



Résidence Wales Home

ANNUAL REPORT

Brendalee Piironen | Executive Director | 2021 to 2022

Résidence Wales Home

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In 2021, our limits continued to be tested as an organization, and through the diligence, passion, and commitment of our leaders and employees, we came out stronger.

ONE HUNDRED AND THIRD ANNUAL REPORT

For the Thursday, April 1st, 2021 to Thursday, March 31st, 2022 fiscal year

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Mission Statement and Values

MISSION STATEMENT

The Résidence Wales Home is committed to respecting seniors' dignity by providing them with a clean, safe, and secure homelike environment that promotes independence, friendship, and comfort for its residents and provides a welcoming atmosphere for their friends and families. The Résidence Wales Home accomplishes its mission with a valuable team of skilled employees, volunteers, other healthcare professionals, and community partners.

VALUES

Our values, put forth by our dedicated employees and volunteers daily, are *compassion, innovation, integrity, respect, and teamwork.*

Executive Committee Members



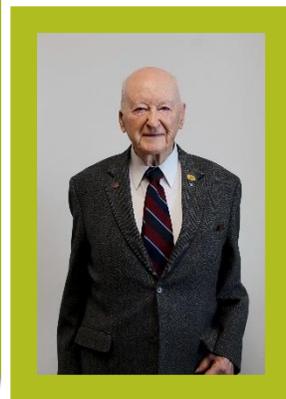
Norman Carson



Glenn Brock



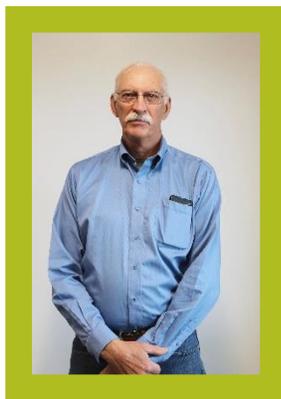
Brendalee
Piironen



Keith Baldwin



Denis Beaubien



Ed Fowler



Lee Gale



Marcien Gaudet



Pauline Jubinville



Carolyn
Leonard



Randy Little



Martin Taylor

Achievements



Aviva Community Fund
Supporting what's important to you



Prix
Résidence de l'année
2013 100 unités et plus



LES PRIX D'EXCELLENCE
DU RÉSEAU DE LA SANTÉ ET DES SERVICES SOCIAUX

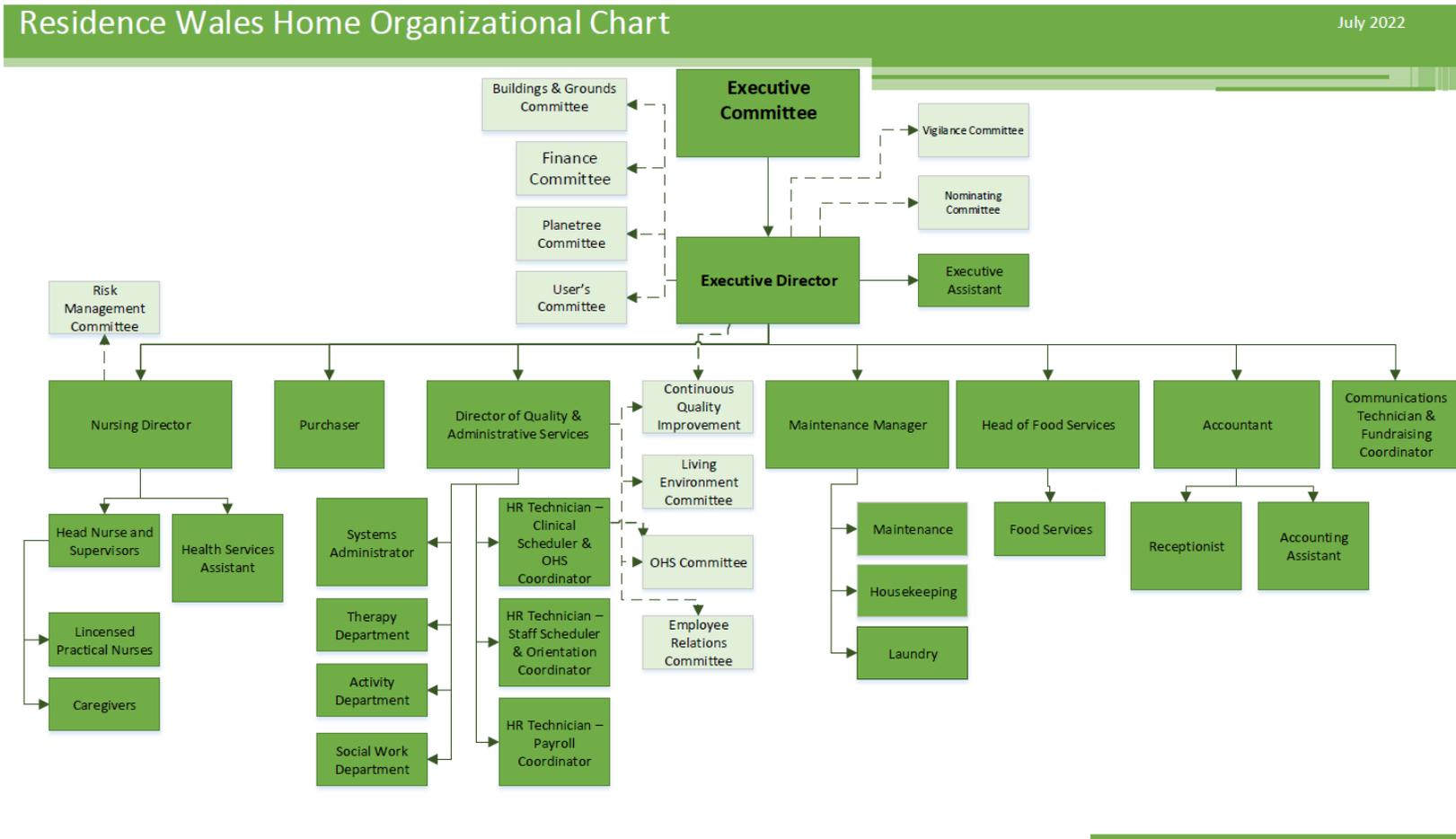


Most innovative Corporation 2015



2018 Recreation and Quality of Life Award
Fédération québécoise du loisir en institution

Organizational Chart



Executive Director and President's Report

The pandemic is global in scale and personal in impact. We are each affected in deeply individual capacities. We faced loss of normalcy, control, certainty, and, sadly, even loved ones. These losses could easily have divided us, but this fiscal year demonstrated that even in times of great misfortune, we stand united and more committed than ever to our vision of providing the compassionate care to our residents that we would want for our loved ones.

Despite our best efforts, the highly contagious Omicron variant managed to infiltrate our walls towards the end of the year. Multiple employees tested positive for the virus throughout the months of December and January, followed by our first resident outbreak. A Central resident tested positive on Tuesday, December 28th, 2021. This case was quickly followed by eight more on Central, six on Manning 2, and one on Manning 1. Luckily, our swift preventive isolations and frequent mass testing allowed us to contain the virus's spread, and positive residents and employees experienced only mild symptoms.

Despite the pandemic and the associated workload, the Wales signed a contract with the Centre intégré universitaire de santé et de services sociaux de l'Estrie – Centre hospitalier universitaire de Sherbrooke granting the Résidence Wales Home \$132.00 per day per occupied bed and \$105.00 per day per unoccupied bed for our Central Ressource non-institutionnelle. This six-month renewable contract is possible because of COVID-19 rules. Central officially opened to residents on Monday, July 26th, 2021, with the first residents occupying the unit on Wednesday, July 28th, 2021.

The Résidence Wales Home transferred its existing loan with Desjardins to Royal Bank of Canada and signed a new loan to finance the Ross forty-two-apartment wing, which includes spectacular amenities. Construction of this massive undertaking is progressing rapidly. COVID-19 measures restricted non-emergency renovations; therefore, the Manning and Shaw 1 and 2 renewal was suspended for almost one year. As our Laundry facilities were in desperate need of update and equipment replacement, these renovations persisted. New equipment is now installed, and the Main Living Room Solarium and employee terrace were completed.

We are pleased that Chantal Richer joined our team as the Director of Quality and Administrative Services. Chantal oversees the Wales's daily operations to provide high-quality and efficient services to our residents.

We are also pleased to welcome Dr. Sophie Bourbeau to our team. Dr. Bourbeau met her first residents on Friday, May 21st, 2021. She is responsible for seventeen residents who do not have a family doctor.

Following the vacancy of the Nursing Director (ND) position and after four months of recruitment, we finally found a replacement. Unfortunately, due to personal reasons, the new ND was off work and recently resigned from her position.

Our Executive Assistant, Pauline Jubinville, retired this fiscal year. We wish her well in her future endeavours and we are fortunate that she accepted to become an Executive Committee member. Dayle Armstrong assumed her position in November.

We are incredibly humbled by our employees' and physician's resilience during this pandemic. Together, we adapted to changes in how we live, connect, work, and care for our residents. We are equally grateful for our community's support; your cards, emails, and gifts mean the world to us. We are so proud to be part of this community, and we look forward to venturing into the future of healthcare together.

Respectfully submitted,



Brendalee Piironen
Executive Director



Norman Carson
President

Buildings and Grounds Committee Report

As Buildings and Grounds Committee Chairperson, I am pleased to submit this brief report for the 2021 to 2022 Résidence Wales Home Annual General Meeting, my eighth such account. We have for some time informed stakeholders of a comprehensive infrastructure renewal process that we label a “Transformation for the Next Century.” This past year witnessed some work interruptions consequent to the pandemic, but significant progress was nonetheless made.

We occupied the renovated Central Ressource non-institutionnelle and made use of the expanded Main Living Room Solarium. The rear Courtyard redevelopment was also completed after installation of new underground water mains from the reservoir. New laundry equipment was purchased and will be installed shortly. In terms of the Norton and Central renewal projects, therefore, the only remaining undertaking is Main Lobby fire separations, as imposed by the Régie du bâtiment du Québec.

The required extensive restoration of our Manning and Shaw ambulatory rooms understandably involves new windows and finishes but, most importantly, includes ventilation and cooling installations and larger bedrooms with private washrooms, many with personal showers. This work increases accessibility for mobility-challenged residents. This far-reaching renewal is comparatively complex because residents needed to be relocated, thus taxing their patience, especially during the pandemic. Shaw 1 and 2 are complete, with Manning 1 and 2 following shortly behind in Fall 2022. Remaining work in these wings will be renovation of the Shaw 3 apartments and Shaw 4 bedrooms and the creation of a large breakroom and locker room at the Sub-Basement level and three short-term bedrooms at the Basement level.

This year witnessed some significant progress in Ross construction, with three apartments projected to be complete in September 2022 and occupancy by the year’s end. Despite the pandemic and its marketplace impact, building is progressing smoothly. If you are interested in moving into the Ross, I invite you to sign up soon, as half the apartments are spoken for. Information packages are available. If you are unfamiliar with this project, the Ross contains forty-two condo-style apartments of various formats and sizes in Phase One for adults aged fifty-five and over. The Ross boasts spectacular amenities, including an indoor swimming pool, warm spa, terraces, a fitness centre, a two-lane bowling alley, a lounge, a twenty-five-seat cinema, and a large multipurpose room. You are invited to view our progress on our website at <https://waleshome.ca/construction-live-stream>; a constant stream plays on both this page and our YouTube channel.

Respectfully submitted,



Marc Gaudet
Chairperson

Nursing Department Report

Once again, COVID-19-related work dominated the Nursing Department this fiscal year. The pandemic darkness was punctuated with rays of light, however, in the form of vaccine boosters against the virus. Résidence Wales Home residents received their first Pfizer booster on Thursday, May 20th, 2021; eighty-seven residents were vaccinated this day. Eighty-six residents received their second booster on Friday, November 5th, 2021, while twelve were either absent, refused, or not eligible on this date. I am so pleased that our residents made the important decision to get vaccinated; this practice is one of the best protections we have against COVID-19.

Despite our best efforts, the Omicron variant managed to infiltrate the Résidence Wales Home in late December, first impacting our employees. Consequently, seven mass testing sessions were conducted, three in December on the 21st, 23rd, and 28th, and four in January on the 3rd, 8th, 13th, and 18th. Any residents presenting symptoms were immediately placed on preventive isolation while awaiting their test results. This strategy helped us quickly detect positive cases among our residents and employees and respond accordingly. On December 28th, three asymptomatic Central residents tested positive for COVID-19. These first cases were quickly followed by six more on Central, six on Manning 2, and one on Manning 1. Thirty-five employees also tested positive during this time, resulting in two separate preventive isolations. These quarantines persisted on and off until officially being lifted on Wednesday, January 19th when there were no longer any positive cases among our residents. There was also one other unit isolation earlier in the fiscal year; Central was placed on quarantine on November 28th due to cold symptoms. During each preventive isolation period, Résidence Wales Home residents were served their meals in their apartments, suites, or rooms; serving meals on the units is quite the undertaking for Dining Room and Kitchen employees, as they must serve on seven floors while ensuring food remains warm.

Due to the number of employees testing positive in a short period of time, the Résidence Wales Home was inspected three times during the holiday season by Centre intégré universitaire de santé et de services sociaux de l'Estrie – Centre hospitalier universitaire de Sherbrooke (CIUSSSE-CHUS) nurses, on December 23rd, 24th, and 25th. The nurses discussed ever-changing regulations and ensured we applied proper infection control measures. We were told that the Résidence Wales Home was the most proactive and efficient healthcare facility in the Estrie, which is a humbling and profound compliment given the crisis we were navigating at the time. Inspections finished with many positive comments and few minor recommendations, which were quickly implemented. We remained in contact with the CIUSSSE-CHUS during the fiscal year and I attended biweekly virtual meetings with Public Health to ensure we kept abreast of frequently changing government health protocols.

Despite the pandemic, the Résidence Wales Home ensured our nurses attended trainings to maintain the hours necessary for their licenses. Personal protective equipment trainings were offered frequently to employees and primary caregivers to ensure resident, employee, family member, and volunteer protection. Executive Assistant Dayle Armstrong and System Administrator Chase Clifford were trained on how to use N95 masks, how to

perform positive pressure leak tests, and how to apply and remove the product. From then until the end of the fiscal year, they fitted twenty-nine Résidence Wales Home employees.

The Résidence Wales Home maintains a three-month supply of personal protective equipment to be prepared for possible outbreaks and shortages. Residents were given masks to wear when they left their apartments, suites, or rooms. Although the government requires healthcare workers to wear two-ply procedural masks, Résidence Wales Home employees wear three-ply; we consistently go above and beyond government measures and frequently implemented protocols before the government. We used rapid tests throughout the fiscal year to regularly test unvaccinated, asymptomatic employees. We also distributed boxes of rapid tests to employees to ensure they could promptly test themselves if needed. If employees are symptomatic, however, they must be tested at a testing centre. We also purchased a new suction machine, bladder scanner, and three glucometers this year.

For much of the fiscal year, each resident could welcome four visitors per day and only one at a time to reduce contacts. Visitors were required to present their VaxiCode upon arrival. As of Monday, March 14th, 2022, we were no longer required to have a Visit Coordinator at Door Number One.

The Résidence Wales Home partnered with Alanna Enright, a new Massage Therapist, in February. She works out of our Wellness Room on Saturdays and offers both chair and table massages, depending on residents' mobility. This new complementary therapy has been extremely popular and appreciated thus far.

Our influenza vaccination campaign was highly successful this year. In November, Résidence Wales Home residents were immunized at the same time as receiving their first COVID-19 booster shot. Unfortunately, the CIUSSSE-CHUS mobile vaccination team left with the vaccination forms and did not provide us with copies, even after several requests on our part. Based on our own notes from that day, I believe that ninety-five residents were vaccinated against influenza and three refused. Forty-five employees were also vaccinated on-site. New admissions are offered the pneumovax vaccine as well.

I would like to thank Résidence Wales Home caregivers, licensed practical nurses, and nurses for their tireless efforts in caring for our residents and their unwavering compassion and desire to make our seniors happy and healthy. I am proud to say I agree with the CIUSSSE-CHUS nurses' words when they said we are one of the best healthcare facilities in our area; we earned this reputation in large part because of our amazing employees!

Respectfully submitted,



Brendalee Piironen

Executive Director

Human Resources Department Report

The Human Resources (HR) Department experienced several changes in staff and worked short most of the fiscal year. Although still lacking personnel, Eileen Naredo was hired to manage payroll. Certain employees' roles changed to support the ever-time-consuming scheduling tasks. To help with other HR activities, we solicit aid from preventively reassigned employees and Executive Committee member Carolyn Leonard. Carolyn is responsible for recruitment and assists with employee relations. Hopefully our HR structure will soon be complete so we can optimize our roles.

The fifth and sixth COVID-19 waves hit us hard. These two periods were extremely challenging. Filling shifts on both the clinical and non-clinical schedule was a major issue and, consequently, overtime hours skyrocketed. Thanks to many collective efforts, we persevered through those difficult times. Different COVID-19 premiums were implemented during the year and are still in effect.

Due to the pandemic and the lack of manpower in HR, we were unable to resume the Employee Relations and Occupational Health and Safety committees. We also put the HR/Employee meetings, implemented in the fall, on hold due to the COVID-19 workload's strenuousness and lack of manpower. The HR Action Plan is also incomplete for the same reasons. We hope to resume these activities and committees soon, as they are integral parts of a harmonious work environment.

Attraction and retention are still major issues for the Department. New premium incentives resulted in one nurse and one LPN signing engagement contracts to work full-time for the next year. Both already work full-time at the Wales.

For additional recruitment possibilities, we, like many other employers, opted for the best practice of seeking foreign workers. We worked with a consultant during the fiscal year, who is currently processing immigration for eight caregivers for the Wales. To ensure sufficient manpower for the future, we are considering a contract with a firm specialized in international recruitment that facilitates the immigration process. Our needs include an additional six nurses, eleven caregivers, and four Food Services employees through this firm. These employees will mostly work in the CHSLD Wales Inc. So far, we are pleased with this collaboration.

Please see the below turnover and retention rates for the fiscal year for *both* the Résidence Wales Home and CHSLD Wales Inc.:

- The 2021 turnover rate is forty-seven percent, with seventy employees leaving for personal reasons, twelve being dismissed, four retiring, and one who's contract ended
- Of the 185 people employed at the start of the year, 141 remain, making our retention rate seventy-six percent
- Of the fifty-seven employees hired throughout the fiscal year, thirty-nine remain, constituting fifty-eight percent

The turnover rate increased 147 percent from the previous year, going from nineteen to forty-seven percent, which presents a major issue. Of course, like most healthcare facilities, the pandemic is partly responsible for this turnover rate. The exit interviews show that employees leave the Wales for personal reasons. The second major explanation is dismissal. These two categories will be considered in the HR Action Plan.

As the CHSLD Wales Inc. prepares to become *privé conventionné*, they adopted Public Sector salary conditions, including job titles, echelon scales, and salaries. The Executive Committee decided to apply these same conditions for the Résidence Wales Home employees, which were implemented retroactively to Tuesday, November 2nd, 2021.

Throughout the year, the Wales hosted seventy-six stagiaires from various programs, including:

- Twenty caregiving students
- Forty-eight LPN students
- Five nursing students
- Two therapy students
- One activities student

The students are mostly sent to us by the Lennoxville Vocational Training Centre and Champlain Regional College – Lennoxville. Most of these stagiaires worked in the CHSLD Wales Inc..

The HR section of the employee newsletter, *As the Wales Turns*, was changed during the fiscal year to provide employees with data on new hires, departures, overtime, call-ins, and absences including sick leaves and CNESST. We feel access to this information is important as the data reflects the Wales's current staffing situation. The same information is also shared with the Executive Committee monthly.

The Activity Department adjusted to the numerous and frequently changing rules related to COVID-19 and often went above and beyond their regular tasks to help during outbreaks. Our Activity Coordinators now attend Interdisciplinary Intervention Plan Meetings for residents.

I would like to sincerely thank the Wales employees who stuck together during this unique year. Their commitment and dedication are undeniable. They make a difference for our residents, who are our reason for coming to work each day.

Respectfully submitted,



Chantal Richer
Director of Quality and Administrative Services

HUMAN RESOURCES INDICATORS

Department breakdown		
Caregiver	71	42%
LPN	22	11%
Nurse	9	5%
Clinical Aide	10	2%
Housekeeping	9	6%
Food Services	34	22%
Management	4	2%
Administration	7	5%
Activities	2	1%
Therapy	3	3%
Maintenance	3	2%
Total	174	

Employees' place of residence		
Richmond	59	34%
Melbourne	20	11%
Cleveland	21	12%
Sherbrooke	27	16%
St-Felix De Kingsey	9	5%
Danville	5	3%
Asbestos	0	0%
Windsor	2	1%
Drummondville	5	3%
Kingsbury	3	2%
Other (2or less)	23	13%
Total	174	100%

Turnover Rate		
Year	# of departures	Rate
2016-17	24	16%
2017-18	35	22%
2018-19	39	24%
2019-20	35	19%
2020-21	47	26%
2021-22	87	47%

Departure Reason	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Left for personal reasons	19	29	31	25	41	70
Retired	1	2	2	3	0	4
Dismissed	4	4	6	5	5	12
Illness	0	0	0	2	1	0
End of Contract						1

Planetree Committee Report

Planetree is an international organization based on a person-centred approach to healthcare services and management that focuses on resident, family, employee, and community well-being. In October 2018, the Wales obtained Planetree Gold Certification for Excellence in Person-Centred Care at the international level. Our deadline to reapply for this certification was November 2021. Considering the excessive workload associated with the pandemic and the new Accreditation process, we were unfortunately unable to recommit, therefore the Wales no longer holds a Gold Certification status with Planetree International. Hopefully we will be able to reapply in the future.

Communicating with compassion is more important than ever. Despite giving up our Gold Certification, the Wales is still a Planetree Québec member and appointed one of their consultants to help improve our communication skills. Employees from each department will receive a training on compassion and how to communicate with residents, family members, and coworkers powerfully and effectively. Learning to connect with our hearts is simple and has a strong impact on our interactions. Trainings were delayed due to pandemic-related staff shortages and ongoing COVID-19 restrictions. Team leaders nevertheless had their training and are anxious to implement the Heart-Head-Heart program.

The Planetree “HOME Team” Committee met three times and wrote four entries for *As the Wales Turns*, the employee newsletter, this fiscal year. The Committee struggled to meet and implement new projects, but we did create a new interactive activity for employees to familiarize themselves with the Wales’s five values, compassion, innovation, integrity, respect, and teamwork, and the actions required to support these principles. This symbolic “Values Tree” activity will be used in team meetings in the future.

Christmas was celebrated at the Wales, despite COVID-19. The Secret Santa activity was a success again this year and Christmas cards were made available for employees to exchange.

This year, members Jacques Brügger, Marie-Christine Clément-Savage, Vicky Gingras, Brigitte Lussier, Nadia Jeanson, and Pauline Jubinville resigned from the Committee. I thank them for their valuable contributions to our endeavours and wish them some well-earned free time!

The HOME team would like to acknowledge Management’s regular COVID-19 communications. Transparency, not only with the employees and residents at the Wales, but with the community at large, has created an environment of security and trust that is most appreciated. Management also continues to show employee appreciation, either through gift draws, treats, or meals, recognizing employees’ hard work and sacrifices to keep our residents comfortable.

I wish to express my gratitude and extend my congratulations to Wales employees, residents, volunteers, and family members who embraced the Planetree philosophy throughout this public health crisis and respected government restrictions implemented by Management to minimize risk and keep us safe.

Respectfully submitted,



Kimberley Bailey
Planetree Coordinator

Planetree Committee	
Kimberley Bailey	Planetree Coordinator
Catherine Renaud	Family Representative
Dorothy Huff	Resident
Dayle Armstrong*	Secretary
Mary Ann Abbang*	Member
Victoria Coddington	Member
Carmen Cohen*	Member
Zachary Fry	Member
Véronique Guay*	Member
Amanda Gunter	Member
Vanessa Johnston*	Member
Catherine Nadeau-Patterson	Member
Julie Nixon	Member
Roxane Pénot	Member
Brendalee Piironen	Member
Casey Smith*	Member
Hailey Wilson-Veilleux	Member
Tammi Wood	Member

*New member

Risk Management Committee Report

The Risk Management Committee (RMC) is a group, required by law, that is accountable for reporting risk administration and plays an essential role in implementing safe care and environments. In compliance with current laws and regulations such as the declaration and disclosure of incidents and accidents, the RMC identifies and analyzes danger, ensures that support measures are provided to residents and family members, and presents occurrences and subsequent recommendations to the Wales Vigilance Committee. AH-223s, report forms for incidents and accidents, are analyzed and statistics are compiled in-house. Central AH-223s are processed via the Centre local de services communautaires de Richmond, which explains this unit's lack of indicators below.

Other than COVID-19-related quarantines, there was only one preventive isolation this fiscal year, on Central due to cold symptoms. For more information, please see my Nursing Department report above. The severe sanitary measures like hand hygiene, masks, and other personal protective equipment influenced these positive results, but we also know that the ventilation system's renewal has largely improved air quality and infection prevention.

This year's incidents and accidents consisted mostly of falls and medication errors. There were more falls this year, with 159 compared with 118 last year. We had ninety-seven falls two years ago, in the 2019 to 2020 fiscal year. This large increase in falls can be attributed to a couple residents who are prone to repeated falls, one of whom has since been transferred to the CHSLD Wales Inc. for increased supervision, as well as general deconditioning during COVID-19 isolation periods.

The important statistics of these falls are that fifty-five percent resulted in no injuries, while fourteen percent experienced pain with no mark compared with zero last year, and twenty-eight percent sustained cuts or bruises compared with twenty-three percent last year. A total of two falls resulted in fractures.

These effects reflect the Résidence Wales Home's restraint-free environment. Falls are analyzed and action plans for each resident are implemented according to their needs and specific situations involving the Physiotherapy Technologists, the Occupational Therapist if needed, and the Doctor. In August, Director of Quality and Administrative Services, Chantal Richer, presented a restructuration plan for the Committee wherein analysis for each incident will be pushed further so possible causes can be studied more closely. In doing so, risk management studies will be developed. Statistics for this purpose will begin to be collected in the 2022 to 2023 fiscal year.

Medication errors decreased again this year, with fifty-six compared with sixty-one last year. These errors consisted primarily of omissions and occurred mostly on Manning 1. Often, residents forget to take their pill, or the pill is found. Other less common causes include medication sheet and charting mistakes.

I would like to take this opportunity to thank the employees, especially the RMC's members, for their remarkable efforts to ensure resident and employee safety. Nursing

practices change to meet residents' and family members' needs; the Wales will continue to research and implement best practices to make these alterations happen swiftly and safely.

Respectfully submitted,

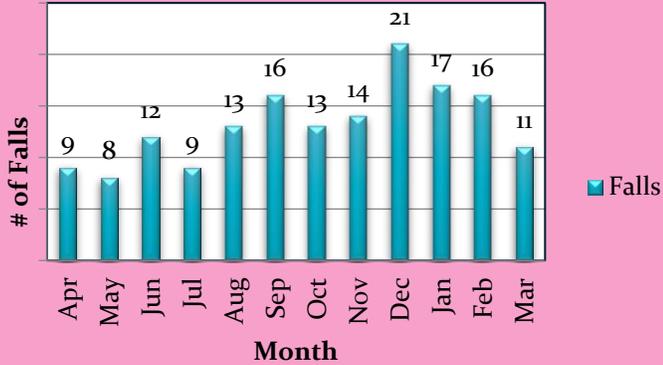
A handwritten signature in blue ink, appearing to read "Brendalee Piironen". The signature is fluid and cursive, with the first name being more prominent.

Brendalee Piironen

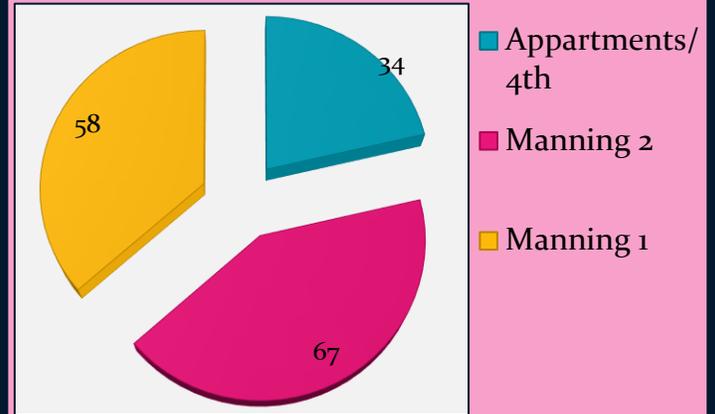
Executive Director

RISK MANAGEMENT INDICATORS

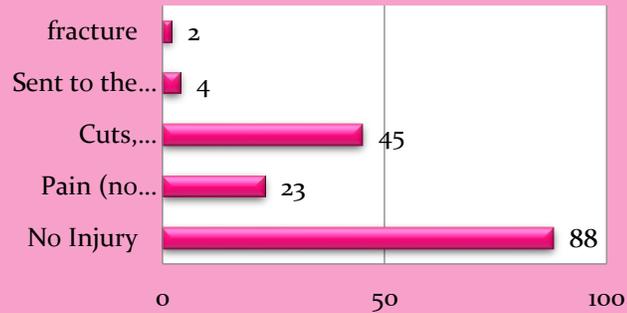
Falls vs. Month Residential



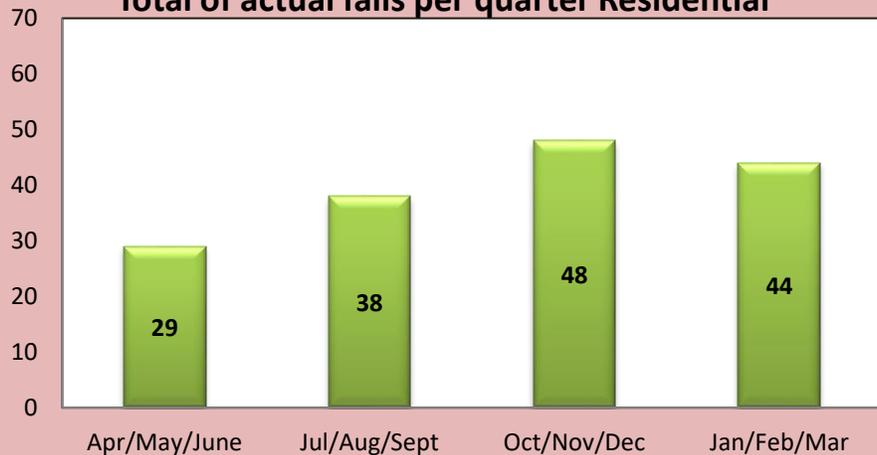
Falls vs. Floor Residential



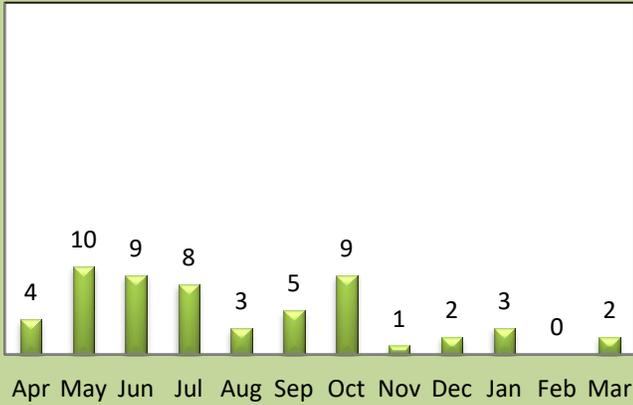
Injuries from Falls Residential



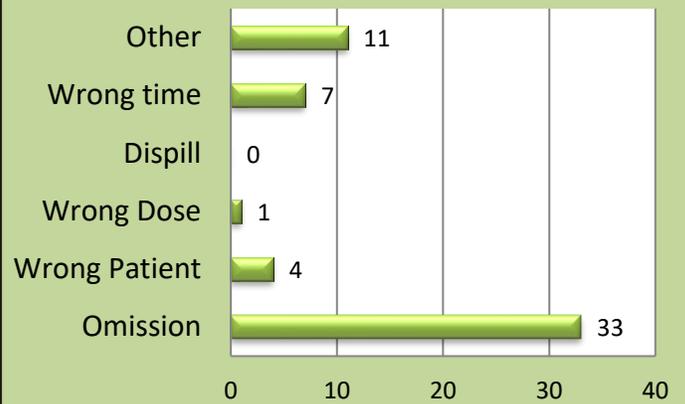
Total of actual falls per quarter Residential



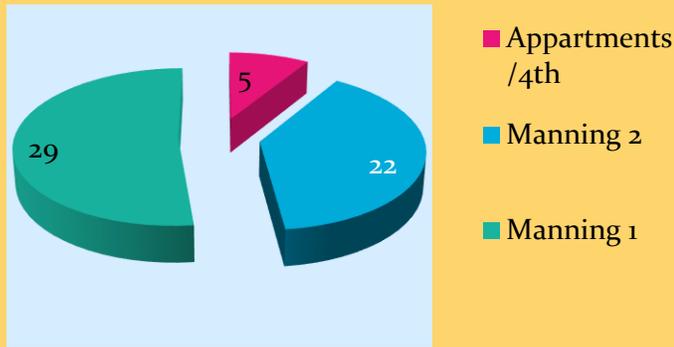
Medication Errors by Month Residential



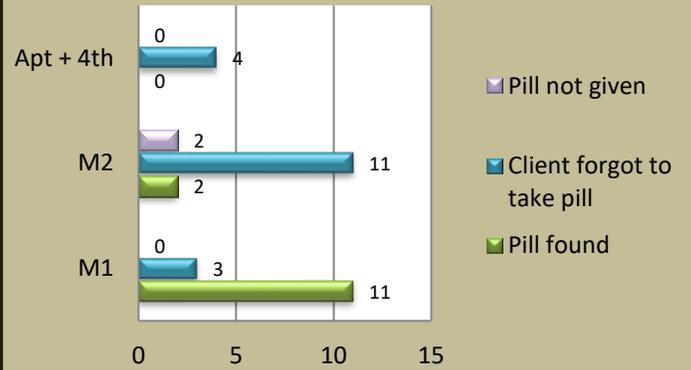
Medication Error Type Residential



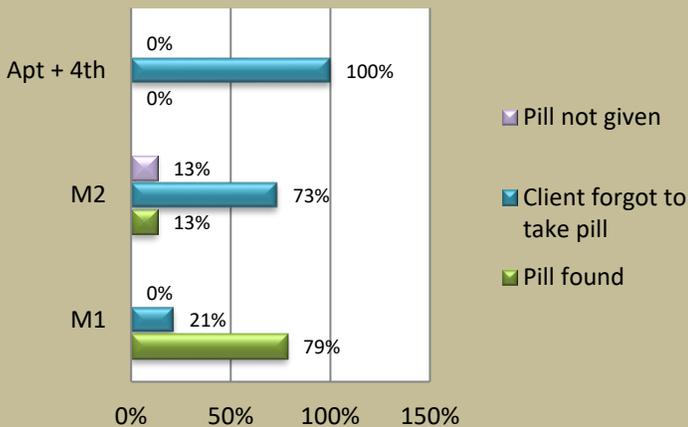
of Errors vs. Floors Residential



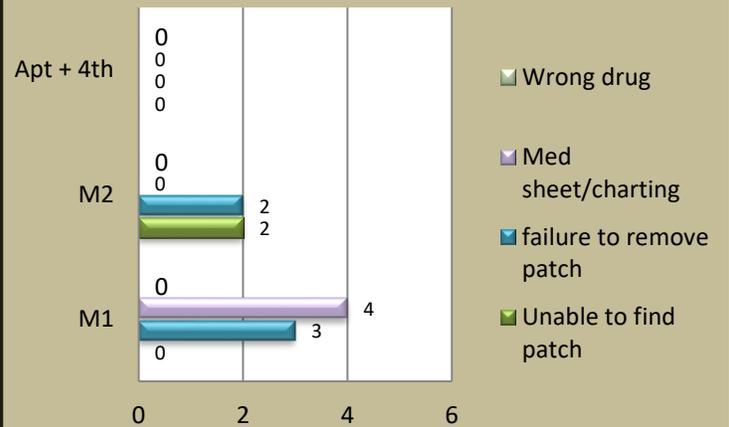
Omission analysis by type of Omission (residential)



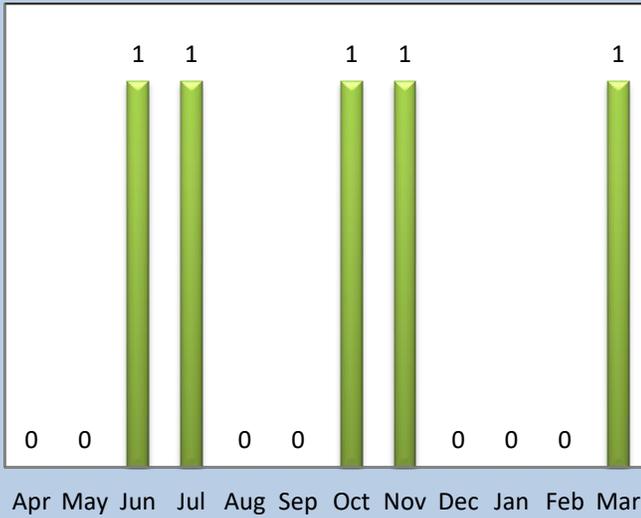
Omission analysis by floor (residential)



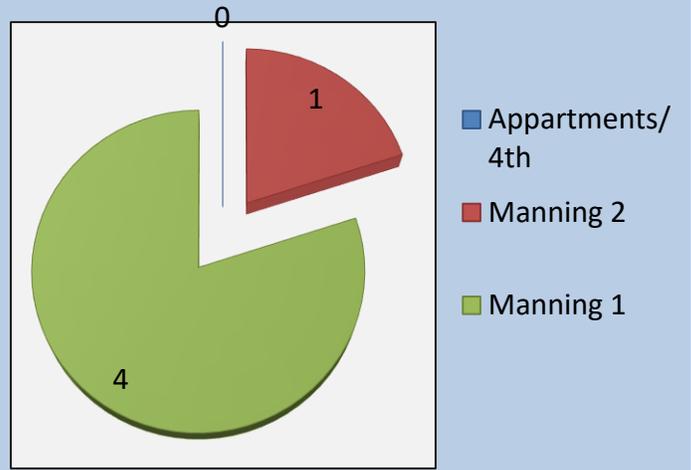
"Other" analysis (4 scenarios) (residential)



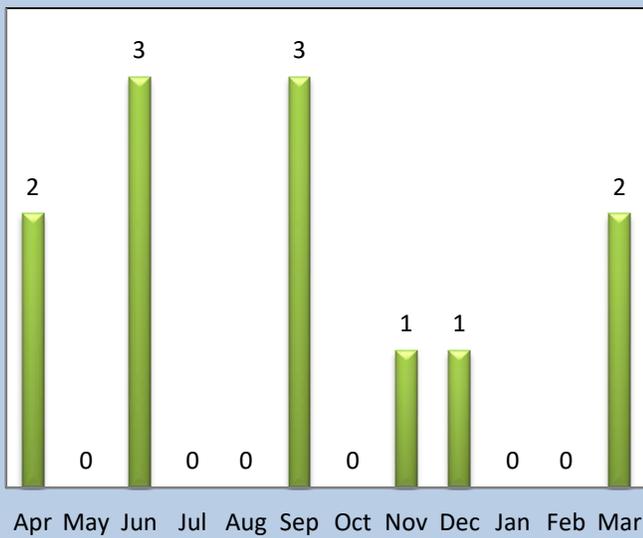
Unexplained Injuries Residential



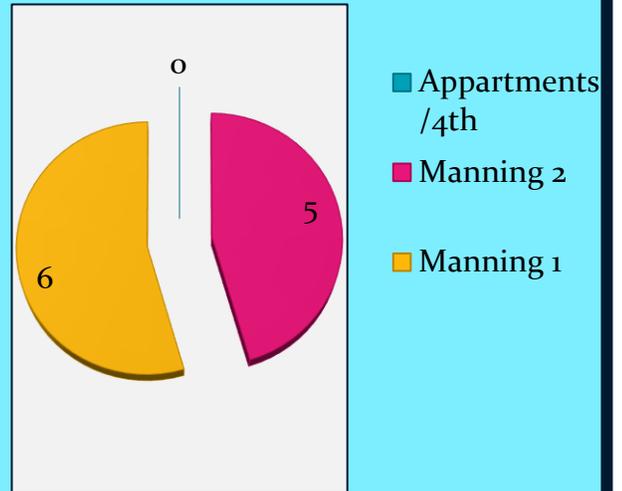
Unexplained Injuries vs. Floor - Residential



Explained Injuries Residential



Explained Injuries vs. Floor - Residential



Airway Obstruction and Risk Incidents

Month	Airway obstruction		Risk Situation	
	Residential	CHSLD	Residential	CHSLD
Apr	0	2	2	0
May	0	0	1	0
Jun	0	0	0	1
Jul	0	1	0	2
Aug	1	1	0	0
Sep	0	0	1	0
Oct	0	0	0	1
Nov	0	0	0	1
Dec	0	0	0	0
Jan	0	0	0	1
Feb	1	0	0	0
Mar	0	0	0	0

Ladies' Auxiliary Report

One of the largest volunteer groups at the Résidence Wales Home is the Ladies' Auxiliary. There are now fourteen members, including the executives.

The Auxiliary holds three meetings per fiscal year, in April, June, and December. The group's main purpose is to raise funds through different activities while allocating revenues to various Wales Home departments to benefit the residents. Unfortunately, no meetings have been held since the beginning of March 2020 due to the pandemic.

One of the most prevalent activities that originates from the Auxiliary is the Friday afternoon tea parties. Sixteen tables decked with tablecloths and classic teacups and saucers are set up in the Main Dining Room each Friday afternoon except for July, August, and December. Different community groups serve home baked treats and many cups of hot tea. Special tea parties are also done five times per year in the CHSLD Wales Inc. at Easter, during strawberry season, in the fall, at Christmas, and at Valentine's Day. Members serve treats on Norton 1, Norton 2, Norton 3, and Central.

Monthly birthday parties are also organized by community groups and/or the Auxiliary on the third Wednesday of each month. Residents receive gifts and cards from that month's organizers; for example, in February, the Auxiliary was responsible, so we made homemade cards and purchased gifts. The Wales Activity Coordinators, Caroline Hadlock and Carol Ann McElrea, delivered the gifts when the pandemic did not permit traditional birthday tea parties.

The Auxiliary oversees the Tuck Shop. The Shop is open on Tuesdays and Fridays and is restocked via external sources. The Shop earns about \$3,000.00 annually, and tax rebates amounted to \$564.79. Inventory runs approximately \$2,800.00. Profits are eventually returned to the Wales Home to benefit the residents.

Another Ladies' Auxiliary activity is Christmas shopping for residents. The expenses for Christmas 2021 were \$1,856.18. The Users' Committee generously donated \$1,000.00 towards this cause and, with other volunteers' help, we began shopping in October. Christmas cards were also sent to each resident on the Auxiliary's behalf.

Our main fundraiser is our Silent Auction, usually held annually in May. Unfortunately, we have had to hold these auctions online the past few years due to the pandemic. This year's fundraiser generated \$5,144.00.

At the Ladies' Auxiliary annual meeting in June, the group decides how funds raised should be spent to produce the greatest benefit for Résidence Wales Home residents. Smaller items purchased by the Auxiliary include the flowers at Door Number Six and two transport wheelchairs.

These events and purchases are made possible because of our members, their families, and our community's dedication. The Auxiliary continuously recruits new members; if you are interested, please contact Carol Ann at cmcelrea@waleshome.ca or 819-826-3266 extension 244.

Respectfully submitted,



Jane Carson
Treasurer

Ladies' Auxiliary Executives	
Joyce Cinnamon	President
Margot Langeveld	Secretary
Jane Carson	Treasurer

Living Environment Committee Report

Due to the pandemic, the Living Environment Committee was unable to meet.

Living Environment Committee	
Brendalee Piironen	Chairperson
Joan McElroy	Family Representative
Eleanor Brock	Community Representative
Marie-Christine Clément-Savage	Member
Joanne Goorts	Member
Camille Pearson	Member

Satisfaction Survey Results

RPA Satisfaction Survey Results	2020/2021		2021/2022	
Questions	Resident	Family	Resident	Family
Staff is friendly and courteous	100%	100%	100%	100%
Residents and family members feel well informed about health and medical treatment	84%	88%	81%	87%
Nurses inform residents and family members of any changes in their health	60%	94%	68%	70%
The Wales Home is welcoming towards family members	98%	100%	90%	100%
The Wales Home provides a space for residents and families to enjoy	66%	88%	70%	70%
The staff is understanding of residents' needs and compassionate towards them	98%	100%	93%	96%
The Wales Home accommodates surroundings by choosing colours, furniture and lighting that conform to the residents' needs	65%	81%	80%	70%
The activities are enjoyable	96%	81%	86%	78%
Residents and family members are satisfied with the complementary therapies offered here (zootherapy, massage therapy)	55%	50%	61%	70%
Residents and family members are satisfied with the place and service that allows them to practice their spirituality	62%	69%	75%	35%
The Wales Home is connected with local organisations	76%	75%	66%	70%
Residents and family members like the taste and quality of the food	77%	88%	77%	70%
The dining environment is enjoyable	76%	87%	93%	74%
Residents and family members are satisfied with the laundry services	69%	75%	57%	78%
Residents and family members are satisfied with the maintenance services	100%	100%	98%	100%
Residents and family members are satisfied with the administration	100%	100%	93%	91%
Participation Rate	47%	23%	54%	23%

Resident Profile

Age Group	Residents
<65	0
65-74	11
75-84	25
85-94	40
95+	13
TOTAL	89

Gender		Age	
Males	24	Oldest	101
Females	65	Youngest	69

Number of residents	Average Age
89	85.3

Year	Deceased			LOA		
	Female	Male	Total	Female	Male	Total
2016-17	4	0	4	6	2	8
2017-18	2	1	3	4	2	6
2018-19	11	3	14	6	4	10
2019-20	1	0	1	6	1	7
2020-21	3	3	6	5	2	7
2021-22	4	3	7	4	7	11

Year	Average age at death	
	F	M
2016-17	93.5	n/a
2017-18	87.5	90
2018-19	88.1	86.3
2019-20	93	N/A
2020-21	88.2	84.5
2021-22	88.0	88.7

Résidence Wales Home Governors

- **Alberta**
 - Nils Bodtker
- **Acton Vale**
 - Pauline Jubinville
- **Cleveland**
 - Gerald Badger
 - Keith Baldwin
 - Frances Dewar
 - Lee Gale
 - Angus Goodfellow
 - Ronald Husk
 - Brendalee Piironen
- **Danville**
 - Glenn Brock
 - Reg Jennings
 - Ian Smith
- **Drummondville**
 - Robert Taylor
- **Eastman**
 - Louis-Marie Decoste
- **Hatley**
 - Michael Bradley
- **Hudson**
 - John de Sévigné
- **Kingsbury**
 - Edwin Fowler
- **Kingsey Falls**
 - Susan Mastine
- **Lennoxville**
 - W. L. Lyon
 - G. MacDougall
- **Magog**
 - Mike Chabot
 - Yves Ferron
 - André Leblond
 - Barbara Verhoef
- **Melbourne**
 - Peter O'Donnell
 - Shirley Smith
- **Montréal**
 - Martin Taylor
 - William Taylor
- **North Hatley**
 - E. Davis
- **Richmond**
 - Hugh Bieber
 - Norman Carson
 - Jeff Dunn
 - Ralph Farley
 - Marcien Gaudet
 - Marc-André Martel
- **Saint-Félix-de-Kingsey**
 - Joyce Cinnamon
- **Sawyerville**
 - Curtis Lowry
- **Sherbrooke**
 - Bruce D. Allanson
 - Sandra Gagné
 - Philippe Leng
 - Carolyn Leonard
 - Randy Little
 - Sean McKenna
 - James Thompson
- **South Durham**
 - Adair Mountain
- **St-Élie**
 - Shirley Billing
- **Thetford Mines**
 - Douglas Robinson
- **Val-des-Sources**
 - Denis Beaubien
- **Windsor**
 - Malcolm Wheeler

Financial Statements

The Wales Home - Foyer Wales
Non-consolidated Financial Statements
March 31, 2022

The Wales Home - Foyer Wales
Non-consolidated Financial Statements
March 31, 2022

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Independent Practitioner's Review Engagement Report

Raymond Chabot
Grant Thornton LLP
Suite 350
2207 King Street West
Sherbrooke, Quebec
J1J 2G2
T 819-822-4000
Toll-free: 1-800-567-6958

To the Directors of
The Wales Home - Foyer Wales

We have reviewed the accompanying non-consolidated financial statements of The Wales Home - Foyer Wales, which comprise the statement of non-consolidated financial position as at March 31, 2022 and the non-consolidated 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 non-consolidated financial statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on these non-consolidated financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these non-consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these non-consolidated financial statements do not present fairly, in all material respects, the financial position of the Organization as at March 31, 2022 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.

*Raymond Chabot Grant Thornton LLP*¹

Sherbrooke
June 22, 2022

¹ CPA auditor, public accountancy permit no. A124217

The Wales Home - Foyer Wales

Non-consolidated Operations

Year ended March 31, 2022

	2022	2021
	\$	\$
Revenues		
Residents board	3,004,417	2,665,510
Subcontracting revenue	7,992,421	7,303,429
Board rental	864,911	988,386
Sales to residents	340,017	287,208
Rent and management fees from The Wales Home Foundation - Controlled organization	33,863	42,708
Amortization of deferred contributions	372,838	545,022
Rental income		6,763
Share in the net earnings (loss) of Centre d'Hébergement et de Soins de Longue Durée Wales Inc. - Controlled profit-oriented enterprise	(64,316)	571,688
	<u>12,544,151</u>	<u>12,410,714</u>
Operating expenses		
Salaries and wages	6,467,672	6,100,380
Employee benefits	2,108,540	1,947,123
Home supplies	878,913	785,717
Cost of sales to residents	358,631	339,927
Repairs and maintenance	280,168	296,666
Electricity	224,130	147,795
Energy	195,458	152,583
Taxes and permits	76,969	66,871
General expenses	62,582	43,232
Travel	2,725	1,803
Amortization of tangible capital assets	941,094	838,872
	<u>11,596,882</u>	<u>10,720,969</u>
Administrative expenses (Schedule)	<u>2,158,234</u>	<u>1,682,582</u>
	<u>13,755,116</u>	<u>12,403,551</u>
Excess (deficiency) of revenues over expenses before other revenues (expenses)	<u>(1,210,965)</u>	<u>7,163</u>
Other revenues (expenses)		
Donation from Centre d'Hébergement et de Soins de Longue Durée Wales Inc. - Controlled profit-oriented enterprise	1,750,000	977,931
Donation from The Wales Home Foundation - Controlled organization	171,228	10,213
External donations	27,526	20,684
Bequests	136,127	
Lawsuit compensation		50,703
Donation to The Wales Home Foundation - Controlled organization		(250,000)
	<u>2,084,881</u>	<u>809,531</u>
Excess of revenues over expenses	<u>873,916</u>	<u>816,694</u>

The accompanying notes and non-consolidated schedule are an integral part of the non-consolidated financial statements.

The Wales Home - Foyer Wales
Non-consolidated Changes in Net Assets
Year ended March 31, 2022

	2022		2021	
	Invested in tangible capital assets	Surplus (deficit)	Total	Total
	\$	\$	\$	\$
Net assets (negative), beginning of year	6,057,616	(71,736)	5,985,880	5,169,186
Excess (deficiency) of revenues over expenses	(568,256)	1,442,172	873,916	816,694
Internal transfers				
Acquisition of tangible capital assets	12,436,818	(12,436,818)		
Net change in trade payables related to tangible capital assets	(2,602,076)	2,602,076		
Long-term loan	(18,608,203)	18,608,203		
Repayment of long-term debt	8,669,227	(8,669,227)		
Deferred contribution	(85,520)	85,520		
Net assets, end of year	<u>5,299,606</u>	<u>1,560,190</u>	<u>6,859,796</u>	<u>5,985,880</u>

The accompanying notes and non-consolidated schedule are an integral part of the non-consolidated financial statements.

The Wales Home - Foyer Wales
Non-consolidated Cash Flows
Year ended March 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	873,916	816,694
Non-cash items		
Amortization of tangible capital assets	941,094	838,872
Amortization of deferred contributions	(372,838)	(545,022)
Share in the net loss (earnings) of a controlled profit-oriented enterprise	<u>64,316</u>	<u>(571,688)</u>
	1,506,488	538,856
Net change in working capital items (Note 4)	<u>(1,842,529)</u>	<u>179,391</u>
Cash flows from operating activities	<u>(336,041)</u>	<u>718,247</u>
INVESTING ACTIVITIES		
Acquisition of tangible capital assets	(9,834,742)	(5,055,439)
Note receivable from a controlled profit-oriented enterprise	<u>525,000</u>	<u>898,046</u>
Cash flows from investing activities	<u>(9,309,742)</u>	<u>(4,157,393)</u>
FINANCING ACTIVITIES		
Net change in bank loan	(14,740)	14,740
Long-term debt	18,608,203	1,447,751
Repayment of long-term debt	(8,669,227)	(341,295)
Deferred contribution	<u>85,520</u>	<u>2,247,698</u>
Cash flows from financing activities	<u>10,009,756</u>	<u>3,368,894</u>
Net increase (decrease) in cash	363,973	(70,252)
Cash (bank overdraft), beginning of year	<u>(10,585)</u>	<u>59,667</u>
Cash (bank overdraft), end of year	<u>353,388</u>	<u>(10,585)</u>

The accompanying notes and non-consolidated schedule are an integral part of the non-consolidated financial statements.

The Wales Home - Foyer Wales
Non-consolidated Financial Position

March 31, 2022

	2022	2021
	\$	\$
ASSETS		
Current		
Cash	353,388	
Trade and other receivables (Note 5)	2,400,094	237,078
Inventory	52,859	42,059
Prepaid expenses	34,442	6,858
	<u>2,840,783</u>	285,995
Long-term		
Tangible capital assets (Note 6)	38,782,663	27,286,939
Note receivable from Centre d'Hébergement et de Soins de Longue Durée Wales Inc. - Controlled profit-oriented enterprise, without interest or repayment terms		<u>525,000</u>
	<u>41,623,446</u>	<u>28,097,934</u>
LIABILITIES		
Current		
Bank loan (Note 7)	18,608,203	25,325
Trade and other payables (Note 8)	4,492,185	1,531,238
Current portion of long-term debt (Note 9)		<u>2,855,498</u>
	<u>23,100,388</u>	4,412,061
Long-term		
Long-term debt (Note 9)		5,813,729
Deferred contribution - Tangible capital assets (Note 10)	11,462,136	11,749,454
Participation in deficiency of Centre d'Hébergement et de Soins de Longue Durée Wales Inc. - Controlled profit-oriented enterprise (100%)		<u>136,810</u>
	<u>201,126</u>	<u>136,810</u>
	<u>34,763,650</u>	<u>22,112,054</u>
NET ASSETS		
Internally restricted - Invested in tangible capital assets	5,299,606	6,057,616
Unrestricted (deficit)	<u>1,560,190</u>	<u>(71,736)</u>
	<u>6,859,796</u>	<u>5,985,880</u>
	<u>41,623,446</u>	<u>28,097,934</u>

The accompanying notes and non-consolidated schedule are an integral part of the non-consolidated financial statements.

On behalf of the Board,

 Director

 Director

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Organization, incorporated under Part III of the Companies Act (Quebec), provides private home and health care services for elderly residents. It is a registered charity under the Income Tax Act.

2 - ACCOUNTING CHANGE

On April 1, 2021, the Organization applied changes to Section 3856, Financial Instruments, of Part II of the *CPA Canada Handbook – Accounting* and Section 4460, Disclosure of Related Party Transactions by Not-for-Profit Organizations, of Part III of the *CPA Canada Handbook – Accounting*. The purpose of these changes is to provide additional recommendations on the accounting treatment of financial instruments originated or exchanged in a related party transaction.

The changes require that financial assets originated or acquired and financial liabilities issued or assumed in a related party transaction be initially measured at cost, with the exception of certain specific financial instruments that are initially measured at fair value. The cost of a financial asset originated or acquired or of a financial liability issued or assumed in these circumstances depends on whether the instrument has repayment terms. When the financial instrument has repayment terms, its cost is determined using the undiscounted cash flows, excluding interest and dividend payments, and less any impairment losses previously recognized by the transferor. The cost of a financial instrument that does not have repayment terms is determined using the consideration transferred or received in the transaction.

The changes generally require that financial assets and liabilities from related party transactions be subsequently measured using the cost method, except for investments in equity instruments that are quoted in an active market which are measured at fair value.

The changes provide additional guidance on how to measure the impairment loss of a financial asset originated or acquired in a related party transaction subsequently measured using the cost method.

The changes also require that an entity recognizes the effect of the forgiveness of a financial asset originated or created in a related party transaction or the extinguishment of a financial liability issued or assumed in a related party transaction in operations or in accordance with the accounting method used to recognize contributions.

In accordance with the transitional provisions, these changes, that are applicable for fiscal years beginning on or after January 1, 2021, have been applied retrospectively taking certain relief measures into account.

Application of the changes did not have any impact on the financial statements for the year ended March 31, 2021.

3 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Organization's non-consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in controlled organizations

The Organization does not consolidate The Wales Home Foundation (controlled organization). The investment in Centre d'Hébergement et de Soins de Longue Durée Wales Inc. (controlled profit-oriented enterprise) is accounted for at equity value.

Accounting estimates

The preparation of non-consolidated financial statements requires management to make estimates and assumptions that affect the amounts recorded in the non-consolidated financial statements, notes to non-consolidated financial statements and non-consolidated schedule. These estimates are based on management's knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

Financial assets and liabilities

Initial measurement

Upon initial measurement, the Organization's financial assets and liabilities from transactions not concluded with related parties and those from transactions with parties whose sole relationship with the entity is in the capacity of management (and members of the immediate family) are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. The Organization's financial assets and liabilities from related party transactions are measured at cost.

Subsequent measurement

At each reporting date, the Organization measures its financial assets and liabilities from transactions not concluded with related parties at amortized cost (including any impairment in the case of financial assets), whereas those from related party transactions are measured using the cost method (including any impairment in the case of financial assets).

With respect to financial assets measured at amortized cost or using the cost method, 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 a financial asset, it will then recognize a reduction as an impairment loss in non-consolidated earnings. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost or using the cost method is recognized in non-consolidated earnings in the year the reversal occurs.

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Organization records residents board and board rental revenues on a straight-line basis over the term of each lease, when the services are rendered and collection is reasonably assured.

Subcontracting revenue and sales to residents are recorded when persuasive evidence of an arrangement exists, delivery has occurred, the price to the buyer is fixed or determinable and collection is reasonably assured.

Cash and cash equivalents

The Company's policy is to present in cash and cash equivalents bank balances, including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn.

Inventory valuation

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first in, first out method.

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 plus all costs directly attributable to the acquisition of the tangible capital assets or to a nominal value if the fair value cannot be reasonably determined.

Amortization

Tangible capital assets are amortized over their estimated useful lives according to the straight-line method at the following annual rates:

	<u>Rates</u>
Land improvements, home equipment	10% to 20%
Home building	2.5% to 5%
Resident tracking system and wifi installation	6 2/3%
Sewage treatment plant	20%
Reservoir	4%
Computer equipment	25%
Software	50%
Rental property	5%

Contributions specifically identified for the purchase of tangible capital assets are amortized on the same basis as the related tangible capital assets.

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amortization

The renovations will be amortized using the straight-line method at the annual rate of 2.5% when completed.

Write-down

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the tangible capital asset's fair value or replacement cost. The write-down is accounted for in the statement of non-consolidated operations and cannot be reversed.

Interest rate swaps

The Organization uses interest rate swaps to manage its interest rate risk, but does not use hedge accounting. Accordingly, the interest rate swaps are recognized at their fair value on the non-consolidated statement of financial position and changes in fair value are recognized in the non-consolidated statement of operations for the year.

4 - INFORMATION INCLUDED IN NON-CONSOLIDATED CASH FLOWS

The net change in working capital items is detailed as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade and other receivables	(2,163,016)	352,993
Inventory	(10,800)	(3,498)
Prepaid expenses	(27,584)	(1,728)
Trade and other payables	<u>358,871</u>	<u>(168,376)</u>
	<u>(1,842,529)</u>	<u>179,391</u>

5 - TRADE AND OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade accounts		
Centre d'Hébergement et de Soins de Longue Durée Wales Inc. -		
Controlled profit-oriented enterprise	1,801,324	
The Wales Home Foundation - Controlled organization	23,141	32,140
Other (a)	235,681	79,383
Taxes receivable	<u>339,948</u>	<u>125,555</u>
	<u>2,400,094</u>	<u>237,078</u>

(a) As at March 31, 2022, amounts owing from one customer represent 25% of the other trade accounts receivable (46% as at March 31, 2021).

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements
 March 31, 2022

6 - TANGIBLE CAPITAL ASSETS

	2022		
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Land	37,077		37,077
Land improvements	1,141,332	609,384	531,948
Home equipment	3,696,168	2,344,285	1,351,883
Home building	25,959,345	5,108,743	20,850,602
Resident tracking system and wifi installation	888,580	372,091	516,489
Sewage treatment plant	53,328	52,471	857
Reservoir	62,765	14,948	47,817
Computer equipment	187,260	183,474	3,786
Software	54,478	54,478	
Rental property	12,498	4,477	8,021
Room renovations Shaw Manning 1 and 2 in progress	726,258		726,258
Centre d'Hébergement et de Soins de Longue Durée			
Wales Inc. - Renovations in progress	14,931		14,931
Ross apartments - in progress	12,979,144		12,979,144
Central "Intermediate resources" - in progress	1,713,850		1,713,850
	<u>47,527,014</u>	<u>8,744,351</u>	<u>38,782,663</u>
			2021
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Land	37,077		37,077
Land improvements	1,109,270	514,384	594,886
Home equipment	3,294,228	2,107,578	1,186,650
Home building	20,908,826	4,567,464	16,341,362
Resident tracking system and wifi installation	763,303	317,724	445,579
Sewage treatment plant	53,328	50,414	2,914
Reservoir	51,628	12,735	38,893
Computer equipment	187,260	174,316	12,944
Software	54,478	54,478	
Rental property	12,498	4,164	8,334
Centre d'Hébergement et de Soins de Longue Durée			
Wales Inc. - Renovations in progress	1,796,260		1,796,260
Ross apartments - in progress	2,887,947		2,887,947
Central "Intermediate resources" - in progress	3,934,093		3,934,093
	<u>35,090,196</u>	<u>7,803,257</u>	<u>27,286,939</u>

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

7 - BANK LOANS

	<u>2022</u>	<u>2021</u>
	\$	\$
Bank overdraft		10,585
Bank line of credit (a) (d)		14,740
Banker's acceptance (b) (d)	10,271,997	
Mortgage loan (c) (d)	8,336,206	
	<u>18,608,203</u>	<u>25,325</u>

- (a) Bank line of credit, for a maximum amount of \$1,000,000, bears interest at Royal Bank prime rate plus 0.5% (3.2%; prime rate plus 0.75% (3.2%) as at March 31, 2021) and is subject to renewal annually.
- (b) Banker's acceptance of an authorized maximum amount of \$10,700,000, bears interest at the banker's acceptance rate plus 1.2% (1.2%), matures and renews monthly.
- (c) Mortgage loan of an authorized maximum amount of \$12,000,000, bears interest at Royal Bank prime rate plus 0.5% (3.2%), repayment terms and conditions will be established at the time the construction project is completed.
- (d) The credit facilities are secured by a hypothec on the land and building with a net carrying amount of \$36,853,810, by a hypothec on the universality of present and future movable assets and a guarantee from two related parties. The Organization did not pay any consideration in exchange for such guarantees. Under the credit agreements, the Organization is required to respect certain covenants as at March 31, 2024.

8 - TRADE AND OTHER PAYABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade accounts and other payables		
The Wales Home Foundation - Controlled organization - related to deferred contribution - tangible capital assets	103,410	103,410
Related to tangible capital assets	3,309,308	707,232
Others	1,079,467	706,710
Accrued interest		13,886
	<u>4,492,185</u>	<u>1,531,238</u>

9 - LONG-TERM DEBT

	<u>Current portion</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$
Mortgage loan, 4.08%			6,169,238
Loan, interest at prime rare plus 0.75% (3.2%)			2,499,989
			8,669,227
Instalments due within one year			2,855,498
		-	<u>5,813,729</u>

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

10 - DEFERRED CONTRIBUTION - TANGIBLE CAPITAL ASSETS

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance, beginning of year	11,749,454	10,046,778
Amount received during the year from a controlled organization	85,520	2,247,698
Amount recognized in operations	<u>(372,838)</u>	<u>(545,022)</u>
Balance, end of year	<u>11,462,136</u>	<u>11,749,454</u>

11 - RELATED PARTY TRANSACTIONS

	<u>2022</u>	<u>2021</u>
	\$	\$
The Wales Home Foundation - Controlled organization		
Revenues		
Rent and management fees	33,863	42,708
Other revenues (expenses)		
Donation revenue	171,228	10,213
Donation expense	-	(250,000)
Deferred contribution	85,520	2,247,698
Centre d'Hébergement et de Soins de Longue Durée Wales Inc. - Controlled profit-oriented enterprise		
Revenues		
Subcontracting revenue	7,992,421	7,303,429
Board rental	864,911	988,386
Sales to residents	136,688	105,294
Other revenues		
Donation	1,750,000	977,931

These transactions were measured at the exchange amount, excluding the resulting financial instruments.

12 - FINANCIAL RISKS

Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of non-consolidated financial position. The Organization has determined that the financial assets with more credit risk exposure are trade accounts receivable since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

Interest rate risk

The Organization is exposed to interest rate risk with respect to financial liabilities bearing variable interest rates.

The bankers' acceptance loan and the loan bear interest at variable rates and the Organization is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements
March 31, 2022

12 - FINANCIAL RISKS (Continued)

Interest rate risk

The Organization has entered into interest rate swaps, beginning in June 2022 and March 2023 and expiring in 2032, that entitle it to receive interest at variable rates on two \$7,000,000 notionals and oblige it to pay interest at fixed rates of 2.55% and 3% on these same amounts. As at March 31, 2022, the variable interest rates are 1.2% and 3.2%.

The fair value of the interest rate swaps was determined by the Organization's bank.

Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of non-consolidated financial position.

13 - CONTROLLED ORGANIZATIONS

Not-for-profit organization

The Wales Home Foundation was created to provide financial aid to the Organization. It was incorporated under Part III of the Companies Act (Quebec) and is a registered charity within the meaning of the Income Tax Act. The operations of The Wales Home Foundation are not consolidated with those of the Organization.

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

13 - CONTROLLED ORGANIZATIONS (Continued)

At the reporting date, the financial position, results of operations and cash flows of The Wales Home Foundation were as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Financial position		
Assets	<u>9,742,304</u>	<u>8,221,393</u>
Liabilities	<u>1,196,087</u>	<u>1,295,703</u>
Net assets		
Endowment		
Sherbrooke Hospital Foundation	<u>1,730,674</u>	<u>1,485,165</u>
Restricted		
David Webster Memorial	<u>1,015,821</u>	<u>892,997</u>
Prest Floyd	<u>82,701</u>	<u>70,101</u>
Charles & Lena Ross	<u>742,427</u>	<u>475,883</u>
	<u>1,840,949</u>	<u>1,438,981</u>
General Fund	<u>4,974,594</u>	<u>4,001,544</u>
	<u>8,546,217</u>	<u>6,925,690</u>
	<u>9,742,304</u>	<u>8,221,393</u>
Results of operations		
Revenues	<u>2,039,643</u>	<u>3,057,902</u>
Expenses	<u>419,116</u>	<u>2,380,357</u>
Excess of revenues over expenses	<u>1,620,527</u>	<u>677,545</u>
Cash flows		
Increase (decrease) in cash		
Operating activities	<u>(31,844)</u>	<u>(1,960,187)</u>
Investing activities	<u>138,327</u>	<u>527,713</u>
Financing activities	<u>(98,861)</u>	<u>1,265,731</u>
	<u>7,622</u>	<u>(166,743)</u>

The Wales Home - Foyer Wales
Notes to Non-consolidated Financial Statements

March 31, 2022

13 - CONTROLLED ORGANIZATIONS (Continued)

Profit-oriented enterprise

Centre d'Hébergement et de Soins de Longue Durée Wales Inc. provides private home and health care services for elderly residents. It was incorporated under the Business Corporations Act (Quebec). The operations of Centre d'Hébergement et de Soins de Longue Durée Wales Inc. are not consolidated with those of the Organization.

At the reporting date, the financial position, results of operations and cash flows of Centre d'Hébergement et de Soins de Longue Durée Wales Inc. were as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Financial position		
Assets	1,715,788	788,360
Liabilities	1,916,912	925,170
Deficiency	<u>(201,124)</u>	<u>(136,810)</u>
	<u>1,715,788</u>	<u>788,360</u>
Results of operations		
Revenues	11,156,832	10,424,614
Operating expenses	9,419,338	8,747,263
Administrative expenses	1,778,739	1,018,663
Current income taxes	64,571	
Future income taxes	<u>(41,500)</u>	<u>87,000</u>
Net earnings (loss)	<u>(64,316)</u>	<u>571,688</u>
Cash flows		
Increase (decrease) in cash		
Operating activities	1,384,922	34,179
Financing activities	<u>(853,310)</u>	<u>(569,736)</u>
	<u>531,612</u>	<u>(535,557)</u>

14 - COMMITMENT

The Organization has entered into agreements for renovation and construction projects for a total estimated cost of \$35,900,000, of which \$15,434,183 has been incurred as at March 31, 2022.

The Wales Home - Foyer Wales

Non-consolidated Schedule

Year ended March 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<i>ADMINISTRATIVE EXPENSES</i>		
Salaries	883,563	774,514
Employee benefits	283,057	281,162
Interest on long-term debt	295,257	323,928
Bank charges	260,950	12,477
Office supplies and expenses	137,852	101,675
Professional fees	136,731	71,398
Insurance	93,675	80,296
Interest on bank loan	27,738	5,228
Advertising	21,281	10,176
Telecommunications	18,130	21,728
	<u>2,158,234</u>	<u>1,682,582</u>