SHERWOOD PARK MANOR

A CHOICE TO CELEBRATE LIVING

2025

Annual General Meeting

AGENDA

www.sherwoodparkmanor.com

AGM 2025

25.06.2025
1:30 pm

Wednesday

01 Opening Items

- Call to Order
- Approval of Agenda for 25.06.2025
- Approval of Minutes from 17.07.2024
- Business Arising from Previous Minutes

02 Correspondences

- Board Chair
- Executive Director
- Resource Committee
- Medical Director
- Foundation/Endowment
- Financial & Audit

03 Closing Items

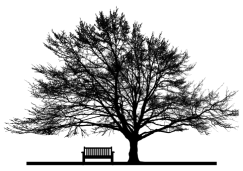
- Nominating Committee
- Election of Directors
- Appointment of Auditors
- By Laws
- New Business
- Adjournment

03 Additional Items

- Introduction to Hanna Kentfield
- Volunteer Appreciation
- Volunteer Video

Networking and Refreshements

AGM
2025



AGM 2025

Board Chair Report

Fifty years ago, a group of forward-thinking citizens recognized the need for a new long-term care facility in the Leeds and Grenville area. They also believed that a not-for-profit model would best serve the community. This year, we proudly celebrate the 50th anniversary of that vision—honoring both the successes and the challenges that have shaped Sherwood Park Manor over the decades.

As we mark this milestone, our focus now turns to the future. The new facility will add 96 beds to the 32 built in 2005, expanding our capacity by 21 beds. Our staff are actively preparing an occupancy plan for the transition from the current building to the new one, and are also engaging with the new technologies that will be integrated into the facility. We anticipate that this modern environment will foster innovative programs and care models that will flourish under our new roof.

We are deeply grateful to the municipalities, corporations, and individuals whose generous contributions are helping bring this project to life. We have now reached 78% of our community fundraising goal toward meeting our redevelopment commitment. The new building is expected to open in March 2026.

Once again this year, I want to personally thank every staff member for their dedication to improving the quality of life for our residents while maintaining a safe and supportive environment.

I also extend my sincere appreciation to the members of our volunteer Board of Directors. Their commitment to the future of Sherwood Park Manor has been unwavering, and their support over the past year has been invaluable.

As we look ahead, our collective efforts will shape the next fifty years of Sherwood Park Manor's story. I am confident that, decades from now, this chapter will be remembered as a continuation of a proud and meaningful legacy—for our residents, our staff, and our community.

Ken Durand, Board Chair

AGM 2025

Executive Director Report

Redevelopment

The projected opening has shifted from November 2025 to March 25, 2026. Despite this, the project is progressing well and was slightly behind schedule as of March 2024. Most tendering will wrap up in early spring. A major milestone was reached with the substructure completed and superstructure construction beginning in summer. Steel beams and columns for the third floor were erected, and the ground floor was finished. The goal for late fall/early winter was to fully enclose the building before harsh weather.

Culture Change Initiative

Following Silver Meridian's departure, the Culture Change Committee took full ownership of improvement efforts in 2024, focusing on attendance, communication, gossip, leadership, and training.

Key 2024 achievements:

- Workflow maps created for most roles.
- Communication books implemented across wings.
- Leadership training for registered staff underway.
- Enhanced orientation sessions and shifts.
- Emphasis on positive workplace culture and accountability.

In late 2024, the focus shifted to addressing a lack of purpose in daily work. In 2025, efforts are aimed at helping staff find more meaning in their roles.

In Closing

Sincere thanks to the Board, Foundation, managers, volunteers, students, and especially our staff for making 2024 a year of meaningful progress. We're also grateful for the continued support from MPP Steve Clark, local mayors, and community partners.

Looking ahead, I'm confident in our shared commitment to making Sherwood Park Manor an exceptional place for our residents.

Nancy Nesbitt-Boucher, Executive Director

AGM 2025

Resource Committee Report

The Resource Committee is Chaired by the Board Treasurer and meets monthly to review the financial reports of Sherwood Park Manor and discuss any upcoming or outstanding expenditures. The committee reviews these reports in detail and then makes necessary recommendations to the full Board of Directors.

The Committee also reviews any changes to process or policy that would impact the Manor's finances either positively or negatively. These would also include such things as major expenditures and recoveries, and any Provincial/Federal grants that may be available.

In the past year the Resource Committee has been very focused on the redevelopment plans for the Manor working in conjunction with the full board and the Executive Director and Coporate Services Manager to secure and finalize the mortgage and funding models for the redevelopment project which were put in place earlier this year.

This year the committee also placed increased focus on resourcing and Human Resource matters and the new Manager of Human Resources now attends the monthly meetings providing updates on staffing and recruitment levels, grievances, and workplace incidents.

We are pleased to advise that financially Sherwood Park Manor Manor had another successful which ended in a positive position as you will see in the detailed Auditors report.

Lianne Glendinning, Treasurer

AGM 2025

Medical Director Report

Welcome to summer 2025 (hopefully). It was a long winter and an awful spring. It is refreshing to see the new building progressing and we all look forward to making the transition in the spring of 2026.

With the coming of summer, respiratory outbreaks decrease significantly. We had our fair share over the winter months (COVID, Influenza, and RSV) but national data has the current rate of all three at low levels. I have not come across any information about what to expect for the upcoming fall and winter. COVID continues mutating new strains (141 so far identified in Canada), and hopefully new strains will be less virulent than the last.

Medication monitoring is an ongoing process; one of which is the use of rescue medications. We are happy to report there have been zero instances where rescue medications have been required for low sugars in diabetics or those receiving too many narcotics.

We are above the provincial average for the use of anti-psychotics in residents. This is an area where we hope to get our numbers back on track by reviewing charts and making changes. Other provincially monitored categories are at or close to the average.

The Manor has recently hired a Nurse Practitioner, Amy Doiron. I had the pleasure of collaborating with her when she was an employee of the Upper Canada Health Team. I can vouch for her knowledge and skills. She will be working mainly on Fridays and is a welcome addition to the team.

On-call services continue to be provided by the same team as last year; Dr. Bhatt, Dr. Ruparelia, and myself.

A new program is about to begin which will involve the nurse, pharmacist, and physician. When residents arrive, we will, together, go over the medications and make informed decisions as to their necessity based on the resident's medical status. Hopefully, we can eliminate unnecessary medications thereby reducing pill burden.

On a lighter note, I invite you all to the Sherwood Park Manor golf tournament on Friday August 8th. Like last year, it promises to be a fun afternoon and evening with funds being raised going to the development.

Dr. D. Dufour M.D., CCFP

AGM 2025

Foundation / Endowment Report

In 2024-25, the Sherwood Park Manor Foundation expanded its role in supporting the Manor's redevelopment and took on full responsibility for fundraising. In February 2025, the Foundation Board formally agreed to manage all fundraising activities.

Fulfilling a prior commitment, the Foundation made a one-time donation of $574,681 to the redevelopment fund by forgiving the remaining mortgage receivable on August 1, 2024. As of 2025, the Foundation oversees all donations and covers fundraising expenses, while the Manor maintains control over how funds are distributed. The Foundation retains discretion over the use of unrestricted income from the Fulford-Hardy Endowment Fund and other investments to benefit residents.

To formalize this partnership, we plan to develop a Memorandum of Agreement with the Manor's Board, outlining shared responsibilities and our joint commitment to residents.

This year brought meaningful change, and our Board responded with dedication. Special thanks to Bill Ewing, Treasurer, for establishing an independent banking system, and Mary Ann Van Berlo, Vice Chair, for creating a shared electronic filing system. We also thank Robert Campbell for his service and welcome Carson Kilpatrick to the Board.

2025-26 Foundation Board Members:

- Gordon Cameron
- William Ewing
- Lianne Glendinning
- Martin Gysbers
- Carson Kilpatrick
- Marlene Leonard, Chair
- Nancy Nesbitt-Boucher, Secretary (ex officio)
- Alan Vanderwel
- Mary Ann Van Berlo, Treasurer and Vice Chair

Finally, sincere thanks to the Manor staff—Nancy Nesbitt-Boucher, Blu Desrosiers, and Tina McGonegal—for their continued collaboration and support.

Marlene Leonard, Chair

AGM 2025

Financial Report

2024 Overview

In 2024, Sherwood Park Manor demonstrated strong financial stewardship, maintaining stability despite staffing shortages and inflationary pressures. Strategic reinvestments and disciplined budgeting helped position the Manor for continued success throughout the 2024 fiscal period.

Nursing saw significant surpluses due to staffing gaps, enabling reinvestment in equipment and technology. Program Support Services ended the year under budget, while Raw Foods stabilized after early deficits. IPAC experienced minor late-year overages, offset by earlier gains. Other Accommodation revenue exceeded expectations, which was supported by strong occupancy and interest income. Environmental Services improved in the second half, and Maintenance remained consistently under budget. The redevelopment project advanced meaningfully, with a $650K fundraising contribution and finalized financing setting the stage for full execution in 2025.

Looking Ahead to 2025

Sherwood Park Manor enters 2025 with cautious optimism.

Key priorities include:

- Stabilizing staffing levels to reduce reliance on agency services.
- Leveraging new funding streams (e.g., Integrated Technology Solutions) to modernize care delivery.
- Maintaining fiscal discipline while navigating inflation and wage pressures.
- Executing the redevelopment project with full financing in place and a targeted opening in March 2026.

With a strong foundation and a clear vision, Sherwood Park Manor is well-positioned to continue delivering exceptional care while evolving to meet the needs of the next generation of residents.

Blu Desrosiers, Corporate Services Manager

Financial Statements of

SHERWOOD PARK MANOR

And Independent Auditor's Report thereon

Year ended December 31, 2024

SHERWOOD PARK MANOR

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SHERWOOD PARK MANOR

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KPMG LLP
863 Princess Street, Suite 400
Kingston, ON K7L 5N4
Canada
Telephone 613 549 1550
Fax 613 549 6349

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Sherwood Park Manor

Opinion

We have audited the financial statements of Sherwood Park Manor (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to 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 December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity 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, Licensed Public Accountants

Kingston, Canada

April 28, 2025

SHERWOOD PARK MANOR

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash	$ 953,852	$ 8,440,744
Restricted cash (note 8)	1,821,753	–
Accounts receivable (note 3)	1,414,955	635,979
Prepaid expenses	19,996	26,202
Inventory	143,741	114,406
	4,354,297	9,217,331
Deferred financing fees (note 6)	309,121	79,266
Capital assets (note 4)	15,698,723	5,396,052
	$ 20,362,141	$ 14,692,649
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 900,846	$ 1,188,743
Payable to the Province of Ontario	3,735,810	2,969,750
Deferred revenue	7,978	24,340
Current portion of long-term debt (note 6)	1,810	230,121
	4,646,444	4,412,954
Long-term debt (note 6)	4,924,153	1,064,577
Deferred capital contributions (notes 7 and 15)	9,518,327	8,774,742
Net assets:		
Internally restricted donations	4,389	4,389
Invested in capital assets (note 12)	1,254,433	752,033
Unrestricted	14,395	(316,046)
	1,273,217	440,376
Contingent liabilities (note 13)		
Commitments (note 15)		
Subsequent events (note 16)		
	$ 20,362,141	$ 14,692,649

See accompanying notes to financial statements.

On behalf of the Board of Directors:

_____ Director

_____ Director

SHERWOOD PARK MANOR

Statement of Operations

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

	2024	2023
Revenue:		
Province of Ontario	$ 8,506,168	$ 8,115,400
Residents' accommodations	2,420,081	2,160,878
Recoveries	135,382	43,653
Amortization of deferred capital contributions (note 7(a))	89,244	75,756
Donations	9,441	10,512
Sherwood Park Manor Foundation (note 11(a))	–	40,000
	11,160,316	10,446,199
Expenses:		
Salaries and benefits (note 9)	8,168,811	7,573,221
Food	512,044	460,936
Repairs and maintenance	433,395	360,407
Purchased services	336,785	533,334
Medical supplies	289,640	351,761
Amortization of capital assets (note 4)	270,677	256,914
Utilities	201,738	193,537
Materials and supplies	144,283	134,357
Professional fees	136,956	137,085
Amortization of deferred financing fees (note 6)	79,267	6,084
Interest on long-term debt (note 6)	75,795	81,523
Dietary supplies	64,362	77,529
Insurance	64,349	61,129
Administrative	53,063	61,284
Office	30,229	65,768
Training	18,386	16,505
Consulting fees	12,000	11,717
	10,891,780	10,383,091
Excess of revenue over expenses before the undernoted item	268,536	63,108
Other income:		
Debt forgiveness (note 11 (b) and (c))	564,305	300,954
Excess of revenue over expenses	$ 832,841	$ 364,062

See accompanying notes to financial statements.

SHERWOOD PARK MANOR

Statement of Changes in Net Assets

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

	Internally restricted donations	Invested in capital assets (note 12)	Unrestricted	2024 Total	2023 Total
Balance, beginning of year	$ 4,389	$ 752,033	$ (316,046)	$ 440,376	$ 76,314
Excess of revenue over expenses	–	(181,433)	1,014,274	832,841	364,062
Net change in invested in capital assets	–	683,833	(683,833)	–	–
Balance, end of year	$ 4,389	$ 1,254,433	$ 14,395	$ 1,273,217	$ 440,376

See accompanying notes to financial statements.

SHERWOOD PARK MANOR

Statement of Cash Flows

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

	2024	2023
Cash provided by (used for):		
Operating expenses:		
Excess of revenue over expenses	$ 832,841	$ 364,062
Items which do not involve cash:		
Amortization of capital assets	270,677	256,914
Amortization of deferred capital contributions	(89,244)	(75,756)
Amortization of deferred financing fees	79,266	6,084
Debt forgiveness	(564,305)	(300,954)
Change in non-cash working capital:		
Accounts receivable	(778,976)	(252,691)
Prepaid expenses	6,206	22,705
Inventory	(29,335)	–
Accounts payable and accrued liabilities	(287,897)	302,710
Payable to the Province of Ontario	766,060	593,473
Deferred revenue	(16,362)	(157,830)
	188,931	758,717
Financing activities:		
Payment of deferred financing fees	(309,121)	–
Repayment of long-term debt	(724,430)	(1,124,494)
Issuance of long-term debt	4,920,000	878,595
	3,886,449	(245,899)
Investing activities:		
Purchase of capital assets	(10,573,348)	(2,805,360)
Receipt of deferred capital contributions	832,829	8,199,118
	(9,740,519)	5,393,758
Increase (decrease) in cash	(5,665,139)	5,906,576
Cash, beginning of year	8,440,744	2,534,168
Cash, end of year	$ 2,775,605	$ 8,440,744
Presented as:		
Cash	$ 953,852	$ 8,440,744
Restricted cash	1,821,753	–
	$ 2,775,605	$ 8,440,744

See accompanying notes to financial statements.

1. Nature of the organization:

Sherwood Park Manor (the “Corporation”) is incorporated without share capital under the Ontario Corporations Act. Its principal activity is the operation of a nursing home. The Corporation is a charitable organization registered under the Income Tax Act (Canada) and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

2. Significant accounting policies:

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

(a) Restricted cash:

Under certain agreements, the Corporation may receive cash in advance of the expected cash outflows where the cash received in advance is subject to restrictions on its usage. Where the Corporation does not expect to realize outflows with respect to restricted cash within the upcoming fiscal year, the amount is recorded as long-term restricted cash on the Statement of Financial Position. The current portion of restricted cash reflects amounts that are scheduled to be released in the coming year.

(b) Revenue recognition:

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

The Corporation is funded primarily by the Province of Ontario in accordance with a service agreement with the Ministry of Health and the Ministry of Long-Term Care of Ontario. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Resident accommodation fees are based on rates determined by the Ministry of Health and the Ministry of Long-Term Care of Ontario. Revenue from residents, recoveries, donations and revenues from other sources are recognized when the services are provided. Where revenue relates to a future period, it is deferred and recognized in that subsequent period.

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 rates for the related capital assets.

Investment income is recognized as revenue when earned.

2. Significant accounting policies (continued):

(c) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year to assist the Corporation in carrying out its service activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. All financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

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 Corporation 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 Corporation 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.

(e) Capital assets:

Purchased capital assets are recorded at cost, which includes amounts that are directly attributable to acquisitions. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized.

Capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Land improvements	10%
Buildings and building service equipment	2% to 5%
Equipment and furnishings	6% to 20%

Construction in progress is recorded at cost and includes capitalization of interest during the construction period. Construction in progress is not amortized until the project is substantially complete and ready for productive use.

2. Significant accounting policies (continued):

(e) Capital assets (continued):

The carrying value of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount is not recoverable and exceeds its fair value.

(f) Deferred financing fees:

Deferred financing fees are costs related to the Corporation's debt financing activities and include lending and legal fees. Financing fees and transaction costs are amortized over the financing term of the loan or mortgage, using the straight-line method. Upon refinancing of debt, any unamortized financing fees and transaction costs associated with the previous debt are expensed. All unamortized deferred financing costs are disclosed separately on the Statement of Financial Position. Amortization of deferred financing fees associated with construction loans will commence upon the conversion of the financing to a term loan as described in note 6.

(g) Restrictions on net assets:

The Board of Directors has internally restricted the use of unrestricted donations to provide for additional resident needs, and to establish a reserve for a projected new building construction with Ministry of Health and the Ministry of Long-Term Care of Ontario development program funding.

(h) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3. Accounts receivable:

	2024	2023
Residents	$ 50,260	$ 5,802
Sherwood Park Manor Foundation (note 11(d))	261,566	253,806
GST/HST recoverable	1,123,760	372,836
Other	886	3,535
	1,436,472	635,979
Allowance for impairment	(21,517)	–
	$ 1,414,955	$ 635,979

4. Capital assets:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 29,626	$ –	$ 29,626	$ 29,626
Land improvements	91,543	91,543	–	–
Buildings and building service equipment	6,536,466	4,431,567	2,104,899	2,104,700
Equipment and furnishings	2,531,058	1,946,063	584,995	632,089
Construction in progress (notes 6, 8 and 15)	12,979,203	–	12,979,203	2,629,637
	$ 22,167,896	$ 6,469,173	$ 15,698,723	$ 5,396,052

Cost and accumulated amortization of capital assets at December 31, 2023 amounted to $11,594,547 and $6,198,495, respectively.

Amortization of capital assets for the year amounted to $270,677 (2023 - $256,914).

Capital assets have been reviewed for full or partial impairment. Management has determined there are none.

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of $48,909 (2023 - $45,557) which includes amounts payable for payroll-related taxes.

6. Long-term debt:

	2024	2023
Tranche A construction loan bearing interest at 6.34%, interest only until the conversion date, due February 2051	$ 4,920,000	$ –
Equipment loan, bearing interest at 9.90%, payable $192 monthly including interest, secured by washer equipment, due November 2027	5,963	7,589
5% second mortgage, payable $3,834 monthly including interest, forgiven during the year (note 11(b))	–	574,681
Term loan bearing interest at 6.05%, payable $20,654 monthly including interest, repaid during the year	–	712,428
	4,925,963	1,294,698
Less current portion of long-term debt	1,810	230,121
	$ 4,924,153	$ 1,064,577

On December 20, 2024, the Corporation entered into a loan agreement in the amount of $4,920,000 to refinance its existing term loan and finance the redevelopment project described in note 15. At year end, the full amount of the Tranche A construction loan has been advanced, with excess funds being held in an interest-bearing construction escrow account, to be drawn on for project use (note 8).

The loan is secured by a first charge on the project, a fixed and floating charge on all present and future assets, property and undertaking of the Corporation, as well as an assignment of material project agreements, insurance, and project accounts. The security also includes a blocked account agreement, deposit account control agreement, a construction escrow account agreement, and any such security as the lenders shall reasonably require.

From December 20, 2024 to a maximum of 16 months, monthly payments are interest only. As of June 2026, or upon conditions precedent to conversion having been met, the loan will convert to a term loan at the existing interest rate, with blended quarterly payments ranging from $89,560 to $105,151, and a final payment of $257,578 due on maturity in February 2051.

6. Long-term debt (continued):

Future principal payments required on long-term debt for the next five years are as follows:

2025	$ 1,810
2026	32,669
2027	61,144
2028	67,901
2029	75,050
Thereafter	4,687,389
	$ 4,925,963

The interest expense on long-term debt for the year was $75,795 (2023 - $81,523).

Interest on the Tranche A construction loan amounted to $9,378 (2023 - $Nil) and has been included in construction in progress.

Deferred financing fees associated with the Tranche A construction loan obtained during the year amounted to $309,121 and have been capitalized and disclosed separately on the Statement of Financial Position. The deferred financing fees will be amortized over the term of the construction loan upon its conversion to a term loan, as noted above.

Amortization of deferred financing fees amounted to $79,267 (2023 - $6,084) and are included on the Statement of Operations. As part of the Tranche A construction loan agreement, the term loan held by the Corporation was discharged, and the unamortized balance of deferred financing fees associated with this debt in the amount of $79,266 were expensed during the year.

7. Deferred capital contributions:

(a) Deferred capital contributions related to capital assets represent the unamortized amount of donations received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Statement of Operations.

	2024	2023
Balance, beginning of year	$ 8,774,742	$ 651,380
Additional contributions received (note 11(a))	832,829	8,199,118
	9,607,571	8,850,498
Less amounts amortized to revenue	(89,244)	(75,756)
Balance, end of year	$ 9,518,327	$ 8,774,742

7. Deferred capital contributions (continued):

(b) The balance of unamortized deferred capital contributions consists of the following:

	2024	2023
Unamortized capital contributions used to purchase assets	$ 9,518,327	$ 3,349,321
Unspent capital contributions	–	5,425,421
	$ 9,518,327	$ 8,774,742

8. Restricted cash:

There is a restricted cash balance of $1,821,753 (2023 - $Nil). These funds are interest bearing and consist of proceeds from the Tranche A construction loan, as described in note 6. Restricted cash is released upon the Corporation’s submission of construction loan draw down requests. Interest earned on restricted cash during the year amounted to $2,158 (2023 - $Nil) and is included as a component of construction in progress.

9. Pension plan:

Substantially all of the employees of the Corporation are members of the Healthcare of Ontario Pension Plan. The plan is a multi-employer defined benefit plan available to all eligible employees which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions to the plan made during the year by the Corporation on behalf of its employees amounted to $415,397 (2023 - $408,870) and are included in salaries and benefits in the Statement of Operations.

Pension expense is based on the Plan management's best estimates, in consultation with its actuaries, of the amount, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for employer contributions to the Plan to remain a constant percentage of employees' contributions. Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The Plan’s 2024 Annual Report indicates the plan is fully funded at 111% (2023 -115%).

10. Trust funds:

Resident trust funds administered by the Corporation amounting to $18,573 (2023 - $24,329) have not been included in these financial statements.

11. Related party transactions:

Sherwood Park Manor Foundation (formerly Fulford Home):

The Corporation has an economic interest in Sherwood Park Manor Foundation (the "Foundation"). The Foundation's principal activity is to maintain an endowment fund which earns investment income to be distributed to the Corporation.

Related party transactions with the Foundation during the year include the following:

(a) During the year, the Corporation received a contribution towards the redevelopment project described in note 15 amounting to $650,000 (2023 - $Nil), which has been included in deferred capital contributions on the Statement of Financial Position. The Corporation also received unrestricted donations amounting to $Nil (2023 - $40,000) from the Foundation, which have been included as revenue on the Statement of Operations.

(b) On June 1, 2018, the Board of Directors of the Foundation approved to hold a mortgage on the property of 1814 County Road 2 East, Brockville, Ontario in the amount of $659,124 at a rate of interest of 5% per annum. Monthly payments of $3,833, including principal and interest, are paid from the Corporation to fund the payments required on this debt. As part of the Foundation's contributions to the redevelopment project described in note 15, the balance outstanding as of July 1, 2024 was forgiven. The balance forgiven, amounting to $564,305, is included on the Statement of Operations in fiscal 2024.

(c) In the prior year, the second mortgage held on the property described in note 11(b) was also forgiven as part of the Foundation's contribution to support the redevelopment project described in note 15. The balance forgiven, amounting to $300,954, is included on the Statement of Operations in fiscal 2023.

(d) During the year, the Corporation incurred various administrative and fundraising costs on behalf of the Foundation for which the Corporation was reimbursed. At year end, there is $261,566 (2023 - $253,806) included in accounts receivable related to these reimbursements. The balance is non-interest bearing and has no fixed terms of repayment.

(e) During the year, $486,832 (2023 - $191,702) in donation receipts were issued by the Corporation on behalf of the Foundation. The income related to these donation receipts has not been included in these financial statements.

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related party.

12. Investment in capital assets:

(a) The Corporation's investment in capital assets is calculated as follows:

	2024	2023
Capital assets	$ 15,698,723	$ 5,396,052
Amounts financed by:		
Long-term debt	4,925,963	1,294,698
Deferred contributions related to capital assets (note 7(b))	9,518,327	3,349,321
	14,444,290	4,644,019
	$ 1,254,433	$ 752,033

(b) Change in net assets invested in capital assets is calculated as follows:

	2024	2023
Excess of revenue over expenses:		
Amortization of deferred capital contributions	$ 89,244	$ 75,756
Amortization of capital assets	(270,677)	(256,914)
	(181,433)	(181,158)
Net change in investment in capital assets:		
Purchase of capital assets	10,573,348	2,805,360
Amount financed by deferred capital contributions	(6,258,250)	(2,799,276)
Amount financed by long-term debt	(4,920,000)	(878,595)
Repayment of long-term debt	724,430	1,124,494
Debt forgiveness	564,305	300,954
	683,833	552,937
	$ 502,400	$ 371,779

13. Contingent liabilities:

(a) Provincial subsidy revenue:

The operating revenue is recognized based on the approved fiscal allocation by the Ministry of Health and the Ministry of Long-Term Care of Ontario (the "Ministry"). There may be recoveries based on an annual Ministry reconciliation performed subsequent to year-end. Any recovery will be reported as an adjustment to the Statement of Operations in the year of recovery.

13. Contingent liabilities (continued):

(b) Legal claims:

The Corporation is involved with outstanding and pending litigation and claims which arise in the normal course of operations. In management's opinion any liability that may arise from such contingencies would not have a significant adverse effect on the financial statements of the Corporation. Losses in excess of the provision recorded in the financial statements, if any, arising from these contingencies will be accounted for in the year in which they are determined.

14. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity risk by monitoring its operating requirements. The Corporation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. The Corporation has current liabilities that exceed its current assets by $292,556 as at December 31, 2024 (2023 - current assets that exceed current liabilities by $4,804,377). The Corporation's ability to fulfill its obligations and commitments in the normal course of business is dependent on securing additional funding from the Ministry and its lenders. Subsequent to year-end, additional funding was secured as described in note 16.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Corporation is exposed to credit risk with respect to the accounts receivable. The Corporation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not considered collectible in an allowance for doubtful accounts which is $21,517 as at December 31, 2024 (2023 - $Nil). There has been no significant change to the risk exposure from 2023.

15. Commitments:

On August 31, 2023, the Corporation entered into a Development Agreement with the Ministry of Long-Term Care (the "Ministry") to redevelop its existing facility to include 96 eligible long-term care beds. The total project budget, as approved by the Ministry, is $51,752,975, of which $12,979,203 (2023 - $2,629,637) has been included in construction in progress. The Corporation has entered into a Construction Management Agreement with a general contractor to complete the work. The scheduled completion date for the project is February 2026.

15. Commitments (continued):

As part of this Development Agreement, the Ministry has committed to providing a Development Grant of $2,142,608, payable upon completion of the project, along with one-time funding for basic staff orientation and training of $22,500 and $100,714 respectively. A Construction Funding Subsidy ("CFS") of $21.28 per resident per day as well as a CFS Top-Up of $20 per resident per day have also been approved. Of the $20 CFS Top-Up, $15 has been converted to a Construction Grant amounting to $7,776,000. The Construction Grant, along with a $250,000 Planning Grant, have been received and are included in deferred capital contributions on the Statement of Financial Position.

The remaining project costs will be funded through a combination of external financing, municipal funding and donations. External financing was secured subsequent to year-end as described in note 16.

16. Subsequent events:

Subsequent to year end, the Corporation obtained an amendment to its construction loan agreement described in note 6. The new agreement includes an additional Tranche B construction loan in the amount of $31,841,000. The loan bears interest at 5.84%, and carries the same security, payment terms and conversion structure as the Tranche A construction loan. The full amount of the loan has been advanced to an interest bearing escrow account to be drawn on to cover ongoing costs associated with the Corporation's redevelopment project. To satisfy the equity requirements of the additional facility, the Corporation received an additional one-time funding granted in the amount of $5,000,000 to be deposited to the escrow account prior to the commencement of construction drawdowns.

17. Comparative information:

Certain comparative information has been reclassified from that previously presented to conform to the presentation of the 2024 financial statements.

KPMG LLP
863 Princess Street, Suite 400
Kingston, ON K7L 5N4
Canada
Telephone 613 549 1550
Fax 613 549 6349

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Sherwood Park Manor

Opinion

We have audited the accompanying Statement of Residents' Trust Accounts of Sherwood Park Manor (the Entity) for the year ended December 31, 2024 and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Statement").

In our opinion, the accompanying Statement for the year ended December 31, 2024 is prepared in all material respects in accordance with the 2023 Long-Term Care Home Annual Report Technical Instructions and Guidelines, dated October 10, 2024 issued by the Ministry of Health and the Ministry of Long-Term Care of Ontario.

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 ***"Auditor's Responsibilities for the Audit of the Statement"*** section of our auditor's report.

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

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

Emphasis of Matter - Financial Reporting Framework

We draw attention to note 1 to the Statement, which describes the applicable financial reporting framework.

As a result, the Statement may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the Statement in accordance with the 2023 Long-Term Care Home Annual Report Technical Instructions and Guidelines, dated October 10, 2024 issued by the Ministry of Health and the Ministry of Long-Term Care of Ontario, including determining that the basis of accounting is an acceptable basis for the preparation of the Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

April 28, 2025

RESIDENT TRUST FUND OF SHERWOOD PARK MANOR

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Cash	$ 18,573	$ 24,329
Fund Balance		
Trust fund balance	$ 18,573	$ 24,329

Statement of Continuity

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

	2024	2023
Trust fund balance, beginning of year	$ 24,329	$ 12,339
Resident receipts	17,540	22,291
	41,869	34,630
Disbursements	(23,296)	(10,301)
Trust fund balance, end of year	$ 18,573	$ 24,329

See accompanying notes to financial statements.

RESIDENT TRUST FUND OF SHERWOOD PARK MANOR

Notes to Financial Statements

Year ended December 31, 2024

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1. Basis of accounting:

The statement of Residents' Trust Accounts of Sherwood Park Manor reports the deposits and disbursements for the year ended December 31, 2024, in accordance with the significant accounting principles prescribed by the Ministry of Health and the Ministry of Long-Term Care of Ontario. General eligibility criteria for expenditures and reporting requirements are described in the 2023 Long-Term Care Home Annual Report Technical Instructions and Guidelines, dated October 10, 2024 issued by the Ministry of Health and the Ministry of Long-Term Care of Ontario.

The purpose of the statement is for the Entity to meet its obligation to report to the Ministry of Health and the Ministry of Long-Term Care of Ontario's 2023 Long-Term Care Home Annual Report Technical Instructions and Guidelines dated October 10, 2024.

2. Significant accounting policies:

(a) Receipts:

Receipts are recorded on the cash basis.

(b) Disbursements:

Disbursements are recorded on the cash basis.

DEAR *Volunteers*

Please accept this offering of heartfelt thanks and gratitude to each and every one of you—our incredible volunteers.

Whether it's sharing a warm smile, lending a compassionate ear, or simply being a comforting presence, the time, kindness, and connection you bring to Sherwood Park Manor is truly invaluable. Your presence brightens our days and lifts the spirits of our residents in ways that cannot be measured.
We want to offer special recognition to our volunteers who dedicate their time visiting with the residents at Sherwood Park Manor. The personal relationships you build—one quiet visit, one shared story, one walk at a time—brings immense joy, reassurance, and dignity to those you serve. Your commitment to building individual bonds makes a lasting difference in the lives the residents.

We also extend our deepest appreciation to those who work behind the scenes—members of our Board, as well as the many Councils and Committees whose ongoing support, insight, and dedication continue to shape the heart and future of Sherwood Park Manor. Your thoughtful leadership ensures that our home remains a place of compassion, safety, and excellence.

From all of us at Sherwood Park Manor:

Thank you for every moment you've created, every hour you've given, and all the passion you've shared.
We see you. We appreciate you. We are stronger and better because of you.