <u>\$ 43,329,730</u> | <u>\$ 10,444,580</u> | <u>\$ 32,885,150</u> | <u>\$ 33,603,453</u> |
| Buildings consists of: | | | | |
| Aven Manor | \$ 7,021,279 | \$ 2,179,592 | \$ 4,841,687 | \$ 5,027,906 |
| Aven Court | 6,555,954 | 2,543,829 | 4,012,125 | 4,166,438 |
| Baker Community Centre | 1,628,760 | 661,072 | 967,688 | 1,004,907 |
| Aven Cottages | 15,506,001 | 3,278,412 | 12,227,589 | 12,567,244 |
| Gazebo | 7,638 | 7,638 | - | - |
| Emergency Exits | 37,953 | 25,114 | 12,839 | 13,955 |
| Aven Ridge | <u>3,200,000</u> | <u>986,850</u> | <u>2,213,150</u> | <u>2,289,466</u> |
| | <u>\$ 33,957,585</u> | <u>\$ 9,682,507</u> | <u>\$ 24,275,078</u> | <u>\$ 25,069,916</u> |

As at March 31, 2017, the Association accumulated construction costs totaling \$1,238,124 (2016 - \$1,158,788) in connection with the Pavilion expansion project. Such capital expenditures are accumulated as assets under construction until such time the new facility has been completed. Upon completion of the new building, the accumulated expenditures are amortized over its estimated useful life.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

6. TANGIBLE CAPITAL ASSETS, continued

In fiscal year 2012-13, the Association elected to record certain land and buildings at their deemed cost equal to its fair value as at April 1, 2011. Accordingly, the above applicable cost amounts were retroactively adjusted April 1, 2011 to deemed cost and are being amortized over the estimated useful lives of the respective buildings. Land is not amortized.

7. TRADE PAYABLES AND ACCRUALS

| | <u>2017</u> | <u>2016</u> |
|---------------------------------------|-------------------|-------------------|
| Trade payables | \$ 183,221 | \$ 135,530 |
| Accrued liabilities | 53,515 | 32,332 |
| Accrued interest on long-term debt | 10,252 | 11,491 |
| Government remittances payable - WSCC | 48,000 | 26,000 |
| CMHC interest-free Seed Funding loan | <u>-</u> | <u>10,000</u> |
| | <u>\$ 294,988</u> | <u>\$ 215,353</u> |

During the year, the CMHC forgave all of the interest-free Seed Funding loan amount due to the outcome of the housing project.

8. CONTRIBUTIONS REPAYABLE

Contributions repayable, detailed in Schedule G, represents unspent contribution funding received from operations. Requests to carry forward funds have been made to the funding agencies. If approved, funding will be transferred to the subsequent year.

Changes during the year in contributions repayable are summarized as follows:

| | <u>2017</u> | <u>2016</u> |
|--|--------------------|--------------------|
| Cash funding received | \$ 8,486,249 | \$ 7,857,874 |
| In-kind contributions | 217,509 | 217,509 |
| Funding receivable | - | - |
| Transfer to deferred capital contributions | (50,000) | - |
| Repayments | (269,014) | (10,244) |
| Revenue recognized | <u>(8,540,482)</u> | <u>(7,948,155)</u> |
| Increase (decrease) during the year | (155,738) | 116,984 |
| Contributions repayable, opening | <u>345,669</u> | <u>228,685</u> |
| Contributions repayable, closing | <u>\$ 189,931</u> | <u>\$ 345,669</u> |

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

9. DEFERRED REVENUE

Deferred revenue, consisting of resident activity and other funds, represents unspent externally restricted donations and are recognized as revenue when the related expenses have been incurred.

| | Opening balance | Contributions | Revenue recognized | Closing balance |
|---|--------------------|---------------|-----------------------|--------------------|
| Resident Activity Funds | \$ 1,530 | \$ 9,446 | \$ 8,683 | \$ 2,293 |
| NWTHC: Fuel Tank replacement and Fencing/Railing Repair | - | 17,500 | - | 17,500 |
| | \$ 1,530 | \$ 26,946 | \$ 8,683 | \$ 19,793 |

The NWTHC fuel tank replacement and fencing/railing repair projects has a maximum contribution of \$35,000.

10. LONG-TERM DEBT

| | 2017 | 2016 |
|--|--------------|--------------|
| Royal Bank of Canada Variable rate term capital loan, secured by property described as Lot 43, Block 62, Plan 4252, Yellowknife, NT; Interest payable monthly, in arrears, on the same day each month as determined by the Bank. Interest rate: Royal Bank Prime plus 1.35% per annum. All outstanding principal and interest is payable in full September 30, 2017 | \$ 1,100,000 | \$ 1,100,000 |
| CMHC mortgage - Aven Manor 1.53% interest, repayable at \$10,563 per month including interest, secured by building with a carrying value of \$4,841,687 (2016 - \$5,027,906), matures October 1, 2022 | 677,959 | 793,437 |
| CMHC mortgage - Aven Court 1.88% interest, repayable at \$17,394 per month including interest, secured by building with a carrying value of \$4,012,125 (2016 - \$4,166,438), matures April 1, 2028 | 2,087,506 | 2,255,518 |
| NWTHC loan - Aven Ridge 7.24% interest, repayable at \$18,125 per month including interest, secured by a building with a carrying value of \$2,213,150 (2016 - \$2,289,466), matures October 1, 2022 | 999,168 | 1,140,039 |

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

10. LONG-TERM DEBT, continued

| | 2017 | 2016 |
|---|--------------|--------------|
| CMHC loan - Affordable housing project | | |
| Interest-free loan repayable, less forgivable portion, due immediately upon receipt by the Association of the first advance of the capital financing or other funding for the affordable rental housing project. The loan was forgiven during the year. | - | 100,000 |
| | 4,864,633 | 5,388,994 |
| Less current portion | 439,384 | 424,361 |
| | \$ 4,425,249 | \$ 4,964,633 |

Estimated principal repayments are as follows:

| | |
|------------------|--------------|
| 2018 | \$ 1,539,384 |
| 2019 | 455,552 |
| 2020 | 472,463 |
| 2021 | 490,819 |
| 2022 | 509,762 |
| Subsequent years | 1,396,653 |
| | \$ 4,864,633 |

The long-term debt is secured by a first charge in favour of Canada Mortgage and Housing Corporation (CMHC) and NWTHC. The Association annually receives contributions from NWTHC to fund the repayments of the CMHC Aven Court loan.

During fiscal 2014-15, the Association entered into an agreement with CMHC for \$100,000 whereby the Association, if successful in producing the affordable housing project, with rents that are deemed by CMHC to be within "Level 1" affordability, the CMHC may forgive 20% of the loan amount; If within "Level 2", CMHC may forgive 35%; If an affordable home ownership project is produced, CMHC may forgive 20%. During fiscal 2016-17, the Association did not receive any commitment for capital financing or other funding for the project within five years, and therefore, the CMHC forgave all of the loan amount.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

11. DEFERRED GOVERNMENT ASSISTANCE

| | | | 2017 | 2016 |
|----------------|-----------|-----------------------------|-----------|-----------|
| | Cost | Accumulated amortization | Net | Net |
| Van | \$ 45,500 | \$ 45,500 | \$ - | \$ - |
| Nurse Call | 8,000 | 8,000 | - | - |
| Emergency Exit | 37,953 | 25,114 | 12,839 | 13,955 |
| | \$ 91,453 | \$ 78,614 | \$ 12,839 | \$ 13,955 |

12. DEFERRED CAPITAL CONTRIBUTIONS

| | Opening balance | Revenue recognized | Donations | Closing balance |
|----------------------------|--------------------|-----------------------|-----------|--------------------|
| Aven Court | \$ 127,591 | \$ 13,978 | \$ - | \$ 113,613 |
| Baker Community Centre | 290,210 | 10,748 | - | 279,462 |
| Aven Manor | 1,701 | 1,701 | - | - |
| Aven Ridge | 822,001 | 27,429 | - | 794,572 |
| Aven Cottages - Building | 12,566,389 | 340,512 | - | 12,225,877 |
| Pavilion Expansion Project | 30,000 | - | 50,000 | 80,000 |
| | \$ 13,837,892 | \$ 394,368 | \$ 50,000 | \$ 13,493,524 |

During the year, the Association received in-kind contributed minor capital assets totaling \$9,697 (2016 - \$nil) and is included in Aven Manor donations and fundraising revenue, and departmental supplies expense.

13. CONTINGENCY

The Aven Ridge loan with NWT HC described in Note 10 is forgiven on condition that the Association continues to meet certain requirements specified at the time it was granted. As such, the loan is accounted for as a contribution to which there is attached a contingent liability for repayment. Annual loan repayments are included in revenue as a contribution when the Association becomes entitled to receive it.

During the year, such contributions totaled \$217,509 (2016 - \$217,509) including principal of \$140,871 (2016 - \$130,852) and interest of \$76,638 (2016 - \$85,846).

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

14. INVESTMENT IN CAPITAL ASSETS

As at March 31, 2017, the Investment in Capital Assets fund consists of the following assets and related liabilities:

| | 2017 | 2016 |
|--|---------------|---------------|
| Tangible capital assets (note 6) | \$ 32,885,150 | \$ 33,603,453 |
| Long-term debt (note 10) | (4,864,633) | (5,388,994) |
| Deferred government assistance (note 11) | (12,839) | (13,955) |
| Deferred capital contributions (note 12) | (13,493,524) | (13,837,892) |
| Investment in Capital Assets per page 1 | \$ 14,514,154 | \$ 14,362,612 |

Investment in Capital Assets is decreased at the same rate as the respective tangible capital assets are amortized. Any proceeds from disposal of tangible capital assets plus gains or losses arising from the disposal of tangible capital assets are charged to Investment in Capital Assets. Financing in excess of original costs will result in a negative Investment in Capital Assets balance.

15. APPROPRIATED SURPLUS

The Board has appropriated \$25,000 (2016 - \$47,000) from the unrestricted surplus for future requirements including the following:

| | Opening Balance | Transfers from (to) Unrestricted Surplus | Closing Balance |
|--|--------------------|---|--------------------|
| 2016 \$100K Unspent Anonymous Donation | \$ 22,000 | \$ (22,000) | \$ - |
| Barbara Bromley Fund | 25,000 | - | 25,000 |
| | \$ 47,000 | \$ (22,000) | \$ 25,000 |

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

16. RESTRICTED REPLACEMENT RESERVE

The restricted replacement reserves principal contributions made by the Association are funded annually by contributions received from YHSSA and NWT HC. During the year, the replacement reserve increased \$70,444 (2016 - \$62,844) and includes principal contributions totaling \$70,444 (2016 - \$62,844), and interest earned of \$nil (2016 - \$nil). The restricted replacement reserve consists of the following:

| | Accumulated Principal | Accumulated Interest | 2017 | 2016 |
|---|--------------------------|-------------------------|--------------|--------------|
| Internally Restricted Funds: | | | | |
| Aven Manor | \$ 262,556 | \$ 89,616 | \$ 352,172 | \$ 342,172 |
| Aven Court | 216,096 | 2,192 | 218,288 | 198,088 |
| Aven Ridge | 194,005 | 180 | 194,185 | 173,941 |
| Aven Cottages | 144,000 | 463 | 144,463 | 124,463 |
| | 816,657 | 92,451 | 909,108 | 838,664 |
| Externally Restricted Endowment Funds: | | | | |
| Baker Community Centre | 104,571 | 105,878 | 210,449 | 210,449 |
| | \$ 921,228 | \$ 198,329 | \$ 1,119,557 | \$ 1,049,113 |

Aven Manor

Reserve account is to be credited \$10,000 (2016 - \$10,000) annually. The funds in the account may only be used for capital replacement.

Aven Court

Under the terms of the agreement with the NWT HC, this reserve account is to be credited \$20,200 (2016 - \$12,600) annually plus interest. The funds in the account may only be used for capital replacement authorized by NWT HC.

Baker Community Centre

These externally restricted endowment funds were donated to the Association with the requirement that they be invested permanently to maintain the principal, and that only the interest earned be used for replacement of the building or equipment of the Baker Community Centre.

Aven Ridge

Reserve account is to be credited \$20,244 (2016 - \$20,244) annually. The funds in the account may only be used for capital replacement authorized by NWT HC.

Aven Cottages

Reserve account is to be credited \$20,000 (2016 - \$20,000) annually. The funds in the account may only be used for capital replacement.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

17. PENSION PLAN

The Association participates in the Group Pension Plan ("the Plan"), which is a defined contribution pension plan administered by Manulife Financial. Each employee shall contribute 8% of salary, and those contributions are matched by the Association. The Plan is structured to enable individual employees to have access to and control of their own Plan accounts, including asset allocation, risk profile, and choice of investment instruments, subject to applicable legislation.

Sufficient information is not available to use defined benefit plan accounting. As such, defined contribution plan accounting is used. During the year, total contributions to the Plan is \$691,031 (2016 - \$638,498) including employee contributions of \$345,515 (2016 - \$319,249), and employer contributions of \$345,516 (2016 - \$319,249).

18. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

19. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, accounts receivable, investments, bank indebtedness, wages and benefits payable, trade payables and accruals, contributions repayable, and long-term debt. It is management's opinion that the Association is not exposed to significant interest rate, currency, market, credit, liquidity, or cash flow risks arising from these financial instruments, unless otherwise noted. The carrying values of the financial instruments noted above approximate their fair values.

Liquidity risk

The Association is exposed to liquidity risk in current liabilities and long-term debt. Liquidity risk is the risk that the Association cannot repay its obligations when they become due to its creditors. The Association reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; establishes monthly payment arrangements with key creditors; maintains an adequate line of credit to repay trade creditors, and repays mortgage loans interest and principal as they become due through annual funding obtained from NWT HC for the Aven Court and Aven Ridge loans. In the opinion of management, the liquidity risk exposure to the Association is low.

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

20. COMMITMENTS

As at March 31, 2017, the Association entered into lease agreements for office equipment and elevator maintenance expiring in September 2018 and January 2031, respectively. Future minimum lease payments are as follows:

| | | |
|------------------|----|---------------|
| 2018 | \$ | 9,262 |
| 2019 | | 7,601 |
| 2020 | | 5,940 |
| 2021 | | 5,940 |
| 2022 | | 5,940 |
| Subsequent years | | <u>52,471</u> |
| | \$ | <u>87,154</u> |

In addition, during fiscal 2015-16, the Association entered into an agreement with Adam Dental Clinic to provide on-site dental services for residents, expiring March 31, 2029. No consideration is paid by the Association for such services, nor are the services received recognized in the financial statements.

Effective January 1, 2012, the Association entered into an agreement to rent out facilities to the Yellowknife Seniors' Society in the Baker Community Centre expiring December 31, 2021. The tenant has the option of extending the term for an additional two years. Future minimum lease revenue from this agreement is as follows:

| | | |
|------|----|---------------|
| 2018 | \$ | 9,840 |
| 2019 | | 9,840 |
| 2020 | | 9,840 |
| 2021 | | 9,840 |
| 2022 | | <u>7,380</u> |
| | \$ | <u>46,740</u> |

21. SUPPLEMENTAL CASH FLOW INFORMATION

For the year ended March 31, 2017, the reconciliation of the excess (deficiency) of revenues over expenses to cash flows from (used for) operating activities is as follows:

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

21. SUPPLEMENTAL CASH FLOW INFORMATION, continued

| | 2017 | 2016 |
|--|------------|--------------|
| Excess (deficiency) of revenues over expenses per page 2 | \$ 26,970 | \$ (585,920) |
| Items not affecting cash: | | |
| Amortization of deferred government assistance | (1,116) | (1,213) |
| Amortization of deferred capital contributions | (394,368) | (435,444) |
| Amortization of tangible capital assets | 850,278 | 873,139 |
| Bad debts expense | 5,356 | - |
| Contributed Aven Ridge NWTCH loan interest | 76,638 | 86,658 |
| Contributed Aven Ridge NWTCH loan repayments | (217,509) | (217,509) |
| Contributed CMHC loan repayments | (110,000) | - |
| Additions to deferred capital contributions | 50,000 | 30,000 |
| | 286,249 | (250,289) |
| Changes in non-cash operating working capital accounts: | | |
| Decrease (increase) in accounts receivable | (192) | 163,594 |
| Decrease in prepaid expenses | 41,272 | 23,583 |
| Increase (decrease) in wages and benefits payable | (19,077) | 98,758 |
| Increase (decrease) in trade payables and accruals | 54,645 | (43,119) |
| Increase (decrease) in security deposits | (678) | 3,658 |
| Increase (decrease) in contributions repayable | (155,738) | 116,984 |
| Increase (decrease) in deferred revenue | 18,263 | (590) |
| | (61,505) | 362,868 |
| Cash flows from operating activities per page 5 | \$ 224,744 | \$ 112,579 |

Non-cash investing and financing transactions entered into by the Association during the year, which are excluded from the Statement of Cash Flows, consist of the purchase of tangible capital assets by assuming directly related trade payables of \$34,990 (2016 - \$nil), contributed Aven Ridge NWTCH loan repayments of \$217,509 (2016 - \$217,509), and contributed CMHC loan repayments of \$110,000 (2016 - \$nil).

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

22. OTHER SUPPLEMENTAL INFORMATION

Summarized information by segment is as follows:

| | Budget per Financial Statements <u>2017</u> | Excess (Deficiency) of Revenues over Expenses <u>2017</u> | Excess (Deficiency) of Revenues over Expenses <u>2016</u> |
|---|--|---|---|
| General Operations (Schedule A) | \$ 39,564 | \$ 15,409 | \$ (19,050) |
| Aven Manor (Schedule B) | (164,219) | (197,388) | (199,074) |
| Aven Court (Schedule C) | 95,458 | 46,898 | 55,234 |
| Aven Cottages (Schedule D) | (17,827) | (15,105) | (396,425) |
| Aven Ridge (Schedule E) | 111,708 | 102,604 | 106,870 |
| Pavilion Expansion Project (Schedule F) | <u>(59,700)</u> | <u>74,552</u> | <u>(133,475)</u> |
| | <u>\$ 4,984</u> | <u>\$ 26,970</u> | <u>\$ (585,920)</u> |

In April 2016, the Association renewed its contribution agreement with YHSSA totalling \$7,275,233 for fiscal 2016-17 whereby the contribution target is determined based on the aggregate budgeted annual surplus of Aven Manor and Aven Cottages facilities (Schedule D-1). Previously, the contribution targets were based on the budgeted annual surplus of each facility on an individual basis and two separate contribution agreements.

In addition, the Association received a payroll contribution of \$660,000 during the year from Northwest Territories Health and Social Services Authority - Yellowknife Region and is allocated equally between the Aven Manor and Aven Cottages facilities at \$330,000 each.

23. BUDGET AMOUNTS

The 2016-17 budget amounts on the Statement of Operations are presented for information purposes only and are unaudited.

The approved budget is prepared on a modified cash basis for funding purposes which differs from budget amounts reported in the financial statements, which are prepared in accordance with Canadian accounting standards for not-for-profit organizations on the full accrual basis of accounting. The reconciliation of the approved budget to the budget figures reported in the financial statements is as follows:

AVENS - A COMMUNITY FOR SENIORS

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2017

23. BUDGET AMOUNTS, continued

| | <u>Revenues</u> | <u>Expenses</u> | <u>Net</u> |
|--|---------------------|---------------------|------------------|
| Budget as approved by the Board of Directors | \$ 8,971,181 | \$ 8,970,873 | \$ 308 |
| Add: | | | |
| Amortization -deferred government assistance | 1,213 | - | 1,213 |
| Amortization -deferred capital contributions | 443,444 | - | 443,444 |
| Acquisition of tangible capital assets | - | (45,000) | 45,000 |
| Mortgage principal repayments | - | (308,888) | 308,888 |
| Change in prepaid expenses | - | (22,000) | 22,000 |
| Transfers to restricted replacement reserves | - | (70,444) | 70,444 |
| Less: | | | |
| Contributions repayable | (22,972) | - | (22,972) |
| Amortization -tangible capital assets | <u>-</u> | <u>863,341</u> | <u>(863,341)</u> |
| Budget for financial statements per page 2 | <u>\$ 9,392,866</u> | <u>\$ 9,387,882</u> | <u>\$ 4,984</u> |

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
GENERAL OPERATIONS**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|---|-----------------------|------------------|--------------------|
| REVENUES | | | |
| Donations and fundraising | \$ 35,000 | \$ 16,101 | \$ 55,004 |
| Fees and expense recoveries | 18,000 | 28,093 | 29,826 |
| Interest income | 10,000 | 5,882 | 9,033 |
| Rental fees | - | 2,200 | 902 |
| Total Revenues | 63,000 | 52,276 | 94,765 |
| EXPENDITURES | | | |
| Advertising and promotion | - | 672 | 1,281 |
| Bad debts | - | 21 | |
| Computer | - | - | 181 |
| Dietary | - | 63 | 261 |
| Insurance | 8,000 | - | - |
| Interest and bank charges | 250 | - | - |
| Membership | - | 275 | - |
| Office and administration | 1,000 | 12,046 | 24,602 |
| Office supplies | - | 241 | 1,021 |
| Professional fees | - | 7,485 | 20,385 |
| Property taxes | 8,186 | - | 19,260 |
| Repairs and maintenance | 6,000 | 3,108 | 31,773 |
| Salaries and benefits | - | 3,385 | 7,648 |
| Training and development | - | 8,460 | 6,805 |
| Utilities | - | - | 598 |
| Total Expenditures | 23,436 | 35,756 | 113,815 |
| ANNUAL SURPLUS BEFORE TRANSFERS | 39,564 | 16,520 | (19,050) |
| TRANSFERS (TO) FROM: | | | |
| Acquisition of prepaid expenses | - | 1,005 | 4,231 |
| Use of prepaid expenses | - | (2,116) | (4,231) |
| EXCESS OF REVENUES OVER EXPENSES | \$ 39,564 | \$ 15,409 | \$ (19,050) |

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
AVEN MANOR**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|--|-----------------------|---------------------|---------------------|
| REVENUES | | | |
| Contribution from YHSSA | \$ 3,642,233 | \$ 3,972,216 | \$ 3,642,216 |
| Rental fees | 272,803 | 256,876 | 263,036 |
| Donations and fundraising | 35,000 | 34,695 | 74,791 |
| Fees and expense recoveries | 17,000 | 29,091 | 16,352 |
| Grants | - | 18,117 | 2,625 |
| Total Revenues | 3,967,036 | 4,310,995 | 3,999,020 |
| EXPENDITURES | | | |
| Advertising and promotion | 3,000 | 1,076 | 2,169 |
| Bad debts | - | 5,334 | - |
| Capital assets acquired | 10,000 | 9,726 | 66,992 |
| Computer | 20,000 | 29,268 | 36,510 |
| Departmental supplies | 50,000 | 57,509 | 49,304 |
| Dietary | 125,000 | 102,834 | 123,800 |
| Fundraising | - | 109 | - |
| Insurance | 40,000 | 27,060 | 41,038 |
| Interest and bank charges | 1,276 | 3,492 | 2,271 |
| Interest on long-term debt | 11,275 | 11,129 | 12,926 |
| Membership | 6,000 | 3,144 | 4,924 |
| Office and administration | 8,500 | 3,665 | 40,091 |
| Office supplies | 7,000 | 6,825 | 4,035 |
| Professional fees | 47,000 | 91,724 | 58,626 |
| Property taxes | 41,780 | 22,544 | 20,050 |
| Repairs and maintenance | 90,000 | 74,114 | 76,466 |
| Replacement reserves | 10,000 | 10,000 | 10,000 |
| Salaries and benefits | 3,175,000 | 3,469,034 | 3,254,105 |
| Subcontract | 35,000 | 15,463 | 84,305 |
| Training and development | 50,000 | 39,680 | 24,337 |
| Utilities | 168,000 | 168,246 | 167,718 |
| Total Expenditures | 3,898,831 | 4,151,976 | 4,079,667 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 68,205 | 159,019 | (80,647) |
| TRANSFERS (TO) FROM: | | | |
| Contributions repayable | (68,205) | (159,019) | - |
| Amortization of deferred government assistance | 1,213 | 1,116 | 1,213 |
| Amortization of deferred capital contributions | 2,562 | 2,558 | 2,562 |
| Acquisition of tangible capital assets | 10,000 | 9,726 | 66,992 |
| Acquisition of prepaid expenses | 7,000 | 48,581 | 78,403 |
| Use of prepaid expenses | - | (60,391) | (79,401) |
| Amortization of tangible capital assets | (194,994) | (208,977) | (198,195) |
| Replacement reserves | 10,000 | 10,000 | 10,000 |
| DEFICIENCY OF REVENUES OVER EXPENSES | \$ (164,219) | \$ (197,387) | \$ (199,073) |

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
AVEN COURT**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|--|-----------------------|------------------|------------------|
| REVENUES | | | |
| Contribution from NWTHC | \$ 425,000 | \$ 425,000 | \$ 426,000 |
| Rental fees | 182,440 | 228,073 | 194,476 |
| Total Revenues | 607,440 | 653,073 | 620,476 |
| EXPENDITURES | | | |
| Advertising and promotion | 1,500 | 274 | 508 |
| Capital assets acquired | 25,000 | 21,503 | - |
| Computer | - | 1,768 | 896 |
| Insurance | 32,000 | 25,440 | 38,910 |
| Interest and bank charges | 918 | 1,955 | 1,472 |
| Membership | - | 1,458 | - |
| Mortgage principal and interest paid | 208,730 | 208,472 | 208,730 |
| Office and administration | 7,500 | 23 | 900 |
| Office supplies | 5,000 | - | 108 |
| Professional fees | 12,000 | 7,550 | 16,502 |
| Property taxes | 30,058 | 31,332 | 47,591 |
| Repairs and maintenance | 51,000 | 18,663 | 21,917 |
| Replacement reserves | 20,200 | 20,200 | 12,600 |
| Salaries and benefits | 157,000 | 154,150 | 147,923 |
| Training and development | - | 457 | - |
| Utilities | 58,000 | 58,364 | 56,417 |
| Total Expenditures | 608,906 | 551,609 | 554,474 |
| ANNUAL SURPLUS BEFORE TRANSFERS | (1,466) | 101,464 | 66,002 |
| TRANSFERS (TO) FROM: | | | |
| Contributions repayable | - | (101,464) | (66,003) |
| Amortization of deferred capital contributions | 45,124 | 13,978 | 45,124 |
| Acquisition of tangible capital assets | 25,000 | 21,503 | - |
| Amortization of tangible capital assets | (163,418) | (165,277) | (163,418) |
| Acquisition of prepaid expenses | 2,000 | 27,268 | 55,221 |
| Use of prepaid expenses | - | (38,786) | (59,269) |
| Interest on long-term debt | (40,712) | (40,460) | (43,753) |
| Mortgage principal and interest paid | 208,730 | 208,472 | 208,730 |
| Replacement reserves | 20,200 | 20,200 | 12,600 |
| EXCESS OF REVENUES OVER EXPENSES | \$ 95,458 | \$ 46,898 | \$ 55,234 |

SCHEDULE D

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
AVEN COTTAGES**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|--|-------------------------------|------------------------|------------------------|
| REVENUES | | | |
| Contribution from YHSSA | \$ 3,633,000 | \$ 3,963,000 | \$ 3,633,000 |
| Rental fees | 263,396 | 254,034 | 254,155 |
| Donations and fundraising | 35,000 | 6,080 | 64,434 |
| Grants | - | 11,117 | 2,625 |
| Fees and expense recoveries | 18,000 | 238 | 1,016 |
| Total Revenues | 3,949,396 | 4,234,469 | 3,955,230 |
| EXPENDITURES | | | |
| Advertising and promotion | 3,000 | 748 | 2,110 |
| Bad debts | | | - |
| Capital assets acquired | 10,000 | 21,411 | 50,670 |
| Computer | 20,000 | 28,417 | 30,863 |
| Departmental supplies | 50,000 | 46,651 | 49,600 |
| Dietary | 125,000 | 109,986 | 123,383 |
| Fundraising | | 4 | - |
| Insurance | 60,000 | 42,018 | 64,304 |
| Interest and bank charges | 1,901 | 3,887 | 2,465 |
| Membership | 6,000 | 3,144 | 4,751 |
| Office and administration | 10,000 | 3,406 | 11,359 |
| Office supplies | 7,000 | 4,767 | 3,921 |
| Professional fees | 47,000 | 79,734 | 64,231 |
| Property taxes | 62,228 | 52,818 | 60,721 |
| Repairs and maintenance | 57,000 | 70,720 | 59,142 |
| Replacement reserves | 20,000 | 20,000 | 20,000 |
| Salaries and benefits | 3,230,000 | 3,624,221 | 3,502,413 |
| Subcontract | 15,000 | 15,485 | 20,950 |
| Training and development | 43,000 | 34,355 | 24,022 |
| Utilities | 227,500 | 231,062 | 235,724 |
| Total Expenditures | 3,994,629 | 4,392,834 | 4,330,629 |
| ANNUAL DEFICIT BEFORE TRANSFERS | (45,233) | (158,365) | (375,399) |
| TRANSFERS (TO) FROM: | | | |
| Contributions repayable | 45,233 | 158,365 | - |
| Amortization of deferred capital contributions | 367,473 | 350,404 | 359,473 |
| Acquisition of tangible capital assets | 10,000 | 21,411 | 50,670 |
| Acquisition of prepaid expenses | 12,000 | 62,753 | 103,934 |
| Use of prepaid expenses | - | (72,100) | (121,557) |
| Amortization of tangible capital assets | (427,300) | (397,572) | (433,546) |
| Replacement reserves | 20,000 | 20,000 | 20,000 |
| DEFICIENCY OF REVENUES OVER EXPENSES | \$ (17,827) | \$ (15,104) | \$ (396,425) |

AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
AVEN MANOR & COTTAGES
FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|--|-----------------------|---------------------|---------------------|
| REVENUES | | | |
| Contribution from YHSSA | \$ 7,275,233 | \$ 7,935,216 | \$ 7,275,216 |
| Rental fees | 536,199 | 510,910 | 517,191 |
| Donations and fundraising | 70,000 | 40,775 | 139,225 |
| Grants | - | 29,234 | 18,977 |
| Fees and expense recoveries | 35,000 | 29,329 | 3,641 |
| Total Revenues | 7,916,432 | 8,545,464 | 7,954,250 |
| EXPENDITURES | | | |
| Advertising and promotion | 6,000 | 1,824 | 4,279 |
| Bad debts | - | 5,334 | - |
| Capital assets acquired | 20,000 | 31,137 | 117,662 |
| Computer | 40,000 | 57,685 | 67,373 |
| Departmental supplies | 100,000 | 104,160 | 98,904 |
| Dietary | 250,000 | 212,820 | 247,183 |
| Fundraising | - | 113 | - |
| Insurance | 100,000 | 69,078 | 105,342 |
| Interest and bank charges | 3,177 | 7,379 | 4,736 |
| Interest on long-term debt | 11,275 | 11,129 | 12,926 |
| Membership | 12,000 | 6,288 | 9,675 |
| Office and administration | 18,500 | 7,071 | 51,450 |
| Office supplies | 14,000 | 11,592 | 7,956 |
| Professional fees | 94,000 | 171,458 | 122,857 |
| Property taxes | 104,008 | 75,362 | 80,771 |
| Repairs and maintenance | 147,000 | 144,834 | 135,608 |
| Replacement reserves | 30,000 | 30,000 | 30,000 |
| Salaries and benefits | 6,405,000 | 7,093,254 | 6,756,518 |
| Subcontract | 50,000 | 30,948 | 105,255 |
| Training and development | 93,000 | 74,035 | 48,359 |
| Utilities | 395,500 | 399,308 | 403,442 |
| Total Expenditures | 7,893,460 | 8,544,809 | 8,410,296 |
| ANNUAL DEFICIT BEFORE TRANSFERS | 22,972 | 655 | (456,046) |
| TRANSFERS (TO) FROM: | | | |
| Contributions repayable | (22,972) | (655) | - |
| Amortization of deferred government assistance | 1,213 | 1,116 | 1,213 |
| Amortization of deferred capital contributions | 370,035 | 352,962 | 362,035 |
| Acquisition of tangible capital assets | 20,000 | 31,137 | 117,662 |
| Acquisition of prepaid expenses | 19,000 | 111,334 | 182,337 |
| Use of prepaid expenses | - | (132,493) | (200,958) |
| Amortization of tangible capital assets | (622,294) | (606,549) | (631,741) |
| Replacement reserves | 30,000 | 30,000 | 30,000 |
| DEFICIENCY OF REVENUES OVER EXPENSES | \$ (182,046) | \$ (212,493) | \$ (595,498) |

SCHEDULE E

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
AVEN RIDGE**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|--|-----------------------|-------------------|-------------------|
| REVENUES | | | |
| Contributed NWTCH loan repayments | \$ 217,509 | \$ 217,509 | \$ 217,509 |
| Rental fees | 120,000 | 118,592 | 115,610 |
| Contribution from NWTCH | 46,800 | 46,800 | 54,000 |
| Fees and expense recoveries | - | - | 761 |
| Total Revenues | 384,309 | 382,901 | 387,880 |
| EXPENDITURES | | | |
| Advertising and promotion | - | 274 | 488 |
| Capital assets acquired | - | - | 5,568 |
| Computer | - | 1,768 | 804 |
| Insurance | 17,000 | 10,562 | 16,170 |
| Interest and bank charges | 655 | 683 | 571 |
| Membership | - | 58 | - |
| Mortgage principal and interest paid | 217,509 | 217,509 | 217,509 |
| Office and administration | 3,000 | 74 | 437 |
| Office supplies | 2,000 | (835) | 1,287 |
| Professional fees | 4,000 | 7,550 | 10,569 |
| Property taxes | 21,463 | 16,093 | 16,094 |
| Repairs and maintenance | 13,500 | 12,175 | 10,188 |
| Replacement reserves | 20,244 | 20,244 | 20,244 |
| Salaries and benefits | 70,000 | 58,336 | 65,302 |
| Training and development | - | 457 | - |
| Utilities | 16,000 | 21,537 | 22,375 |
| Total Expenditures | 385,371 | 366,485 | 387,606 |
| ANNUAL SURPLUS BEFORE TRANSFERS | (1,062) | 16,416 | 274 |
| TRANSFERS (TO) FROM: | | | |
| Contributions repayable | - | (16,416) | (274) |
| Amortization of deferred capital contributions | 28,285 | 27,429 | 28,285 |
| Acquisition of prepaid expenses | 1,000 | 12,031 | 28,627 |
| Use of prepaid expenses | - | (19,519) | (29,537) |
| Amortization of tangible capital assets | (77,629) | (78,451) | (77,980) |
| Acquisition of tangible capital assets | - | - | 5,568 |
| Interest on long-term debt | (76,639) | (76,639) | (85,846) |
| Mortgage principal and interest paid | 217,509 | 217,509 | 217,509 |
| Replacement reserves | 20,244 | 20,244 | 20,244 |
| EXCESS OF REVENUES OVER EXPENSES | \$ 111,708 | \$ 102,604 | \$ 106,870 |

**AVENS - A COMMUNITY FOR SENIORS
SCHEDULE OF REVENUES & EXPENSES
PAVILION EXPANSION PROJECT**

FOR THE YEAR ENDED MARCH 31, 2017

| | (UNAUDITED) BUDGET | 2017 ACTUAL | 2016 ACTUAL |
|---|-----------------------|------------------|---------------------|
| REVENUES | | | |
| Contribution from CanNor | \$ - | \$ 5,260 | \$ 36,457 |
| Donations and fundraising | - | 116,810 | 2,300 |
| Total Revenues | - | 122,070 | 38,757 |
| EXPENDITURES | | | |
| Advertising and promotion | - | - | 1,851 |
| Capital assets acquired | - | 79,336 | 325,026 |
| Fundraising | - | - | 5,014 |
| Interest and bank charges | - | 698 | 313 |
| Interest on long-term debt | 59,700 | 46,325 | 45,178 |
| Office Supplies | - | - | 604 |
| Professional fees | - | - | 6,043 |
| Salaries and benefits | - | - | 80,348 |
| Subcontract | - | - | 30,797 |
| Training and development | - | 43 | 1,306 |
| Utilities | - | 452 | 778 |
| Total Expenditures | 59,700 | 126,854 | 497,258 |
| ANNUAL DEFICIT BEFORE TRANSFERS | (59,700) | (4,784) | (458,501) |
| TRANSFERS (TO) FROM: | | | |
| Acquisition of tangible capital assets | - | 79,336 | 325,026 |
| EXCESS OF REVENUES OVER EXPENSES | \$ (59,700) | \$ 74,552 | \$ (133,475) |

AVENS - A COMMUNITY FOR SENIORS

SCHEDULE OF CONTRIBUTIONS REPAYABLE

For the year ended March 31, 2017

| Program | Schedule | Opening balance | Cash funding received | In-kind contributions | Transfer to deferred capital contributions | Repayments | Total funding available | Revenue recognized | Net funding increase (decrease) | Closing balance |
|---|----------|-----------------|-----------------------|-----------------------|--|--------------|-------------------------|--------------------|---------------------------------|-----------------|
| CONTRIBUTIONS | | | | | | | | | | |
| The Yellowknife Health and Social Services Authority (YHSSA) | | | | | | | | | | |
| Aven Cottages (note 22) | D | \$ - | \$ 3,963,000 | \$ - | \$ - | \$ - | \$ 3,963,000 | \$ 3,962,345 | \$ 655 | \$ 655 |
| Aven Manor (note 22) | B | 105,951 | 3,972,216 | - | - | (105,951) | 3,972,216 | 3,972,216 | (105,951) | - |
| | | 105,951 | 7,935,216 | - | - | (105,951) | 7,935,216 | 7,934,561 | (105,296) | 655 |
| Northwest Territories Housing Corporation (NWTHC) | | | | | | | | | | |
| Aven Ridge | E | 19,722 | 46,800 | - | - | (15,263) | 51,259 | 30,384 | 16,416 | 20,875 |
| Aven Ridge - Forgiven loan repayments | E | - | - | 217,509 | - | - | 217,509 | 217,509 | - | - |
| Aven Court | C | 130,521 | 425,000 | - | - | (67,199) | 488,322 | 323,535 | 34,266 | 164,787 |
| | | 150,244 | 471,800 | 217,509 | - | (82,462) | 757,091 | 571,428 | 50,682 | 185,663 |
| Government of Canada - Canadian Northern Economic Development Agency (CanNor) | | | | | | | | | | |
| Pavilion Expansion Project | F | 31,377 | - | - | - | (26,117) | 5,260 | 5,260 | (31,377) | - |
| Total contributions | | 287,572 | 8,407,016 | 217,509 | - | (214,530) | 8,697,567 | 8,511,249 | (85,991) | 186,318 |
| GRANTS | | | | | | | | | | |
| GNWT - Department of Health and Social Services | | | | | | | | | | |
| Aven Cottages - Maximizing Northern Employment (MNE) Graduate Nurse Placement | | 3,613 | - | - | - | - | 3,613 | - | - | 3,613 |
| Pavilion Expansion Project - Development of Business Case for the development of 48 Long Term Care Beds | | - | 50,000 | - | (50,000) | - | - | - | - | - |
| Aven Manor - Board Governance Training | B | - | 7,000 | - | - | - | 7,000 | 7,000 | - | - |
| GNWT - Municipal and Community Affairs (MACA) | | | | | | | | | | |
| Non-Government Organization Stabilization | B & D | - | 7,700 | - | - | - | 7,700 | 7,700 | - | - |
| The Yellowknife Health and Social Services Authority (YHSSA) | | | | | | | | | | |
| Aven Manor / Cottages - REP Summer Student | B & D | - | 8,443 | - | - | - | 8,443 | 8,443 | - | - |
| One-Time Wages Offset | | 54,484 | - | - | - | (54,484) | - | - | - | - |
| GNWT - Department of Human Resources | | | | | | | | | | |
| Aven Manor / Cottages - REP Summer Student | B & D | - | 6,090 | - | - | - | 6,090 | 6,090 | - | - |
| Total grants | | 58,097 | 79,233 | - | (50,000) | (54,484) | 32,846 | 29,233 | - | 3,613 |
| Total contributions and grants (note 8) | | \$ 345,669 | \$ 8,486,249 | \$ 217,509 | \$ (50,000) | \$ (269,014) | \$ 8,730,413 | \$ 8,540,482 | \$ (85,991) | \$ 189,931 |