EDEN CARE COMMUNITIES GROUP OF COMPANIES

Consolidated Financial Statements

Year Ended March 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Eden Care Communities Group of Companies have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Eden Care Communities Group of Companies's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit and Finance Committee. The Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by MWC Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.

Chief Executive Officer

Chair

Regina, SK
September 30, 2025

Chartered Professional
Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Eden Care Communities Group of Companies

Qualified Opinion

We have audited the consolidated financial statements of Eden Care Management Inc. (the Corporation), which comprise the statement of financial position, operations, change in net assets, and cash flows, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at March 31, 2025, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Corporation is unable to economically implement controls that will offer assurance on the completeness of donations and fundraising and we were not able to satisfy ourselves on amounts reported using other procedures. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we were not able to determine whether any adjustments might be necessary to donations and fundraising, excess of revenues (expenses), and cash flows from operations for the years ended March 31, 2025, and 2024, current assets and net assets as at March 31, 2025, and 2024.

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 Consolidated Financial Statements* section of our report. We are independent of the Corporation in accordance with ethical requirements that are relevant to our audit of the consolidated 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 qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

(continues)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

MWC LLP

Chartered Professional Accountants

Regina, Saskatchewan
September 30, 2025

EDEN CARE COMMUNITIES GROUP OF COMPANIES

Consolidated Statement of Financial Position

March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	**$ 681,133**	$ 1,249,696
Accounts receivable	**85,655**	299,962
Goods and services tax recoverable	**146,692**	124,366
Prepaids and inventory	**71,535**	176,882
Proceeds receivable *(Note 3)*	**2,092,253**	-
	3,077,268	1,850,906
PROPERTY AND EQUIPMENT *(Note 4)*	**25,697,098**	27,834,840
RESTRICTED CASH	**1,562,845**	1,440,937
ASSETS HELD FOR USE AND SALE *(Note 3)*	**-**	3,538,624
	$ 30,337,211	$ 34,665,307
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 901,962**	$ 885,004
Deposits received	**293,980**	247,185
Wages payable	**574,121**	1,275,452
Employee deductions payable	**68,270**	142,998
Deferred revenue *(Note 5)*	**55,173**	150,182
Payable to Saskatchewan Health Authority *(Note 6)*	**597,871**	-
Accumulated sick benefits	**-**	238,700
Current portion of long term debt *(Note 8)*	**223,569**	710,674
Current portion of forgivable loan *(Note 10)*	**1,350,000**	1,350,000
Life lease payable *(Note 9)*	**1,346,281**	-
	5,411,227	5,000,195
LONG TERM DEBT *(Note 8)*	**22,761,798**	25,567,389
LIFE LEASE TENANT DEPOSITS *(Note 9)*	**3,407,486**	4,967,135
FORGIVABLE LOANS FROM SHC *(Note 10)*	**3,719,576**	5,069,576
	35,300,087	40,604,295
NET ASSETS		
Unrestricted fund	**(6,516,170)**	(7,361,171)
Restricted fund *(Note 11)*	**1,553,294**	1,422,183
	(4,962,876)	(5,938,988)
	$ 30,337,211	$ 34,665,307

COMMITMENTS *(Note 12)*
CONTINGENT FUNDING LIABILITY *(Note 14)*
SUBSEQUENT EVENT *(Note 15)*

ON BEHALF OF THE BOARD

_______________________________ _______________________________

Director *Director*

See accompanying notes to financial statements

EDEN CARE COMMUNITIES GROUP OF COMPANIES

Consolidated Statement of Operations

Year Ended March 31, 2025

	2025	2024
REVENUES		
Rent and resident fees	**$ 7,451,034**	$ 8,401,888
Provincial government funding	**5,573,077**	10,690,126
Forgivable loan funding from Saskatchewan Housing	**1,350,000**	1,350,000
Programming fees and grants	**403,491**	841,673
Federal government funding	**293,941**	245,655
Investment income	**44,785**	35,413
Donations and fundraising	**5,056**	24,993
CMHC mortgage subsidy	**-**	15,195
	15,121,384	21,604,943
EXPENSES		
Salaries and benefits	**7,687,819**	14,274,422
Occupancy costs	**1,842,005**	2,016,451
Professional fees	**814,068**	414,827
Repairs and maintenance	**796,828**	994,531
Supplies	**596,687**	1,096,853
General and administrative	**341,318**	601,513
Travel and education	**29,664**	30,171
	12,108,389	19,428,768
EXCESS OF REVENUES (EXPENSES) FROM OPERATIONS	**3,012,995**	2,176,175
OTHER INCOME (EXPENSES)		
Gain on disposal of assets held for sale or use	**850,511**	-
Recovery of sick pay	**238,700**	-
Ministry of Social Services - reserve contribution	**20,710**	20,717
Gain (loss) on disposal of property and equipment	**(277,553)**	2,536,813
Provincial government capital funding	**-**	50,000
Interest on long term debt	**(1,599,785)**	(1,343,156)
Amortization of property and equipment	**(1,269,466)**	(1,626,220)
Write down of property and equipment	**-**	(811,249)
Ministry of Social Services - reserve expenses	**-**	(2,466)
	(2,036,883)	(1,175,561)
EXCESS OF REVENUES (EXPENSES)	**$ 976,112**	$ 1,000,614

See accompanying notes to financial statements

EDEN CARE COMMUNITIES GROUP OF COMPANIES

Consolidated Statement of Changes in Net Assets

Year Ended March 31, 2025

	Unrestricted Fund	Restricted Fund	**2025**	2024
NET ASSETS - BEGINNING OF YEAR	$ (7,361,171)	$ 1,422,183	**$ (5,938,988)**	$ (6,939,602)
Excess of revenues (expenses)	910,617	65,495	**976,112**	1,000,614
Interfund transfers *(Note 11)*	(65,616)	65,616	**-**	-
NET ASSETS - END OF YEAR	$ (6,516,170)	$ 1,553,294	**$ (4,962,876)**	$ (5,938,988)

See accompanying notes to financial statements

EDEN CARE COMMUNITIES GROUP OF COMPANIES

Consolidated Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues (expenses)	**$ 976,112**	$ 1,000,614
Items not affecting cash:		
Amortization of property and equipment	**1,269,466**	1,626,220
Loss (gain) on disposal of property and equipment	**277,553**	(2,536,813)
Gain on disposal of assets held for sale or use	**(850,511)**	-
Forgivable loan funding from Saskatchewan Housing	**(1,350,000)**	(1,350,000)
Write down of assets held for sale or use	**-**	811,249
Accumulated sick pay	**(238,700)**	-
	83,920	(448,730)
Changes in non-cash working capital:		
Accounts receivable	**214,307**	(190,435)
Accounts payable and accrued liabilities	**16,958**	(833,647)
Deferred revenue	**(95,006)**	(175,296)
Prepaids and inventory	**105,347**	(808)
Goods and services tax payable	**(22,326)**	(73,638)
Wages payable	**(701,331)**	(13,081)
Employee deductions payable	**(74,728)**	(70,444)
Deposits received	**46,795**	74,603
Payable to Saskatchewan Health Authority	**597,871**	-
	87,887	(1,282,746)
Cash flow from (used by) operating activities	**171,807**	(1,731,476)
INVESTING ACTIVITIES		
Purchase of capital assets	**(17,948)**	(12,270)
Proceeds on disposal of property and equipment	**609,765**	4,249,815
Proceeds on disposal of assets held for sale or use	**2,295,786**	-
Investments - restricted fund	**(121,908)**	(255,975)
Cash flow from investing activities	**2,765,695**	3,981,570
FINANCING ACTIVITIES		
Life lease tenant deposits	**(213,368)**	(756,877)
Proceeds from long term financing	**-**	1,250,000
Repayment of long term debt	**(3,292,697)**	(1,083,977)
Cash flow used by financing activities	**(3,506,065)**	(590,854)
INCREASE (DECREASE) IN CASH FLOW	**(568,563)**	1,659,240
CASH (DEFICIENCY) - BEGINNING OF YEAR	**1,249,696**	(409,544)
CASH - END OF YEAR	**$ 681,133**	$ 1,249,696

See accompanying notes to financial statements

1. PURPOSE OF THE ORGANIZATION

Eden Care Communities Management Inc. ("ECC" or "the Corporation") is the designated parent corporation for the Eden Care Communities Group of Companies ("Eden Group") which include the following: Eden Care Health Inc.(ECH), Eden Care Communities Foundation Inc.(ECF), Milton Heights Inc. (MH), Broadway Terrace Inc. (BT), and Eden Care Village Inc. (ECV). The Regina Lutheran Housing Corporation and Eden Care Suites Inc. dissolved in the year.

The purpose of the Eden Group is to provide facilities, care and services to the communities of Regina, Saskatoon, and Moose Jaw, Saskatchewan through various housing, programming, childcare, and other services. All entities in the Eden Group are registered charities and are exempt from income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Fund accounting

The Corporation follows the restricted fund method for accounting for contributions, which include grants, donations, and other funding.

A portion of the monies received by the company may only be used for specific purposes and accordingly are accounted for in separate funds. Temporary transfers of monies between these funds are recorded as interfund receivables/payables. Permanent transfers are recorded as transfers in the net asset accounts.

The Unrestricted Fund accounts for the day-to-day operations.

The Restricted fund includes the following:

a) Operating reserve fund - internally restricted fund to support ventures and opportunities that meet the purpose of the Corporation.

b) Capital replacement reserve - externally restricted fund to provide for the future maintenance. The reserve is required under funding/financing agreements.

c) Life lease tenant deposit - internally restricted to fund the expiry of life lease deposits in order to settle repayment. The Corporation's lending agreement no longer requires a minimum amount of $4,000 per unit be maintained in the fund because of the settlement of the life lease deposits.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Rent, fees and service revenues are recorded in the period the services are provided and collection is reasonably assured. Investment income is recognized in the period earned.

Unrestricted contributions are recognized as revenue of the Unrestricted Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to general operations are recognized as revenue of the Unrestricted Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund in the year received, or receivable if collection can be reasonably assured.

Financial instruments policy

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

Financial assets including cash and accounts receivable are reported at amortized cost. All investments are reported at fair market value.

Financial liabilities including accounts payable, accrued liabilities, long term debt, forgivable loan and life lease deposits are measured at amortized cost.

Measurement uncertainty

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

Significant estimates include variables used by the actuary in determining the future and current sick pay utilization and the discount rate and the methodology and useful life of amortization of property and equipment.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Land improvements	10 to 20 years	straight-line method
Buildings	20 to 50 years	straight-line method
Equipment	5 to 15 years	straight-line method
Motor vehicles	7 years	straight-line method
Leasehold improvements	3 to 10 years	straight-line method
Paving	10 years	straight-line method

Property and equipment are regularly reviewed to eliminate obsolete items. In the year of acquisition, one half years amortization is taken.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Employee future benefits

The employees of the Corporation participate in several multi-employer pension plans. The Corporation's obligation is limited to making the required employer contributions and not for managing the plans themselves, accordingly, the contributions are expensed in the year.

Forgivable loan

The Corporation has entered into a forgivable loan agreement with Saskatchewan Housing Corporation (SHC). The loan is non-interest bearing and was advanced to cover a portion of the costs of capital asset construction. A condition of the advances is that the housing unit must be substantially used to provide long-term accommodation to qualifying persons and families over a specified term (amortization period of the loan). If these conditions are not met, the unamortized portion must be repaid. The forgiven portion annually is taken into income over the amortization period outlined in the contract, which is a reasonable approximation of the life of the underlying asset.

3. ASSETS HELD FOR USE AND SALE

At the end of the 2024 fiscal year the Group held four properties, with a carrying value of $3,538,623 at the end of the 2024 fiscal year, which were listed for sale which resulted in an anticipated impairment loss of $811,249.

The properties were sold in the 2025 fiscal year, resulting in a gain of $850,611 including the recovery of the impairment loss. As at year end $2,092,253 remained receivable from the sale and was collected subsequent to the year end.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Land	$ 2,256,900	$ -	**$ 2,256,900**	$ 2,361,900
Buildings	43,581,502	20,499,905	**23,081,597**	24,654,648
Equipment	1,581,233	1,268,368	**312,865**	740,046
Motor vehicles	82,679	74,094	**8,585**	12,443
Leasehold improvements	96,450	59,617	**36,833**	64,847
Paving	370,768	370,768	**-**	-
Building - construction in progress	44,013	43,695	**318**	956
	$ 48,013,545	$ 22,316,447	**$ 25,697,098**	$ 27,834,840

5. DEFERRED REVENUE

Deferred revenue includes fees received in advance of the services being provided.

	2025	2024
Rent and resident fees	**$ 55,173**	$ 47,780
Service and other fees	**-**	16,866
SHA funding	**-**	85,536
	$ 55,173	$ 150,182

6. DUE TO SASKATCHEWAN HEALTH AUTHORITY

On the dissolution of Regina Lutheran Housing Corporation the residual operating assets and liabilities were to be transferred to the Saskatchewan Housing Authority (SHA). A settlement amount has not been reach and as at year end $597,871 remains owing to SHA.

7. CREDIT FACILITIES

Broadway Terrace has a temporary line of credit with the Bank of Montreal to a maximum of $600,000. The line of credit bears interest at prime plus 1.75% and is secured by an assignment of deposit instruments and corporate guarantees from Eden Care Management Inc., Eden Care Health Inc., and Milton Heights Inc. As of yearend, $Nil (2024 - $257,461) has been drawn on this facility.

The Royal Bank of Canada loans are secured by the Milton Heights property with a carrying value of $14,146,877 (2024 - $14,778,829) and a first charge on the property. The Addenda Capital loans are secured by a conventional first mortgage on the Broadway Terrace property with a net book value of $11,191,630 (2024 - $11,754,533), a general security agreement, general assignment of rents and leases and guarantees from Eden Care Management Inc.

8. LONG TERM DEBT

	2025	2024
Broadway Terrace Inc.		
Addenda Capital loan #2 bearing interest at 6.95% per annum, payments are interest only payments.	**$ 12,172,871**	$ 12,308,128
Addenda Capital loan #1 bearing interest at 6.95% per annum, payments are interest only payments.	**6,440,127**	6,440,127
Milton Heights Inc.		
Royal Bank of Canada loan bearing interest at 3.99% per annum, repayable in monthly blended payments of $26,792. The loan is renewable on August 1, 2037.	**3,149,870**	3,342,565
Royal Bank of Canada loan bearing interest at 5.71% per annum, repayable in monthly blended payments of $7,783. The loan matures on December 27, 2027.	**1,222,499**	1,246,181
Eden Care Communities Management Inc.		
Conexus loan bearing interest at 4.11% per annum, repayable in monthly blended payments of $15,210. The loan matured on June 5, 2024.	**-**	2,612,383
Conexus loan bearing interest at 4.11% per annum, repayable in monthly blended payments of $1,900. The loan is renewable on June 5, 2024	**-**	327,871
Eden Care Health Inc.		
Royal Bank of Canada loan bearing interest at 7.74% per annum, repayable in monthly blended payments of $261. The loan is renewable on June 2, 2024.	**-**	808
	22,985,367	26,278,063
Amounts payable within one year	**(223,569)**	(710,674)
	$ 22,761,798	$ 25,567,389

Principal repayment terms are approximately:

2026	$ 223,569
2027	233,089
2028	243,022
2029	253,385
2030	264,197

Included in yearend trade payables is accrued interest of $124,403 (2024 - $107,686).

9. LIFE LEASE TENANT DEPOSITS

The Corporation leases living accommodations to tenants on a life lease basis whereby tenants put on deposit with the Corporation an amount approximating the cost of the accommodation to the Corporation. The life leases expire upon death of the tenants or on termination of the lease and the deposit is returned to the tenant or their estate. Due to the uncertainty of payout, no amount is shown as a current liability.

Commencing in the 2020 fiscal year, the Board of the Corporation approved the discontinuation of the requirement for life lease deposits and provided existing tenants with options to have the deposit refunded. In exchange for the life-lease model the Corporation has restructured their services and related fees.

Due to the uncertainty of payout only known amounts are shown as a current liability. During the year the Corporation received notice from tenants for settlement of their deposits and $1,346,281 is considered a current liability at year end.

10. FORGIVABLE LOAN FROM SHC

	2025	2024
Loan payable to Saskatchewan Housing Corporation, forgivable in 120 monthly installments of $56,250, followed by 77 monthly installments of $112,500 and one final installment of $87,500 commencing July 2012.	**$ 5,069,576**	$ 6,419,576
	5,069,576	6,419,576
Less: Current portion of forgivable loan	**(1,350,000)**	(1,350,000)
	$ 3,719,576	$ 5,069,576

11. RESTRICTED FUND AND TRANSFERS

	Beginning of Year	Excess revenue (expense) for the year	Transfers	End of Year
Broadway Terrace - capital	$ 746,887	$ 29,301	$ 15,004	$ 791,192
Broadway Terrace - life lease	237	-	-	237
Broadway Terrace - operating	12	-	-	12
Eden Health - capital	94,137	20,710	-	114,847
Milton Heights - capital	580,910	15,484	50,612	647,006
	$ 1,422,183	$ 65,495	$ 65,616	$ 1,553,294

12. COMMITMENTS

The Corporation has lease commitments related to group home leases and equipment.

Future lease commitments are as follows

2026	$ 354,472
2027	354,472
2028	340,800
2029	41,600

13. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and management is responsible to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from residents. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts. The Corporation has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Corporation not being able to liquidate assets in a timely manner at a reasonable price.

The Corporation meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

Interest rate risk

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

14. CONTINGENT FUNDING LIABILITY

As part of the funding agreement with the Ministry of Social Services there is a review of the operations subsequent to the year end. Upon completion of the review there exists the potential that funding in excess of attendance numbers may result in a requirement of funding to be repaid. No provision is recorded in the current financial statements and any revenue recovery is recorded in the year it is made known to the organization.

15. SUBSEQUENT EVENT

Eden Care Health Inc. is dependent on the ongoing funding from the Ministry of Social Services, and Saskatchewan Housing Corporation to maintain their current level of operations.

Subsequent to the year end, with the change in operations that occurred in 2025, the Ministry of Social Services (MSS) advised Eden Care Health that the contracts for the Community Living Service Delivery (CLSD) programs would not be continued. This is anticipated to impact all MSS programming other than Day Programs.

As of the Audit Report date a plan for transition of services has not been finalized, and the Corporation is to receive funding under the current agreements for all services provided until a replacement service provider is found.