Financial Statements of

ODD FELLOWS AND REBEKAHS PERSONAL CARE HOMES INC. GOLDEN LINKS LODGE

And Independent Auditors' Report thereon

Year ended March 31, 2021

KPMG LLP
1900 - 360 Main Street
Winnipeg MB
R3C 3Z3

Telephone (204) 957-1770
Fax (204) 957-0808
www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Members of Odd Fellows and Rebekahs Care Homes Inc. Golden Links Lodge

Opinion

We have audited the accompanying financial statements of Odd Fellows and Rebekahs Care Homes Inc. Golden Links Lodge (the "Entity"), which comprise the statement of financial position as at March 31, 2021, the statements of operations, changes in net deficit and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for 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 auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Winnipeg, Canada

June 28, 2021

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
GOLDEN LINKS LODGE

Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash (note 3)	$ 290,080	$ 3,560
Short-term investments (note 4)	48,331	168,326
Accounts receivable	11,922	6,453
Employee benefits recoverable (note 5[b])	230,242	230,242
Prepaid expenses	18,027	17,420
Due from Winnipeg Regional Health Authority (note 7)	224,503	–
	823,105	426,001
Pre-retirement benefits recoverable (note 5[a])	418,201	459,654
Capital assets (note 6)	1,460,312	1,603,511
	$ 2,701,618	$ 2,489,166
Liabilities, Deferred Contributions and Net Deficit		
Current liabilities:		
Accounts payable and accrued liabilities (note 12)	$ 619,811	$ 489,496
Due to Winnipeg Regional Health Authority (note 7)	–	44,832
Accrued vacation payable (note 5[b])	335,881	343,208
Trust liabilities	16,689	17,398
	972,381	894,934
Pre-retirement benefits (note 5[a])	385,464	426,917
Deferred contributions (note 8):		
Externally restricted	371,036	328,554
Capital assets	1,314,882	1,458,740
Donations	146,268	112,185
Reserve for insurance deductible	9,217	8,217
	1,841,403	1,907,696
Total liabilities and deferred contributions	3,199,248	3,229,547
Net deficit, unrestricted	(497,630)	(740,381)
Contingencies (note 9)		
	$ 2,701,618	$ 2,489,166

See accompanying notes to financial statements.

On behalf of the Board:

Original Document Signed Director   Original Document Signed Director

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
GOLDEN LINKS LODGE

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Winnipeg Regional Health Authority (note 13)	$ 5,411,228	$ 4,503,605
Residential charges	1,930,835	2,059,326
Amortization of deferred contributions related to capital assets	173,785	182,902
Province of Manitoba (note 13)	68,681	–
Donation and other	53,199	47,224
Recoveries and offset income	17,813	18,872
Interest earned	8	2,325
	7,655,549	6,814,254
Expenditures:		
Nursing personal care (note 13)	4,599,992	4,421,096
Food services (note 13)	789,361	806,281
General and administrative (note 13)	731,802	610,704
Plant maintenance	261,785	239,213
Housekeeping (note 13)	343,013	307,825
Plant operation (note 13)	191,762	183,157
Amortization of capital assets	175,798	184,752
Recreation	92,655	104,058
Laundry and linen	84,413	92,891
Social work	82,488	74,496
In-service education	–	12
Interest on long-term debt	–	463
	7,353,069	7,024,948
Excess (deficiency) of revenue over expenditures for the year before the undernoted	302,480	(210,694)
Pre-retirement benefit, change in liability	41,453	(15,627)
Pre-retirement payouts (note 5[a])	(101,182)	(21,897)
Excess (deficiency) of revenue over expenditures	$ 242,751	$ (248,218)

See accompanying notes to financial statements.

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
GOLDEN LINKS LODGE

Statement of Changes in Net Deficit

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Balance, beginning of year	$ (740,381)	$ (492,163)
Excess (deficiency) of revenue over expenditures	242,751	(248,218)
Balance, end of year	$ (497,630)	$ (740,381)

See accompanying notes to financial statements.

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
GOLDEN LINKS LODGE

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash flows from (used in) operating activities:		
Excess (deficiency) of revenue over expenditures for the year	$ 242,751	$ (248,218)
Adjustments for:		
Amortization of capital assets	175,798	184,752
Amortization of deferred contributions related to capital assets	(173,785)	(182,902)
	244,764	(246,368)
Change in non-cash working capital balances:		
Accounts receivable	(5,469)	279
Due from Winnipeg Regional Health Authority	(224,503)	349,709
Prepaid expenses	(607)	1,935
Deferred benefit entitlements	41,453	(15,627)
Accrued vacation entitlement	(7,327)	6,668
Pre-retirement entitlement	(41,453)	15,627
Accounts payable and accrued expenses	130,315	96,687
Due to Winnipeg Regional Health Authority	(44,832)	(305,168)
Trust liabilities	(709)	3,866
	(153,132)	153,976
	91,632	(92,392)
Cash flows from financing activities:		
Deferred contributions - capital assets	29,927	50,852
Deferred contributions - externally restricted	42,482	–
Deferred contributions - donations, net	34,083	988
Reserve for insurance deductible	1,000	1,000
	107,492	52,840
Cash flows from (used in) investing activities:		
Purchase of capital assets	(32,599)	(52,159)
Decrease in short-term investments	119,995	92,676
	87,396	40,517
Increase in cash	286,520	965
Cash, beginning of year	3,560	2,595
Cash, end of year	$ 290,080	$ 3,560

See accompanying notes to financial statements.

1. Nature of the Organization:

The Odd Fellows and Rebekahs Care Homes Inc. Golden Links Lodge (the "Organization") is a non-profit organization operating as a long-term care facility. The Organization is a registered charity under the *Canadian Income Tax Act* and is therefore exempted from income taxes.

2. Significant accounting policies:

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations and include the following significant account policies:

(a) Basis of presentation:

The financial statements include only the assets, liabilities, operations and net assets of the Organization.

(b) Revenue recognition:

The Organization follows the deferral method of accounting for contributions, which include government grants and donations.

The Organization is funded primarily by Winnipeg Regional Health Authority (WRHA) in accordance with a Service Purchase Agreement (SPA). Operating grants are recorded as revenue in the period to which they relate.

In accordance with the terms and conditions of the SPA, the operating surplus the Organization may retain is the greater of 50 percent of the operating surplus and 2 percent of the global budget as provided by WRHA, in any fiscal year. The remaining operating surplus of the Organization in any fiscal year is repayable to the WRHA. Annual operating deficits are the responsibility of the Organization.

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

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

2. Significant accounting policies (continued):

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Revenue from the residential services (rent, housing, residential charges) and marketed services is recognized when the goods are sold or the service is provided.

The Organization records on an annual basis, an estimate of the amount that may be recoverable from, or payable to WRHA relating to its excess of revenues or expenditures in accordance with WHRA funding guidelines. WHRA funding adjustments are subject to WHRA audits. The differences, if any, from the initial estimates are reflected as an adjustment in the current year's operating income.

(c) Contributed services:

In the normal course of business, the Organization receives volunteer assistance in carrying out its service delivery activities. Contributed services are not recognized in the financial statements because of the difficulty in determining their fair value.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. When a capital asset no longer contributes to the Organization’s ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized using the straight-line method based on the estimated useful life of the asset as follows:

Land improvements	10 years
Buildings and building improvements	10 to 50 years
Equipment	5 to 20 years

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When circumstances indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset’s fair value or replacement cost.

2. Significant accounting policies (continued):

The write-down of the asset is charged to income during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

(e) Employee benefits:

The cost of the Organization's employee future pre-retirement benefits is accrued as earned based on an actuarial estimation. The estimation of future pre-retirement benefits has been performed using the projected unit credit service pro-rated on service actuarial cost method.

The significant actuarial assumptions adopted in measuring the Organization's employee future pre-retirement benefits include mortality and withdrawal rates, a discount rate of 2.70 percent (2020 - 3.50 percent) and a rate of salary increase of 1.00 percent to March 2022 and 3.50 percent thereafter (2020 - 0.75 percent to March 2021, 1.00 percent to March 2022 and 3.50 percent thereafter) plus an age-related merit/promotion scale.

(f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and employee future benefits. Actual results could differ from those estimates.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has elected to carry investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

ODD FELLOWS AND REBEKAHS CARE HOMES INC. GOLDEN LINKS LODGE

Notes to Financial Statements (continued)

Year ended March 31, 2021

2. Significant accounting policies (continued):

Unrealized gains and losses on investments, representing the change in difference between the fair value and the cost of investments at the beginning and end of each year is reflected in investment income in the statement of operations. Fair value of investments is determined based on period end quoted market prices.

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

3. Cash:

	2021	2020
Bank indebtedness - unrestricted	$ –	$ (78,202)
Unrestricted cash	194,627	–
Restricted cash	95,453	81,762
	$ 290,080	$ 3,560

Restricted cash represents cash held for deferred contributions related to donations.

4. Short-term investments:

The Organization has short-term investments held with TD Canada Trust in a money market account in the amount of $48,331 (2020 - $168,326).

5. Employee future benefits and employee benefits:

(a) Pre-retirement benefits:

The Organizations participates in an employee future pre-retirement benefits plan for substantially all of its employees. The plan provides benefit payments to eligible retirees based on length of service and on career earnings from initial eligibility.

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
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Notes to Financial Statements (continued)

Year ended March 31, 2021

5. Employee future benefits and employee benefits (continued):

Information about the Organization’s pre-retirement benefits plan is as follows:

	2021	2020
Accrued benefit obligation:		
Balance, beginning of year	$ 426,917	$ 411,290
Current benefit cost	32,726	32,823
Interest	16,088	13,323
Amortized actuarial loss	10,915	(8,622)
Benefits paid	(101,182)	(21,897)
Liability for benefits	$ 385,464	$ 426,917

The Organization measured the pre-retirement benefit liability at March 31, 2021 using an extrapolation of the most recently completed actuarial valuation as of December 31, 2018. The significant actuarial assumptions adopted in measuring the accrued pre-retirement entitlements include mortality and withdrawal rate, a discount rate of 2.70 percent (2020 - 3.50 percent) and a rate of salary increase of 1.00 percent to March 2022 and 3.50 percent thereafter (0.75 percent to March 2021, 1.00 percent to March 2022 and 3.50 percent thereafter) plus an age-related merit/promotion scale. Actual payments made during the year for the Corporation’s pre-retirement entitlements were $101,182 (2020 - $21,897).

The amount of funding which will be provided by the WRHA for future entitlement benefits was initially determined based on the future pre-retirement benefits payable at March 31, 2004, and was recorded as amounts recoverable from the WRHA and also includes the incremental increases in the related liability for fiscal 2007 to 2018, which includes an interest component.

The future employee benefits recoverable from the WRHA of $418,201 (2020 - $459,654) at March 31, 2021 have no specified terms of repayment.

(b) Vacation pay:

The cost of the Organization’s vacation benefits is accrued when the benefits are earned by the employees. The vacation benefit accrual at March 31, 2021 is $335,881 (2020 - $343,208).

Each year, the WRHA funds a portion of the vacation pay liability of the Organization, which is limited to the amount established at March 31, 2004 of $230,242. This amount is recorded as employee benefits recoverable on the statement of financial position.

ODD FELLOWS AND REBEKAHS CARE HOMES INC.
GOLDEN LINKS LODGE

Notes to Financial Statements (continued)

Year ended March 31, 2021

5. Employee future benefits and employee benefits (continued):

(c) Multi-employer defined benefit pension plan:

Substantially all of the employees of the Organization are members of Healthcare Employees' Pension Plan - Manitoba (the "Plan") which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the Plan. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the best five years of the last ten years that provide the highest earnings, prior to retirement, termination or death.

During the year, the Organization contributed $291,595 (2020 - $339,256) on behalf of its employees. The most recent actuarial valuation of the Plan as at December 31, 2019, reported the Plan had a surplus of actuarial value of net assets over actuarial present value of accrued pension obligations and a solvency deficiency. Based on a solvency exemption granted to the Plan, the Plan is not required to fund on a solvency basis but is required to fund on a going concern basis. A going concern deficiency, if any, will be funded by special payments out of current contributions. Any contribution deficiencies in the plan would be addressed through pension benefit reductions or contribution rate increases from the participating members. Employer contribution rates are 8.9 percent of pensionable earnings up to the yearly maximum pensionable earnings limit (YMPE) and 10.5 percent on earnings in excess of YMPE.

6. Capital assets:

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land improvements	$ 255,254	$ 220,580	$ 34,674	$ 4,269
Buildings	4,203,448	2,930,730	1,272,718	1,393,766
Building addition:				
Special needs unit	388,858	270,040	118,818	129,619
Equipment	1,074,728	1,040,626	34,102	75,857
	$ 5,922,288	$ 4,461,976	$ 1,460,312	$ 1,603,511

7. Due from (to) Winnipeg Regional Health Authority Inc.:

The due from (to) the WRHA represents the net year-end funding receivable and payable for the fiscal years 2015 to 2021.

ODD FELLOWS AND REBEKAHS CARE HOMES INC. GOLDEN LINKS LODGE

Notes to Financial Statements (continued)

Year ended March 31, 2021

7. Due from (to) Winnipeg Regional Health Authority Inc. (continued):

Prior years' surplus and deficit, settlement for which has not yet been adjusted is as follows:

	2021	2020
2015 fiscal year end - repayable In-Globe surplus	$ (169,522)	$ (169,522)
2018 fiscal year end	22,715	22,715
2019 fiscal year end	44,428	44,428
2020 fiscal year end	(18,418)	57,547
2021 fiscal year end	345,300	–
	$ 224,503	$ (44,832)

8. Deferred contributions:

a) Deferred contributions - externally restricted:

	2021	2020
Reserve for major repairs:		
Balance, beginning of year	$ 231,552	$ 231,552
Current year funding	42,482	–
Balance, end of year	$ 274,034	$ 231,552
Equipment replacements:		
Balance, beginning of year	$ 97,002	$ 97,002
Balance, end of year	$ 97,002	$ 97,002
Total deferred contributions - externally restricted	$ 371,036	$ 328,554

8. Deferred contributions (continued):

b) Deferred contributions - capital assets:

	2021	2020
Balance, beginning of year	$ 1,458,740	$ 1,590,790
Current year funding	29,927	50,852
Amortized to revenue	(173,785)	(182,902)
Balance, end of year	$ 1,314,882	$ 1,458,740

During fiscal 2020, the Organization signed two promissory notes payable to the Province of Manitoba to fund the roof replacement project from previous years. One promissory note is payable over a three-year period and the other is payable over a five-year period. The payment of principal and interest on these promissory notes is funded by the Winnipeg Regional Health Authority. Therefore, no revenue or expense is recorded in accordance with their extinguishment, except for the amortization of the deferred contribution.

As at March 31, 2021, the balance of the 3 year promissory note is $43,762 (2020 - $64,853). The 3 year promissory note bears interest at 2.45%, maturing on March 31, 2023, and is repayable in monthly installments of $1,870.

As at March 31, 2021, the balance of the 5 year promissory note is $94,806 (2020 - $116,981). The 5 year promissory note bears interest at 2.65%, maturing on March 31, 2025, and is repayable in monthly installments of $2,084.

c) Deferred contributions - donations:

	2021	2020
Balance, beginning of year	$ 112,185	$ 111,197
Current year donations	38,150	21,908
Current year expenditures	(4,067)	(20,920)
Balance, end of year	$ 146,268	$ 112,185

8. Deferred contributions (continued):

d) Deferred contributions - reserve for insurance deductible:

		2021		2020
Balance, beginning of year	$	8,217	$	7,217
Current year funding		1,000		1,000
Balance, end of year	$	9,217	$	8,217

9. Contingencies:

On July 1, 1987 a group of health care Organizations ("subscribers"), formed Healthcare Insurance Reciprocal of Canada (HIROC). HIROC is registered as a Reciprocal pursuant to provincial Insurance Acts, which permit persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces of Ontario, Manitoba, Saskatchewan and Newfoundland. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, of any experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to March 31, 2021.

10. Land lease:

The land used by the Organization is owned by the Grand Lodge of Manitoba, 1.0.0.F. The Organization has leased the land for a term of 50 years from March 1, 1980 without any leasing cost other than maintaining the property.

11. Financial risk management:

The Organization is exposed to different types of risk in the normal course of operations, including liquidity risk, credit risk and market risk. The Organization's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Organization's activities. There has been no changes to the below noted risk exposures from 2020.

(a) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost.

11. Financial risk management (continued):

The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to accounts receivable, due from Winnipeg Regional Health Authority and investments.

Accounts receivable: The Organization is not exposed to significant credit risk as the receivables are spread among a broad client base and payment in full is typically collected when it is due. The Organization establishes an allowance for doubtful accounts that represents its estimate of potential credit losses.

The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

Due from WRHA, vacation entitlements receivable and retirement obligations receivable: The Organization is not exposed to significant credit risk as these receivables are from the Province of Manitoba and Winnipeg Regional Health Authority.

(c) Market risk:

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and other price risk.

Interest rate risk is the risk that the value of a financial Instrument will fluctuate due to changes in market Interest rates. The Organization is not exposed to significant interest rate risk. Its investments are held in short-term or variable rate products.

The Organization is not exposed to significant foreign currency risk as it does not have any financial Instruments denominated in foreign currency and the number of transactions in foreign currency are minimal.

The Organization is not exposed to other price risk.

12. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable in the amount of $68,637 (2020 - $63,614).

13. COVID impact:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian federal and provincial governments, enacting emergency measures to combat the spread of the virus.

These measures, which include implementation of travel bans, self-imposed quarantine periods, and social distancing, have caused material disruption to businesses globally and in Manitoba resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable.

During fiscal 2021 and as of approval of these financial statements, the Corporation has experienced restricted access to the Organization's facilities to the public including visitors based on public health recommendations and mandatory working from home requirements for those able to do so as a result of the COVID-19 pandemic. The Organization has taken measures to monitor and manage the effect of COVID-19 on the Organization's operations and financial position. However, depending on the duration and severity of the COVID-19 outbreak locally, there may continue to be significant impacts on the operations and financial position of the Organization. The financial effect that the COVID-19 pandemic will have on the Organization in the future cannot be estimated at this time.

The Organization has tracked the additional expenditures incurred related to the COVID-19 pandemic during the fiscal 2021. The Organization received funding equal to these COVID-19 related expenditures during fiscal 2021 from the Winnipeg Regional Health Authority of $672,722 and from the Province of Manitoba of $68,681, which is included in revenue. The following additional COVID-19 expenditures are included in the related expenditure accounts in the statement of operations:

	2021	2020
Nursing personal care	$ 474,057	$ –
Housekeeping	52,361	–
General and administrative	176,775	–
Food services	21,698	–
Plant operation	18,214	–
	$ 743,105	$ –