

**Lacombe Foundation**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2017**

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Lacombe Foundation  
Financial Statements  
For the Year Ended December 31, 2017

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of:  
Lacombe Foundation**

We have audited the accompanying financial statements of the Lacombe Foundation, which comprise the statement of financial position as at December 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 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 auditors' 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 entity'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 entity'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 in our audit is sufficient and appropriate to provide a basis for our opinion.

### *Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Lacombe Foundation as at December 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.

*Other Matter*

The financial statements of the Lacombe Foundation for the year ended December 31, 2016 were audited by another accounting firm who expressed a unmodified opinion on those statements in their report dated March 27, 2017.

Lethbridge, Alberta  
March 26, 2018

*Avail LLP*

Chartered Professional Accountants

Lacombe Foundation  
Statement of Financial Position  
As at December 31, 2017

	2017	2016
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	\$ 83,467	\$ 336,950
Guaranteed investment certificates	2,800,000	1,500,000
Due from related party (Note 11)	-	52,647
Receivables (Note 4)	83,308	260,751
Prepays	<u>52,092</u>	<u>39,029</u>
	3,018,867	2,189,377
 Tangible capital assets (Note 5)	 <u>8,651,221</u>	 <u>8,928,519</u>
 Total Assets	 <u>\$ 11,670,088</u>	 <u>\$ 11,117,896</u>
<b>Liabilities</b>		
<b>Current</b>		
Payables and accruals (Note 6)	\$ 415,087	\$ 380,863
Unearned income and deposits	54,487	57,626
Deferred contributions (Note 7)	580,400	80,400
Current portion of callable debt (Note 8)	<u>113,365</u>	<u>110,349</u>
	1,163,339	629,238
 Callable debt (Note 8)	 <u>1,575,725</u>	 <u>1,686,038</u>
	2,739,064	2,315,276
 Deferred contributions related to capital assets (Note 9)	 <u>3,952,848</u>	 <u>4,238,301</u>
	<u>6,691,912</u>	<u>6,553,577</u>
<b>Net Assets</b>		
Unrestricted net assets	564,095	1,443,688
Internally restricted net assets (Note 10)	1,404,800	226,800
Net assets invested in capital assets	<u>3,009,281</u>	<u>2,893,831</u>
	4,978,176	4,564,319
 Total Liabilities and Net Assets	 <u>\$ 11,670,088</u>	 <u>\$ 11,117,896</u>

SIGNED *Chairman of the Board of Directors* :

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Lacombe Foundation  
Statement of Operations  
For the Year Ended December 31, 2017

	2017 Actual	2017 Budget (Unaudited)	2016 Actual (Restated)
<b>Revenue</b>			
Accommodation	\$ 2,775,729	\$ 2,762,094	\$ 2,734,590
Grants	483,757	585,000	777,310
Recoveries	111,088	101,887	192,411
Alberta Health Services	350,776	340,000	336,317
Donations	10,915	-	6,755
Interest and miscellaneous	34,549	19,067	28,203
Amortization of deferred capital contributions	285,453	-	282,311
	<u>4,052,267</u>	<u>3,808,048</u>	<u>4,357,897</u>
<b>Expenses</b>			
Administration management	114,024	114,032	111,600
Amortization of capital assets	431,399	-	444,511
Building and ground maintenance	125,781	182,795	197,407
Equipment and appliances	36,129	22,100	28,831
Food and kitchen supplies	438,035	454,900	454,933
General administration	181,486	184,797	188,448
Insurance	31,782	33,400	31,638
Interest on callable debt	50,504	157,800	50,528
Laundry and linen supplies	47,094	61,920	47,291
Non-recurring maintenance	68,250	69,000	246,019
Professional fees	30,100	8,700	22,449
Property taxes	85,304	101,031	98,088
Resident life enhancement	10,747	11,000	7,721
Utilities	342,122	340,677	324,225
Wages and benefits	2,391,253	2,418,126	2,333,194
	<u>4,384,010</u>	<u>4,160,278</u>	<u>4,586,883</u>
Deficiency of revenue over expenses before requisition and other items	(331,743)	(352,230)	(228,986)
Gain on Disposal of Asset(s)	-	-	14,980
Requisition (Note 14)	<u>624,600</u>	<u>624,600</u>	<u>624,600</u>
Excess of revenue over expenses	<u>\$ 292,857</u>	<u>\$ 272,370</u>	<u>\$ 410,594</u>

Lacombe Foundation  
Statement of Changes in Net Assets  
For the Year Ended December 31, 2017

	2017				2016
	Unrestricted Net Assets	Internally Restricted Net Assets (Note 10)	Net Assets Invested In Capital Assets	Total	Total
Beginning balance	\$ 1,443,688	\$ 226,800	\$ 2,893,831	\$ 4,564,319	\$ 4,153,725
Excess of revenues over expenses	292,857	-	-	292,857	410,594
Amortization of tangible capital assets	431,399	-	(431,399)	-	-
Purchase of capital assets	(33,100)	-	33,100	-	-
Amortization of deferred capital contributions	(285,453)	-	285,453	-	-
Repayment of callable debt	(107,296)	-	107,296	-	-
Land Donated	-	-	121,000	121,000	-
Transfer to internally restricted net assets	(1,178,000)	1,178,000	-	-	-
Ending balance	<u>\$ 564,095</u>	<u>\$ 1,404,800</u>	<u>\$ 3,009,281</u>	<u>\$ 4,978,176</u>	<u>\$ 4,564,319</u>

Lacombe Foundation  
Statement of Cash Flows  
For the Year Ended December 31, 2017

	2017	2016
Cash provided (used) by operating activities:		
Excess of revenue over expenses	\$ 292,857	\$ 410,594
Items not involving cash:		
Amortization of tangible capital assets	431,399	444,511
Gain on disposal of property and equipment		(14,980)
Amortization of deferred capital contributions	<u>(285,453)</u>	<u>(282,311)</u>
	438,803	557,814
 Changes in operating net assets:		
Receivables	177,443	(148,763)
Due from related party	52,647	235,917
Prepays	(13,063)	(2,114)
Payables and accruals	34,224	(76,254)
Unearned income and deposits	(3,141)	9,600
Deferred contributions	<u>500,000</u>	<u>-</u>
	1,186,913	576,200
 Cash provided (used) by financing activities:		
Repayment of capital lease obligation	-	(9,783)
Repayment of callable debt	<u>(107,296)</u>	<u>(107,585)</u>
	(107,296)	(117,368)
 Cash provided (used) by investing activities:		
Purchase of tangible capital assets	(33,100)	(53,178)
(Increase) decrease in guaranteed investment certificates	<u>(1,300,000)</u>	<u>(700,000)</u>
	<u>(1,333,100)</u>	<u>(753,178)</u>
 (Decrease) increase in cash during the year	(253,483)	(294,346)
 Cash and cash equivalents, beginning of year	<u>336,950</u>	<u>631,296</u>
 Cash and cash equivalents, end of year	<u>\$ 83,467</u>	<u>\$ 336,950</u>



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Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

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**1. Nature of operations**

Lacombe Foundation (Lacombe) was established as a management body by Ministerial Order, pursuant to the Alberta Housing Act. It is responsible for the operation and administration of Lacombe Senior Citizens' Lodge, Eckville Manor House, Terrace Heights Affordable Housing in Lacombe, Alberta and Blackfalds Affordable Housing in Blackfalds, Alberta.

**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) Use of Estimates:

The preparation of these statements requires the organization 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 statements, and the reported amounts of revenues and expenses during the reporting period. Significant accounting estimates include allowance for doubtful accounts, estimated useful lives of capital assets, and current portion of capital lease obligation. Actual results could differ from these estimates.

b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks, and guaranteed investment certificates with original maturities of 3 months or less.

c) Revenue recognition:

The organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, including accommodation, recoveries, and health services funding, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Provincial government grants are recognized as revenue in the year in which the related expenses are incurred. Requisition revenue is recognized as income in the year for which the funding is requisitioned. Restricted contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue at the same rate of amortization as the related acquired capital assets.

d) Contributed supplies and services:

The organization may recognize contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations

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Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

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2. **Significant accounting policies (continued)**

e) Tangible capital assets:

Tangible capital assets are recorded at cost. When the organization receives contributions of tangible capital assets, their cost is equal to their fair value at the contribution date. When fair value cannot be reasonably determined, the tangible capital asset is recorded at a nominal value. These assets are then amortized on the "straight-line" method over estimated useful life of each asset within the following ranges:

Buildings	20 to 25 years
Equipment	4 to 10 years

When the organization recognizes that a tangible capital asset no longer has any long-term service potential, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

f) Financial assets and liabilities:

Upon initial measurement, the organization's financial assets and liabilities are measured at fair value, which, in the case of financial assets or liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related transaction costs. Transaction costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in operations in the year they are incurred.

At each reporting date, the organization measures its financial assets and liabilities at amortized cost, including any impairment in the case of financial assets. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals, callable debt and capital lease obligations.

With respect to financial assets measured at amortized cost, the organization assesses whether there are any indications of impairment. When there is an indication of impairment, and if the organization determines that during the year there was a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

g) Net assets invested in capital assets:

The Organization has chose to continue to treat net assets invested in capital assets as a separate component of net assets.

Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

**3. Cash and cash equivalents**

	<u>2017</u>	<u>2016</u>
Cash on hand and balances with banks, net of outstanding cheques and deposits	\$ 54,925	\$ 311,786
Trust account for security deposits	<u>28,542</u>	<u>25,164</u>
	<u>\$ 83,467</u>	<u>\$ 336,950</u>

The Board has internally restricted \$226,800 of cash as reserves for future major maintenance repairs and upgrades to the lodges and affordable housing facilities as indicated in Note 10.

**4. Receivables**

	<u>2017</u>	<u>2016</u>
Resident and tenant receivables	\$ 30,506	\$ 39,204
GST recoverable	20,585	13,154
Grant receivable	-	140,698
Interest receivable	31,844	18,019
Other receivables	<u>373</u>	<u>49,676</u>
	<u>\$ 83,308</u>	<u>\$ 260,751</u>

**5. Tangible capital assets**

	<u>2017</u>			<u>2016</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 2,101,648	\$ -	\$ 2,101,648	\$ 1,980,648
Work In Progress	28,000	-	28,000	-
Buildings	12,620,819	6,231,867	6,388,952	6,784,360
Equipment	<u>570,320</u>	<u>437,699</u>	<u>132,621</u>	<u>163,511</u>
	<u>\$ 15,320,787</u>	<u>\$ 6,669,566</u>	<u>\$ 8,651,221</u>	<u>\$ 8,928,519</u>

In 2017 the Lacombe Foundation received the generous donation of a house. The house itself has little or no value, however the land has a value of \$121,000.

Work in Progress consists of funds paid to PGA Architects Ltd. for the update and expansion design for the Lacombe Seniors Lodge.

Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

**6. Payables and accruals**

	<u>2017</u>	<u>2016</u>
Accounts payable	\$ 38,500	\$ 105,267
Wages and benefits payable	117,418	129,708
Payroll remittances payable to CRA	41,912	47,571
Amounts due to related parties (Note 11)	106,104	-
Accrued audit fees payable	7,500	6,400
Employee future benefits payable	<u>103,653</u>	<u>91,917</u>
	<u>\$ 415,087</u>	<u>\$ 380,863</u>

**7. Deferred contributions**

Deferred contributions in the amount of \$80,400 relate to donations made for designated purposes, and are recorded as revenue when expended. No expenditures of these funds occurred during 2017. During the year a grant of \$500,000 was received from the Government for upgrading the Dry Sprinklers in the Lacombe Seniors Lodge.

**8. Callable debt**

	<u>2017</u>	<u>2016</u>
ATB Financial demand loan, bearing interest at prime, repayable in monthly blended instalments of \$6,850.	\$ 693,472	\$ 754,679
ATB Financial demand loan, bearing interest at prime, repayable in monthly blended instalments of \$6,300.	<u>995,618</u>	<u>1,041,708</u>
	1,689,090	1,796,387
Less current portion	<u>113,365</u>	<u>110,349</u>
	<u>\$ 1,575,725</u>	<u>\$ 1,686,038</u>

The collateral security lodged by the organization to support the callable debt is a first charge over land and building with a carrying value of \$6,388,952 (\$2016 - \$6,689,175) and an assignment of rents.

Although the bank loans are of a demand nature, management does not believe that the demand feature will be exercised. Accordingly, the scheduled principal repayments on the callable debt for the next five years are as follows:

2018	\$	113,365
2019		116,464
2020		119,648
2021		122,919
2022		138,979
Subsequent years		<u>1,077,715</u>
		<u>\$ 1,689,090</u>

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Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

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**9. Deferred contributions related to capital assets**

Deferred contributions related to capital assets represent restricted contributions from government and donations with which some of the capital assets were purchased. The changes in the deferred contributions balance for the year are as follows:

	<u>2017</u>	<u>2016</u>
Deferred balance, beginning of year	\$ 4,238,301	\$ 4,599,132
Less: transfer to revenue	-	(78,520)
Less: recognized as revenue	<u>(285,453)</u>	<u>(282,311)</u>
Deferred balance, end of year	<u>\$ 3,952,848</u>	<u>\$ 4,238,301</u>

**10. Net assets internally restricted**

The Foundation's Board of Directors has established reserve funds to fund future major maintenance repairs and upgrades to the lodges and affordable housing facilities. In 2017 the Board reviewed the policy and a motion was made that no funds would be transferred into the reserve during the year. Accordingly the reserve balance of \$204,800 is unchanged from 2016.

The reserve for lodge operations increased in 2017 to \$1,200,000 (2016 - \$22,000) as approved by the Board at the September 2017 meeting, restricting the funds for use in redevelopment of the Lacombe Lodge.

These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

**11. Related party transactions**

The organization paid management fees of \$114,024 to Bethany Nursing Home of Camrose, Alberta for the year ended December 31, 2017 (2016 - \$111,600) plus \$45,859 for network and administration support (2016 - \$44,710). During 2017, Lacombe Foundation worked with vendors to have accounts related to the Provincial Housing put into the Bethany Group's name for the projects in Lacombe, Eckville and surrounding communities, which are managed by Bethany Nursing Home of Camrose, Alberta.

The amount payable to Bethany Nursing Home of Camrose, Alberta is \$106,104 at December 31, 2017 (2016 - receivable of \$52,647). This amount is non-interest bearing, unsecured and has no specific terms of repayment. These transactions are in the normal course of operations and are recorded at the exchange amount, which is the amount agreed upon by the related parties.

The Bethany Nursing Home of Camrose, Alberta acts as Chief Administrative Officer (CAO) for Lacombe providing management, administrative, and operational support for the organization.

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Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

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**12. Financial instruments**

The organization maintains a risk management framework to monitor, evaluate, and manage the principal risks assumed with financial instruments. The risks that arise from financial instruments include credit, liquidity, and market risk; market risk arises from changes in interest rates and other price risks.

*Credit risk*

The organization is exposed to credit risk in the event of non-performance by counterparties in connection with its receivables. The organization does not obtain collateral or other security to support the receivables subject to credit risk, and does not anticipate significant loss for non-performance beyond that already provided for as an allowance for doubtful accounts. There has been no significant change in risk from the prior year.

*Market risk*

The organization's financial instruments expose it to market risk, in particular interest rate risk and other price risk, resulting from its operations. There has been no significant change in risk from the prior year.

The guaranteed investment certificates bear interest at a fixed rate and the organization is therefore exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The organization's callable debt consists of loans that are subject to fluctuations in interest rates. The organization does not use derivative financial instruments to alter the effects of this risk.

*Liquidity risk*

Liquidity risk is the risk the organization may encounter difficulty in meeting its obligations associated with its financial liabilities as they become due. The organization's exposure to liquidity risk is dependent on the receipt of funds from a variety of sources, whether in the form of revenue or advances. There has been no significant change in risk from the prior year.

**13. Comparative Figures**

Where necessary the comparative figures for the 2016 year, which were reported on by another auditor, have been reclassified to conform with 2017 financial statement presentation. The changes do not affect prior year earnings.

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Lacombe Foundation  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

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**14. Municipal requisitions**

	<u>2017</u>	<u>2016</u>
Lacombe County	\$ 403,443	\$ 415,921
City of Lacombe	112,715	107,306
Town of Blackfalds	82,993	75,577
Town of Eckville	7,354	7,433
Town of Bentley	6,732	6,808
Village of Alix	6,863	6,933
Village of Clive	<u>4,500</u>	<u>4,622</u>
	<u>\$ 624,600</u>	<u>\$ 624,600</u>

**15. Accumulated sick time**

The Lacombe Foundation offers paid sick leave as part of its benefits package to staff. At December 31, 2017, the accumulated sick time is valued at \$123,236 based on the number of hours and rates of pay, however there is no recorded liability for accrued sick leave benefits for staff as the liability is contingent upon the future health of staff which is not determinable. Accordingly, no amount has been accrued as a liability in these financial statements for accumulated sick time.

Lacombe Foundation  
Statement of Operations by Division: Lodge and Affordable Housing  
For the Year Ended December 31, 2017

	2017 Lodge	2017 Affordable Housing	2017 Total
<b>Revenue</b>			
Accommodation	\$ 2,352,472	\$ 423,257	\$ 2,775,729
Grants	483,757	-	483,757
Recoveries	94,912	16,175	111,088
Alberta Health Services	350,776	-	350,776
Donations	10,915	-	10,915
Interest and miscellaneous	34,451	98	34,549
	<u>3,327,283</u>	<u>439,530</u>	<u>3,766,814</u>
<b>Expenses</b>			
Administration management	102,192	11,832	114,024
Building and ground maintenance	101,389	24,392	125,781
Equipment and appliances	29,717	6,412	36,129
Food and kitchen supplies	438,035	-	438,035
General administration	172,808	8,678	181,486
Insurance	13,039	18,743	31,782
Interest on callable debt	-	50,504	50,504
Laundry and linen supplies	44,176	2,919	47,094
Non-recurring maintenance	-	68,250	68,250
Professional fees	14,700	15,400	30,100
Property taxes	-	85,304	85,304
Resident life enhancement	10,747	-	10,747
Utilities	298,190	43,932	342,122
Wages and benefits	2,333,860	57,393	2,391,253
	<u>3,558,853</u>	<u>393,759</u>	<u>3,952,611</u>
(Deficiency) excess of revenue over expenses before requisition and amortization	(231,570)	45,771	(185,797)
Requisition	<u>624,600</u>	<u>-</u>	<u>624,600</u>
Excess of revenue over expenses before amortization	393,030	45,771	438,801
Amortization of deferred contributions	77,378	208,075	285,453
Amortization of capital assets	<u>(134,592)</u>	<u>(296,807)</u>	<u>(431,399)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 335,816</u>	<u>\$ (42,961)</u>	<u>\$ 292,857</u>



Lacombe Senior Citizen Lodge  
Statement of Operations  
For the Year Ended December 31, 2017

	2017 Actual	2017 Budget (Unaudited)	2016 Actual
<b>Revenue</b>			
Accommodation	\$ 1,614,508	\$ 1,600,000	\$ 1,578,192
Grants	339,892	385,000	573,184
Recoveries	75,340	69,100	116,146
Donations	2,415	-	920
Interest and miscellaneous	22,976	12,300	12,452
Amortization of deferred contributions	64,138	-	60,998
	<u>2,119,269</u>	<u>2,066,400</u>	<u>2,341,892</u>
<b>Expenses</b>			
Administration management	51,096	51,100	50,000
Amortization of capital assets	107,733	-	114,862
Building and ground maintenance	74,347	84,600	79,902
Equipment and appliances	23,776	14,000	13,678
Food and kitchen supplies	305,928	321,500	321,956
General administration	117,722	119,254	104,513
Insurance	11,531	12,000	11,026
Interest on callable debt	-	-	314
Laundry and linen supplies	20,024	33,000	21,370
Non-recurring maintenance	-	-	246,019
Professional fees	11,250	4,800	9,072
Resident life enhancement	6,355	9,000	5,086
Utilities	202,823	204,800	192,087
Wages and benefits	1,229,103	1,259,000	1,210,161
	<u>2,161,688</u>	<u>2,113,054</u>	<u>2,380,046</u>
Deficiency of revenue over expenses before requisition and other items	\$ <u>(42,419)</u>	\$ <u>(46,654)</u>	\$ <u>(38,154)</u>
Gain on Disposal of Asset(s)	<u>-</u>	<u>-</u>	<u>8,988</u>
Deficiency of revenue over expenses	<u>(42,419)</u>	<u>(46,654)</u>	<u>(29,166)</u>

Eckville Manor House  
Statement of Operations  
For the Year Ended December 31, 2017

	2017 Actual	2017 Budget (Unaudited)	2016 Actual
<b>Revenue</b>			
Accommodation	\$ 737,964	\$ 760,000	\$ 753,865
Grants	143,865	200,000	204,126
Recoveries	19,572	16,700	35,829
Funding from Alberta Health Services	350,776	340,000	336,317
Donations	8,500	-	5,835
Interest and miscellaneous	11,475	6,467	7,193
Amortization of deferred contributions	13,240	-	13,240
	<u>1,285,392</u>	<u>1,323,167</u>	<u>1,356,405</u>
<b>Expenses</b>			
Administration management	51,095	51,100	50,000
Amortization of capital assets	26,859	-	29,753
Building and ground maintenance	27,043	36,341	57,326
Equipment and appliances	5,941	8,100	9,064
Food and kitchen supplies	132,107	133,400	132,977
General administration	55,086	57,044	52,883
Insurance	1,508	1,300	1,312
Laundry and linen supplies	24,152	26,000	23,312
Professional fees	3,450	3,500	7,659
Resident life enhancement	4,392	2,000	2,635
Utilities	95,367	92,000	86,706
Wages and benefits	1,104,757	1,099,500	1,065,002
	<u>1,531,757</u>	<u>1,510,285</u>	<u>1,518,629</u>
Deficiency of revenue over expenses before requisition and other items	\$ <u>(246,365)</u>	\$ <u>(187,118)</u>	\$ <u>(162,224)</u>
Gain on Disposal of Asset(s)	<u>-</u>	<u>-</u>	<u>5,992</u>
Deficiency of revenue over expenses	\$ <u>(246,365)</u>	<u>(187,118)</u>	<u>(156,232)</u>

**Lacombe Foundation**  
**Terrace Heights Affordable Housing and Blackfalds Affordable Housing**  
**Statement of Operations**  
**For the Year Ended December 31, 2017**

	2017 Actual	2017 Budget	2016 Actual
<b>Revenue</b>			
Accommodation	\$ 423,257	\$ 402,094	\$ 402,534
Recoveries	16,175	16,087	17,221
Interest and miscellaneous	<u>98</u>	<u>300</u>	<u>8,558</u>
	<u>439,530</u>	<u>418,481</u>	<u>428,313</u>
<b>Expenses</b>			
Administration management	11,832	11,832	11,600
Building and ground maintenance	24,392	61,854	60,179
Equipment and appliances	6,412	-	6,090
Insurance	18,743	20,100	19,299
Interest on callable debt	50,504	157,800	50,215
Laundry and linen supplies	2,919	2,920	2,609
Non-recurring maintenance	68,250	69,000	-
Office	8,678	8,499	31,052
Professional fees	15,400	400	5,719
Property taxes	85,304	101,031	98,088
Utilities	43,932	43,877	45,433
Wages and benefits	<u>57,393</u>	<u>59,626</u>	<u>58,030</u>
	<u>393,759</u>	<u>536,939</u>	<u>388,314</u>
Excess of revenue over expenses before amortization	45,771	(118,458)	39,999
Amortization of deferred contributions	208,075	-	208,075
Amortization of capital assets	<u>(296,807)</u>	<u>-</u>	<u>(299,896)</u>
Excess (deficiency) of revenue over expenses	<u>\$ (42,961)</u>	<u>\$ (118,458)</u>	<u>\$ (51,822)</u>

Terrace Heights Landing Affordable Housing  
Statement of Operations  
For the Year Ended December 31, 2017

	2017 Actual	2017 Budget (Unaudited)	2016 Actual
<b>Revenue</b>			
Accommodation	\$ 226,855	\$ 222,995	\$ 217,802
Recoveries	12,500	4,103	11,353
Interest and miscellaneous	72	150	4,761
Amortization of deferred contributions	<u>135,854</u>	<u>-</u>	<u>135,854</u>
	<u>375,281</u>	<u>227,248</u>	<u>369,770</u>
<b>Expenses</b>			
Administration management	5,916	5,916	5,800
Amortization of capital assets	170,071	-	170,071
Building and ground maintenance	17,681	45,884	45,047
Equipment and appliances	2,354	-	3,724
General administration	4,847	6,776	8,186
Insurance	9,304	10,000	9,102
Interest on callable debt	20,994	82,200	21,326
Laundry and linen supplies	1,128	148	879
Non-recurring maintenance	68,250	69,000	-
Professional fees	7,800	400	4,946
Property taxes	30,858	46,987	45,618
Utilities	36,306	33,875	34,311
Wages and benefits	<u>34,061</u>	<u>35,376</u>	<u>34,433</u>
	<u>409,570</u>	<u>336,562</u>	<u>383,443</u>
(Deficiency) excess of revenue over expenses	\$ <u>(34,289)</u>	\$ <u>(109,314)</u>	\$ <u>(13,673)</u>

Blackfalds Affordable Housing  
Statement of Operations  
For the Year Ended December 31, 2017

	2017 Actual	2017 Budget (Unaudited)	2016 Actual
<b>Revenue</b>			
Accommodation	\$ 196,402	\$ 179,099	\$ 184,732
Recoveries	3,676	11,984	5,868
Interest and miscellaneous	26	150	3,797
Amortization of deferred contributions	<u>72,221</u>	<u>-</u>	<u>72,221</u>
	<u>272,325</u>	<u>191,233</u>	<u>266,618</u>
<b>Expenses</b>			
Administration management	5,917	5,916	5,800
Amortization of capital assets	126,736	-	129,825
Building and ground maintenance	6,711	15,970	15,132
Equipment and appliances	4,058	-	2,366
General administration	3,831	1,723	22,866
Insurance	9,439	10,100	10,197
Interest on callable debt	29,510	75,600	28,889
Laundry and linen supplies	1,791	2,772	1,730
Professional fees	7,600	-	773
Property taxes	54,447	54,044	52,470
Utilities	7,625	10,002	11,122
Wages and benefits	<u>23,332</u>	<u>24,250</u>	<u>23,597</u>
	<u>280,997</u>	<u>200,377</u>	<u>304,767</u>
(Deficiency) excess of revenue over expenses	<u>\$ (8,672)</u>	<u>\$ (9,144)</u>	<u>\$ (38,149)</u>