

PIPER CREEK FOUNDATION
Consolidated Financial Statements
Year Ended December 31, 2016



Tel: 403 342 2500
Fax: 403 346 3070
www.bdo.ca

BDO Canada LLP
Millennium Centre
600, 4909 49 Street
Red Deer AB T4N 1V1 Canada

INDEPENDENT AUDITOR'S REPORT

To the Directors of Piper Creek Foundation

We have audited the accompanying consolidated financial statements of Piper Creek Foundation, which comprise the consolidated statement of financial position as at December 31, 2016 and the consolidated statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

(continues)



Tel: 403 342 2500
Fax: 403 346 3070
www.bdo.ca

BDO Canada LLP
Millennium Centre
600, 4909 49 Street
Red Deer AB T4N 1V1 Canada

INDEPENDENT AUDITOR'S REPORT *(continued)*

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Piper Creek Foundation as at December 31, 2016 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.

BDO Canada LLP

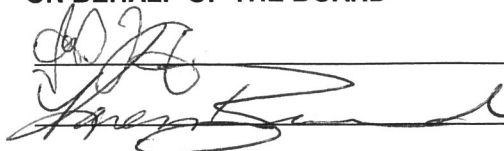
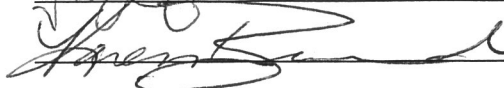
Red Deer, Alberta
April 7, 2017

Chartered Professional Accountants

PIPER CREEK FOUNDATION
Consolidated Statement of Financial Position
December 31, 2016

| | 2016 | 2015 |
|-------------------------------------------------------------------|----------------------|----------------------|
| ASSETS | | |
| CURRENT | | |
| Cash (Notes 2, 3) | \$ 1,304,578 | \$ 1,278,092 |
| Short term investments (Notes 2, 6) | 140,848 | 100,283 |
| Accounts receivable | 204,059 | 166,057 |
| Municipal requisition receivable (Note 4) | 399,853 | 433,289 |
| Prepaid expenses | 131,537 | 110,760 |
| | <u>2,180,875</u> | <u>2,088,481</u> |
| PROPERTY AND EQUIPMENT (Note 5) | 9,454,836 | 9,911,264 |
| LONG TERM INVESTMENTS (Notes 2, 6) | 1,282,012 | 1,382,456 |
| | <u>\$ 12,917,723</u> | <u>\$ 13,382,201</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT | | |
| Accounts payable (Note 7) | \$ 463,154 | \$ 525,581 |
| Due to Alberta Municipal Affairs (Note 8) | 246,488 | 261,361 |
| Vacation payable | 227,465 | 229,693 |
| Security deposits received | 211,033 | 182,211 |
| Scheduled cash repayments required in the next 12 months (Note 9) | 162,960 | 156,668 |
| | <u>1,311,100</u> | <u>1,355,514</u> |
| Callable debt not yet due (Note 9) | 2,361,336 | 2,433,013 |
| | <u>3,672,436</u> | <u>3,788,527</u> |
| LONG TERM DEBT (Note 9) | 1,013,804 | 1,104,677 |
| DEFERRED CAPITAL CONTRIBUTIONS (Note 10) | 4,878,527 | 5,138,510 |
| RESTRICTED OPERATING RESERVE FUND (Note 11) | 70,800 | 70,800 |
| | <u>9,635,567</u> | <u>10,102,514</u> |
| COMMITMENTS (Note 14) | | |
| NET ASSETS | | |
| NET ASSETS INVESTED IN CAPITAL ASSETS (Note 12) | 1,038,208 | 1,078,395 |
| INTERNALLY RESTRICTED NET ASSETS | 1,812,877 | 1,812,877 |
| UNRESTRICTED NET ASSETS | 431,071 | 388,415 |
| | <u>3,282,156</u> | <u>3,279,687</u> |
| | <u>\$ 12,917,723</u> | <u>\$ 13,382,201</u> |

ON BEHALF OF THE BOARD

 Director
 Director

PIPER CREEK FOUNDATION
Consolidated Statement of Revenues and Expenditures
For the Year Ended December 31, 2016

| | 2016 | 2015 |
|------------------------------------------------------------------------------|---------------------|---------------------|
| REVENUE | \$ 5,950,002 | \$ 5,944,919 |
| EXPENSES | | |
| Advertising and promotion | 34,300 | 45,836 |
| Amortization | 454,643 | 456,933 |
| Bad debt | 4,593 | 2,739 |
| Electricity | 368,327 | 362,304 |
| Equipment rentals | 25,459 | 18,899 |
| Food supplies | 567,681 | 572,953 |
| GST expense | 9,902 | 12,402 |
| Heating | 238,954 | 235,933 |
| Housekeeping and supplies | 99,614 | 89,213 |
| Insurance | 48,985 | 48,262 |
| Interest on long term debt | 43,337 | 49,172 |
| Interest on short term debt | 103,812 | 106,343 |
| Office | 91,785 | 121,886 |
| Professional fees | 74,236 | 61,843 |
| Property taxes | 110,717 | 108,863 |
| Rental | 111,581 | 95,791 |
| Repairs and maintenance | 651,223 | 722,355 |
| Security | 181,358 | 159,935 |
| Telephone | 60,162 | 57,618 |
| Travel | 14,186 | 12,406 |
| Vehicle | 17,034 | 14,382 |
| Wages and benefits | 4,201,384 | 4,099,979 |
| Water and sewer | 240,868 | 239,283 |
| | 7,754,141 | 7,695,330 |
| DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS BEFORE REMITTANCE | (1,804,139) | (1,750,411) |
| Alberta Municipal Affairs remittance <i>(Note 8)</i> | (246,488) | (261,361) |
| DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS | (2,050,627) | (2,011,772) |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 259,983 | 259,983 |
| Interest income | 78,124 | 46,435 |
| Lodge assistance grant | 853,811 | 868,463 |
| Maintenance grants | 4,890 | 23,130 |
| Management and administrative fees | 68,530 | 35,846 |
| Municipal requisition | 399,853 | 433,289 |
| Personal care services expense recovery | 409,453 | 391,485 |
| Sundry income | 13,735 | 46,024 |
| Unrealized gains/(losses) | (35,283) | (21,836) |
| | 2,053,096 | 2,082,819 |
| EXCESS OF REVENUE OVER EXPENSES | \$ 2,469 | \$ 71,047 |

PIPER CREEK FOUNDATION
Consolidated Statement of Changes in Net Assets
Year Ended December 31, 2016

| | Invested in Capital Assets | Internally Restricted | Unrestricted | 2016 | 2015 |
|----------------------------------------------------|-------------------------------|--------------------------|-------------------|---------------------|---------------------|
| NET ASSETS - BEGINNING OF YEAR | \$ 1,078,395 | \$ 1,812,877 | \$ 388,415 | \$ 3,279,687 | \$ 3,208,641 |
| Excess (deficiency) of revenue over expenses | (196,445) | - | 198,914 | 2,469 | 71,047 |
| Repayment of debt related to capital assets | 156,258 | - | (156,258) | - | - |
| NET ASSETS - END OF YEAR | \$ 1,038,208 | \$ 1,812,877 | \$ 431,071 | \$ 3,282,156 | \$ 3,279,688 |

PIPER CREEK FOUNDATION
Consolidated Statement of Cash Flow
Year Ended December 31, 2016

| | 2016 | 2015 |
|-------------------------------------------------|---------------------|---------------------|
| OPERATING ACTIVITIES | | |
| Cash receipts from customers | \$ 6,442,938 | \$ 6,009,214 |
| Cash paid to suppliers and employees | (7,492,763) | (7,354,008) |
| Cash received from Government of Alberta grants | 853,811 | 868,463 |
| Cash received from sundry income | 423,188 | 437,509 |
| Interest received | 78,124 | 46,435 |
| Interest paid | (147,151) | (155,518) |
| Cash flow from (used by) operating activities | <u>158,147</u> | <u>(147,905)</u> |
| INVESTING ACTIVITIES | | |
| Purchase of long term investments | (91,722) | (212,564) |
| Proceeds from sale of long term investments | 116,319 | 194,520 |
| Cash flow from (used by) investing activities | <u>24,597</u> | <u>(18,044)</u> |
| FINANCING ACTIVITIES | | |
| Repayment of callable debt | (68,729) | (66,197) |
| Repayment of long term debt | (87,529) | (83,248) |
| Cash flow used by financing activities | <u>(156,258)</u> | <u>(149,445)</u> |
| INCREASE (DECREASE) IN CASH FLOW | 26,486 | (315,394) |
| Cash - beginning of year | <u>1,278,092</u> | <u>1,593,487</u> |
| CASH - END OF YEAR | \$ 1,304,578 | \$ 1,278,093 |

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

The Foundation was established September 18, 1959 by a master agreement between the Foundation, the City of Red Deer and the Government of Alberta. The Foundation was incorporated on January 1, 1996 as a management body under the Alberta Housing Act for the purpose of managing self contained rental housing units for senior citizens within the City of Red Deer. The Foundation currently manages the following lodges and apartments:

Parkvale Lodge
Pines Lodge and Assisted Living Complex
Piper Creek Lodge
Canyon View Place
Barrett Place
Fleming Manor
Waskasoo Towers
Centennial Courts
Twilight Cottages

The Foundation is a not-for-profit charitable organization and is exempt from income tax in accordance with section 149 of the Income Tax Act.

Basis of accounting

The consolidated financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis of consolidation

The consolidated financial statements include the accounts of the Foundation and its wholly owned subsidiary corporation, Conwood Seniors Housing Ltd which manages Pines Court Apartment and Creekside Apartment. All inter-company balances and transactions have been eliminated.

Capital

The Foundation considers its capital to be its net assets, restricted and unrestricted. Its restricted net assets consist of amounts from future expansion and amounts invested in capital assets. The Foundation's objectives when managing its capital are to safeguard its ability to continue as a going concern so it can continue to provide services to its clients and to allow for future expansion. Annual budgets are developed and monitored to ensure the Foundation's capital is maintained at an appropriate level.

(continues)

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

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

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations, other than financial instruments related to endowment funds. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations, other than financial instruments related to endowment funds. Changes in fair value of financial instruments related to the endowment fund are recorded directly in net assets. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Measurement uncertainty

The preparation of financial statements 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 include providing for amortization of capital assets and vacation accrual. Actual results could differ from these estimates.

Cash equivalents

Highly liquid investments with maturities of three months or less at date of purchase are considered to be cash equivalents.

Property and equipment

Property and equipment acquired subsequent to January 1, 1996 are recorded at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

| | | |
|------------------------|----------|----------------------|
| Computer equipment | 3 years | straight-line method |
| Equipment | 5 years | straight-line method |
| Vehicles | 10 years | straight-line method |
| Buildings | 25 years | straight-line method |
| Leasehold improvements | 25 years | straight-line method |

Property and equipment acquired prior to January 1, 1996 were expensed when acquired.

The Piper Creek Lodge land and buildings, owned by the Piper Creek Foundation, were transferred to the Foundation by the Alberta Government in 1960 at no cost and are not recorded on the financial statements of the Foundation.

The land and buildings of Pines Lodge, Parkvale Lodge, Canyon View Place, Barrett Place, Fleming Manor, Waskasoo Towers, Centennial Courts and Twilight Cottages are owned by the Alberta Social Housing Corporation and are not recorded on the financial statements of the Foundation.

(continues)

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

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

Contributed capital assets

For contributed tangible capital assets, cost is considered to be fair value at the date of contribution if fair value can be reasonably estimated.

Long term investments

Long term investments consist of banker's acceptance and government bonds that have been recorded at fair market values.

Government assistance

Government assistance for acquiring fixed assets is recorded as deferred capital contributions and is amortized to income on the same basis as the related depreciable fixed assets are depreciated. Government assistance for current expenses is recorded as income in the year to which they relate.

Revenue recognition

Rental, other residential income and lodge assistance grants are recognized as revenue in the period to which they relate.

The Foundation follows the deferral method of accounting for contribution. Restricted contributions 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. Endowment contributions are recognized as direct increases in net assets.

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

Capital contributions are recorded as deferred contributions until the amount is invested in capital assets, then transferred to unamortized capital contributions. These invested capital contributions are amortized to revenue in the same period as the related amortization expense of the funded capital assets. Capital contributions for non depreciable assets are recorded as a direct increase to net assets.

Reserves

Reserves represent funds allocated for future capital expenditures and operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board.

Expense allocations

Allocation of general support expenses to buildings is done on a systematic basis for the number of units per building as a percentage of total units in all buildings.

Contributed services

Volunteers assist the Foundation in carrying out its activities. Because of the difficulty in determining fair value and the fact such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

2. CASH AND INVESTMENTS

Cash and investments includes restricted cash for the following purposes:

| | 2016 | 2015 |
|----------------------------------------------|---------------------|--------------|
| Due to Alberta Municipal Affairs | \$ 246,488 | \$ 261,361 |
| Security deposits | 211,033 | 182,211 |
| Restricted operating reserve fund | 70,800 | 70,800 |
| Internally restricted net assets | 1,812,877 | 1,812,877 |
| Total restricted cash and investments | 2,341,198 | 2,327,249 |
| Operating cash and investments | 386,240 | 433,582 |
| Total cash and investments | 2,727,438 | 2,760,831 |
| | | |
| Cash | 1,304,578 | 1,278,092 |
| Short term investments | 140,848 | 100,283 |
| Long term investments | 1,282,012 | 1,382,456 |
| Total cash and investments | \$ 2,727,438 | \$ 2,760,831 |

3. CONCENTRATION OF CREDIT RISK

A significant portion of the Foundation's cash are placed with a single financial institution.

4. MUNICIPAL REQUISITION RECEIVABLE

For purposes of providing lodge accommodation, the Foundation may requisition the City of Red Deer. The municipal requisition receivable in 2016 is \$399,853 (2015 - \$433,289).

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

5. PROPERTY AND EQUIPMENT

| | 2016 | | 2015 | |
|------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
| | Cost | Accumulated amortization | Cost | Accumulated amortization |
| Land | \$ 1,129,862 | \$ - | \$ 1,129,862 | \$ - |
| Computer equipment | 34,880 | 34,880 | 34,880 | 34,880 |
| Equipment | 521,348 | 491,440 | 521,348 | 482,450 |
| Vehicles | 136,119 | 136,119 | 136,119 | 136,119 |
| Buildings | 11,182,068 | 3,340,335 | 11,182,068 | 2,938,220 |
| Leasehold improvements | 1,133,058 | 679,725 | 1,133,058 | 634,402 |
| | \$ 14,137,335 | \$ 4,682,499 | \$ 14,137,335 | \$ 4,226,071 |
| Net book value | \$ 9,454,836 | | \$ 9,911,264 | |

Breakdown of leasehold improvements included above are as follows :

| | 2016 | | 2015 | |
|----------------|---------------------|-----------------------------|---------------------|-----------------------------|
| | Cost | Accumulated amortization | Cost | Accumulated amortization |
| Parkvale Lodge | \$ 88,653 | \$ 55,991 | \$ 88,653 | \$ 52,445 |
| Pines Lodge | 1,044,405 | 623,734 | 1,044,405 | 581,957 |
| | \$ 1,133,058 | \$ 679,725 | \$ 1,133,058 | \$ 634,402 |
| Net book value | \$ 453,333 | | \$ 498,656 | |

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

6. SHORT AND LONG TERM INVESTMENTS

| | 2016 | 2015 |
|----------------------------------------------------------------|---------------------|---------------------|
| Short term investment from Bank of Montreal investment account | \$ 140,848 | \$ 100,283 |
| Red Deer and District Community Foundation investment account | 1,113,675 | 1,126,385 |
| Bank of Montreal investment account | 162,864 | 250,598 |
| Piper Creek Foundation Legacy Fund (Endowment Fund) | 5,473 | 5,473 |
| | \$ 1,282,012 | \$ 1,382,456 |

Red Deer and District Community Foundation Investment account consists of federal and provincial government interest-bearing bonds, and financial institution interest bearing bonds. The interest rates vary from 1.00% to 3.45% with interest payments semi-annually and annually. The maturity date of the investments vary from March 2017 to June 2045. The face value of the bonds are one at \$235,000, one at \$212,000, two at \$175,000, one at \$125,000, one at \$120,000, one at \$91,000, and one at \$25,000.

Bank of Montreal investment account consists of GIC's. The interest rates vary from 0.70% to 2.55% with interest payments semi-annually and annually. The maturity date of the investments vary from January 2017 to December 2019. The face value of the GIC's are \$82,864, \$80,000, \$66,350, \$27,570, \$25,544, and \$21,384.

The Foundation is regulated by the Alberta Housing Act (Management Body Operation and Administration Regulation) Section 26(1) and as a result is limited as to how it can invest surplus funds.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances totaling \$43,443 (2015 - \$50,032).

8. DUE TO ALBERTA MUNICIPAL AFFAIRS

Excess of revenues over expenditures related to the self contained buildings are repayable to Alberta Municipal Affairs.

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

9. LONG TERM AND CALLABLE DEBT

| | 2016 | 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|
| Mortgage bearing interest at 3.75% per annum, repayable in monthly blended payments of \$10,906. The mortgage matures on February 1, 2020 and is secured by land and building with a carrying value of \$1,345,027. | \$ 1,104,795 | \$ 1,192,325 |
| Demand mortgage bearing interest at 4.19% per annum, repayable in monthly blended payments of \$14,378. The demand mortgage matures on April 1, 2018 and is secured by a building with a carrying value of \$6,657,361. | 2,433,305 | 2,502,033 |
| | 3,538,100 | 3,694,358 |
| Less: scheduled cash repayments required in the next 12 months | (162,960) | (156,668) |
| Callable portion | (2,361,336) | (2,433,013) |
| Current portion | (2,524,296) | (2,589,681) |
| Long term portion of debt | \$ 1,013,804 | \$ 1,104,677 |

Canadian generally accepted accounting principles require that loans that the lender can require to be repaid on demand be classified as current liabilities.

Principal repayment terms for the long term debt are approximately:

| | | |
|------|--|---------------------|
| 2017 | | \$ 162,960 |
| 2018 | | 2,455,799 |
| 2019 | | 98,067 |
| 2020 | | 821,274 |
| | | \$ 3,538,100 |

10. DEFERRED CAPITAL CONTRIBUTIONS

The changes in the deferred capital contributions balances for the year are as follows:

| | 2016 | 2015 |
|----------------------------|---------------------|--------------|
| Balance, beginning of year | \$ 5,138,510 | \$ 5,398,493 |
| Less: amortized to revenue | (259,983) | (259,983) |
| Balance, end of year | \$ 4,878,527 | \$ 5,138,510 |

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

11. RESTRICTED OPERATING RESERVE FUND

The restricted operating reserve fund represents funds held in reserve for future cash flow, emergency repair/replacement items, approved expenditures or as instructed by Alberta Municipal Affairs. In 2010, a revised restricted operating reserve policy was issued and indicates that management bodies are only allowed to retain the greater of \$5,000 or \$200 per unit for purposes of a reserve to address cash flow issues and remains payable to the Government of Alberta unless approved for use as specified. No claims were made on this reserve during the year.

12. RESERVES FOR FUTURE EXPENDITURES

| | Opening Balance | Transfers from Operating | Allocation from Surplus | Ending Balances |
|-------------------------------------------------------|---------------------|-----------------------------|----------------------------|---------------------|
| Reserve for Capital Maintenance and Development | \$ 796,502 | \$ - | \$ - | \$ 796,502 |
| Reserve for Future Capital Projects | \$ 956,674 | - | - | \$ 956,674 |
| Reserve for Bequests | \$ 59,701 | - | - | \$ 59,701 |
| | <u>\$ 1,812,877</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,812,877</u> |

Reserve for Future Capital Projects

The Board has designated funds for the future expansion of the Foundation's lodges, and any other property and equipment requirements. Funds are allocated on a year to year basis as determined annually by the Board.

Reserve for Bequests

The Board has designated bequests and donations, received from individuals, be reserved for special projects that benefit the lodge residents.

Reserve for Capital Maintenance and Development

The Board has designated funds for the future renovation, development, and redevelopment of the Foundation's lodges. Funds will be allocated on a year to year basis as determined annually by the Board.

13. INSURANCE

The Parkvale lodge, Pines lodge, Canyon View Place, Barrett Place, Fleming Manor, Waskasoo Towers, Centennial Courts and Twilight Cottages buildings are insured by Alberta Social Housing Corporation.

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

14. LEASE COMMITMENTS

The Foundation has a long term lease for its office space and some office equipment. The office space lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. The Foundation has subleased part of the office space. The sublease agreement is for an annual rent of \$91,270 and the agreement expires in June 2019. The gross future minimum lease payments as at December 31, 2016 are as follows:

| | |
|------|------------|
| 2017 | \$ 196,299 |
| 2018 | 196,299 |
| 2019 | 106,064 |
| 2020 | 3,957 |
| | <hr/> |
| | \$ 502,619 |

15. EMPLOYEE PENSION PLANS

Defined contribution pension plan for union employees:

The Foundation and its employees contribute to the Nursing Homes and Related Industries Pension Plan (NHRIPP). The board of trustees for this plan represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. In 2013 the NHRIPP began using the term target benefit plan rather than defined benefit plan as the benefits are not truly defined and the employers contributing to the plan have no further obligations than the contributions made according to the Collective Agreement.

The Foundation's contributions to the NHRIPP during the year amounted to \$120,574 (2015 - \$118,254) and are included in wages and benefits expense in the statement of revenues and expenditures.

Defined contribution pension plan for non-union employees:

The Foundation maintains a defined contribution pension plan for its salaried non-union employees and contributes an amount equal to 5% of each participants' eligible salary.

The Foundation has expensed \$47,220 for this plan in the current year (2015 - \$45,663) which is included in wages and benefits expense in the statement of revenues and expenditures.

16. FINANCIAL INSTRUMENTS

The company is exposed to various risks through its financial instruments. The following analysis provides information about the company's risk exposure and concentration as of December 31, 2016.

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 company manages exposure through its normal operating and financing activities. The company is exposed to interest rate risk primarily through its investments and callable debt which bear fixed interest rates. Should market rates vary significantly, the Foundation could be paying interest at a rate either higher or lower than market rates.

All secured financial liabilities have a combined carrying amount of \$3,538,100 (2015 - \$3,694,358).

PIPER CREEK FOUNDATION
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

17. ECONOMIC DEPENDENCE

The Foundation is economically dependent on funding it receives from the provincial government each year for its operating and capital maintenance needs.

18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

PIPER CREEK FOUNDATION
Consolidated Schedule of Revenues and Expenditures Lodges (Schedule 1)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------------|---------------------|---------------------|
| REVENUE | \$ 3,018,852 | \$ 3,040,070 |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 52,397 | 52,397 |
| Interest income | 71,745 | 38,886 |
| Lodge assistance grant | 853,701 | 868,463 |
| Maintenance grant | - | 8,743 |
| Personal care services expense recovery | 401,233 | 391,485 |
| Property management income | 68,530 | 35,846 |
| Sundry income (expense) | (2,350) | (15,514) |
| Unrealized gains (losses) on financial instruments | (36,872) | (20,247) |
| | 1,408,384 | 1,360,059 |
| EXPENDITURES | | |
| Advertising and promotion | 17,719 | 28,108 |
| Amortization | 68,497 | 70,788 |
| Bad debt | 2,622 | - |
| Electricity | 133,467 | 130,251 |
| Equipment rentals | 11,840 | 8,225 |
| Food supplies | 567,681 | 572,953 |
| Heating | 82,715 | 81,851 |
| Housekeeping and supplies | 86,836 | 71,968 |
| Insurance | 16,497 | 17,780 |
| Office | 20,707 | 12,509 |
| Professional fees | 24,914 | 21,848 |
| Rental | 42,178 | 31,295 |
| Repairs and maintenance | 214,532 | 226,343 |
| Security | 180,974 | 155,978 |
| Telephone | 28,924 | 25,873 |
| Travel | 8,306 | 7,338 |
| Vehicle | 10,552 | 10,853 |
| Wages and benefits | 3,269,048 | 3,224,195 |
| Water and sewer | 78,163 | 77,779 |
| | 4,866,172 | 4,775,935 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE REQUISITIONS | (438,936) | (375,806) |
| Municipal requisitions (Note 4) | 399,853 | 433,289 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | \$ (39,083) | \$ 57,483 |

PIPER CREEK FOUNDATION
Consolidated Schedule of Revenues and Expenditures Self Contained Units
(Schedule 2)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|---------------------|---------------------|
| REVENUE | \$ 2,119,982 | \$ 2,093,377 |
| OTHER INCOME | | |
| Interest income | 6,380 | 7,549 |
| Maintenance grants | 4,890 | 14,387 |
| Sundry income (expense) | 15,354 | 61,388 |
| Unrealized gains (losses) on financial instruments | 1,589 | (1,589) |
| | <u>28,213</u> | <u>81,735</u> |
| EXPENDITURES | | |
| Advertising and promotion | 15,380 | 16,528 |
| Bad debt | 1,972 | 2,739 |
| Electricity | 175,160 | 175,885 |
| Equipment rentals | 13,507 | 10,530 |
| Heating | 116,214 | 115,241 |
| Housekeeping and supplies | 12,317 | 16,909 |
| Insurance | 2,740 | 4,536 |
| Office | 23,149 | 14,945 |
| Professional fees | 44,721 | 33,478 |
| Rental | 69,403 | 64,496 |
| Repairs and maintenance | 341,681 | 388,366 |
| Telephone | 23,160 | 25,437 |
| Travel | 5,881 | 5,068 |
| Vehicle | 6,481 | 3,529 |
| Wages and benefits | 922,593 | 909,572 |
| Water and sewer | 127,348 | 126,492 |
| | <u>1,901,707</u> | <u>1,913,751</u> |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | 246,488 | 261,361 |
| Ablerta Municipal Affairs remittance <i>(Note 8)</i> | <u>(246,488)</u> | <u>(261,361)</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Parkvale Lodge (Schedule 3)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------------|---------------------|---------------------|
| REVENUE | \$ 1,048,901 | \$ 1,049,258 |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 294 | 294 |
| Interest income | 23,940 | 13,078 |
| Lodge assistance grant | 279,155 | 269,112 |
| Maintenance grant | - | 2,623 |
| Property management income | 20,559 | 10,754 |
| Sundry income (expense) | (304) | (4,594) |
| Unrealized gains (losses) on financial instruments | (12,582) | (6,512) |
| | 311,062 | 284,755 |
| EXPENDITURES | | |
| Advertising and promotion | 4,856 | 8,214 |
| Amortization | 3,872 | 3,872 |
| Bad debt | 10 | - |
| Electricity | 50,218 | 46,598 |
| Equipment rentals | 2,671 | 1,943 |
| Food supplies | 187,354 | 186,261 |
| Heating | 30,679 | 29,583 |
| Housekeeping and supplies | 23,618 | 20,355 |
| Insurance | 804 | 2,771 |
| Office | 12,123 | 3,623 |
| Professional fees | 7,571 | 5,977 |
| Rental | 12,653 | 9,389 |
| Repairs and maintenance | 73,032 | 91,221 |
| Security | 90,607 | 64,833 |
| Telephone | 10,034 | 8,574 |
| Travel | 2,957 | 2,543 |
| Vehicle | 3,088 | 3,261 |
| Wages and benefits | 885,305 | 879,270 |
| Water and sewer | 22,526 | 22,715 |
| | 1,423,978 | 1,391,003 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE REQUISITIONS | (64,015) | (56,990) |
| Municipal requisitions (Note 4) | 119,956 | 129,987 |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 55,941 | \$ 72,997 |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Pines Lodge (Schedule 4)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 966,496 | \$ 940,477 |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 540 | 540 |
| Interest income | 21,956 | 10,004 |
| Lodge assistance grant | 288,020 | 287,117 |
| Maintenance grant | - | 2,623 |
| Property management income | 20,559 | 10,754 |
| Sundry income (expense) | (658) | (4,294) |
| Unrealized gains (losses) on financial instruments | (10,410) | (5,887) |
| | 320,007 | 300,857 |
| EXPENDITURES | | |
| Advertising and promotion | 5,774 | 8,741 |
| Amortization | 1,476 | 1,476 |
| Bad debt | 2,612 | - |
| Electricity | 34,275 | 33,261 |
| Equipment rentals | 5,633 | 3,827 |
| Food supplies | 178,547 | 174,554 |
| Heating | 19,576 | 20,477 |
| Housekeeping and supplies | 26,860 | 22,944 |
| Insurance | 859 | 1,418 |
| Office | 11,873 | 3,827 |
| Professional fees | 7,329 | 5,977 |
| Rental | 12,653 | 9,389 |
| Repairs and maintenance | 70,861 | 60,450 |
| Telephone | 8,630 | 7,886 |
| Travel | 2,394 | 1,846 |
| Vehicle | 4,409 | 4,582 |
| Wages and benefits | 950,830 | 942,075 |
| Water and sewer | 23,405 | 23,248 |
| | 1,367,996 | 1,325,978 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE REQUISITIONS | (81,493) | (84,644) |
| Municipal requisitions (Note 4) | 119,956 | 129,987 |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 38,463 | \$ 45,343 |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Piper Creek Lodge (Schedule 5)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------------|---------------------|---------------------|
| REVENUE | \$ 684,834 | \$ 739,332 |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 17,562 | 17,562 |
| Interest income | 19,387 | 10,723 |
| Lodge assistance grant | 211,035 | 237,080 |
| Maintenance grants | - | 2,623 |
| Property management income | 20,559 | 10,754 |
| Sundry income (expense) | (1,085) | (4,978) |
| Unrealized gains (losses) on financial instruments | (10,410) | (5,887) |
| | 257,048 | 267,877 |
| EXPENDITURES | | |
| Advertising and promotion | 5,516 | 8,988 |
| Amortization | 20,125 | 20,125 |
| Electricity | 37,549 | 39,304 |
| Equipment rentals | 2,264 | 1,962 |
| Food supplies | 143,171 | 152,448 |
| Heating | 25,935 | 24,965 |
| Housekeeping and supplies | 24,557 | 20,665 |
| Insurance | 14,664 | 13,506 |
| Office | 12,371 | 14,851 |
| Professional fees | 7,571 | 8,226 |
| Rental | 12,653 | 9,389 |
| Repairs and maintenance | 54,587 | 68,697 |
| Security | 90,367 | 91,145 |
| Telephone | 7,552 | 7,368 |
| Travel | 2,386 | 2,199 |
| Vehicle | 3,055 | 3,009 |
| Wages and benefits | 894,191 | 874,792 |
| Water and sewer | 24,059 | 23,443 |
| | 1,382,573 | 1,385,082 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE REQUISITIONS | (440,691) | (377,873) |
| Municipal requisitions (Note 4) | 119,956 | 129,987 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES | \$ (320,735) | \$ (247,886) |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Assisted Living (Schedule 6)
Year Ended December 31, 2016

| | 2016 | 2015 |
|----------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 310,401 | \$ 311,003 |
| OTHER INCOME | | |
| Amortization of deferred capital contribution | 34,000 | 34,000 |
| Interest income | 6,462 | 5,081 |
| Lodge assistance grant | 75,491 | 75,154 |
| Maintenance grant | - | 874 |
| Personal care services expense recovery | 401,233 | 391,485 |
| Property management income | 6,853 | 3,585 |
| Sundry income (expense) | (303) | (1,648) |
| Unrealized gains (losses) on financial instruments | (3,470) | (1,962) |
| | 520,266 | 506,569 |
| EXPENDITURES | | |
| Advertising and promotion | 1,573 | 2,165 |
| Amortization | 43,025 | 45,315 |
| Electricity | 11,425 | 11,087 |
| Equipment rentals | 987 | 493 |
| Food supplies | 58,609 | 59,690 |
| Heating | 6,525 | 6,826 |
| Housekeeping and supplies | 8,810 | 8,004 |
| Insurance | 170 | 85 |
| Office | 4,296 | 1,209 |
| Professional fees | 2,443 | 1,667 |
| Rental | 4,218 | 3,130 |
| Repairs and maintenance | 15,276 | 5,975 |
| Telephone | 2,543 | 2,045 |
| Travel | 569 | 750 |
| Wages and benefits | 513,526 | 491,354 |
| Water and sewer | 8,173 | 8,374 |
| | 682,168 | 648,169 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REQUISITIONS | 148,499 | 169,403 |
| Municipal requisitions (Note 4) | 39,985 | 43,329 |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 188,484 | \$ 212,732 |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Home Care *(Schedule 7)*
Year Ended December 31, 2016

| | 2016 | 2015 |
|-------------------------------------------------|-------------------|-------------|
| PERSONAL CARE SERVICES EXPENSE RECOVERY | \$ 8,220 | \$ - |
| EXPENDITURES | | |
| Equipment rentals | 285 | - |
| Housekeeping and supplies | 2,991 | - |
| Office | 545 | - |
| Repairs and maintenance | 776 | - |
| Telephone | 165 | - |
| Wages and benefits | 4,694 | - |
| | 9,456 | - |
| DEFICIENCY OF RECOVERY OVER EXPENDITURES | \$ (1,236) | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Canyon View (Schedule 8)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 265,853 | \$ 274,719 |
| OTHER INCOME | | |
| Interest income | 409 | 250 |
| Maintenance grants | 383 | 1,666 |
| Sundry income | 485 | 4,766 |
| | <u>1,277</u> | <u>6,682</u> |
| EXPENDITURES | | |
| Advertising and promotion | 1,784 | 1,931 |
| Electricity | 22,017 | 23,249 |
| Equipment rentals | 1,530 | 1,063 |
| Heating | 18,329 | 15,840 |
| Housekeeping and supplies | 1,588 | 3,027 |
| Insurance | 457 | 530 |
| Office | 5,330 | 7,459 |
| Professional fees | 4,625 | 3,916 |
| Rental | 8,041 | 7,469 |
| Repairs and maintenance | 45,449 | 19,824 |
| Telephone | 3,776 | 4,040 |
| Travel | 653 | 580 |
| Vehicle | 991 | 410 |
| Wages and benefits | 104,260 | 99,394 |
| Water and sewer | 15,567 | 15,199 |
| | <u>234,397</u> | <u>203,931</u> |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | 32,733 | 77,470 |
| Alberta Municipal Affairs remittance (Note 8) | <u>(32,733)</u> | <u>(77,470)</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Fleming **(Schedule 9)**
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 159,464 | \$ 161,410 |
| OTHER INCOME | | |
| Interest income | 275 | 148 |
| Maintenance grants | 537 | 1,016 |
| Sundry income | 315 | 4,379 |
| | 1,127 | 5,543 |
| EXPENDITURES | | |
| Advertising and promotion | 1,088 | 1,175 |
| Electricity | 10,762 | 10,185 |
| Equipment rentals | 1,022 | 1,280 |
| Heating | 9,862 | 9,937 |
| Housekeeping and supplies | 617 | 1,115 |
| Insurance | 194 | 341 |
| Office | 3,305 | 5,535 |
| Professional fees | 2,820 | 2,390 |
| Rental | 4,903 | 4,553 |
| Repairs and maintenance | 18,515 | 26,236 |
| Telephone | 1,927 | 2,118 |
| Travel | 595 | 427 |
| Vehicle | 486 | 374 |
| Wages and benefits | 63,564 | 62,716 |
| Water and sewer | 10,049 | 10,037 |
| | 129,709 | 138,419 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | 30,882 | 28,534 |
| Alberta Municipal Affairs remittance <i>(Note 8)</i> | (30,882) | (28,534) |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Waskasoo Towers (Schedule 10)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 698,933 | \$ 669,039 |
| OTHER INCOME | | |
| Interest income | 4,783 | 6,230 |
| Maintenance grants | 657 | 4,552 |
| Sundry income | 5,372 | 24,595 |
| Unrealized losses on financial instruments | 1,589 | (1,589) |
| | 12,401 | 33,788 |
| EXPENDITURES | | |
| Advertising and promotion | 4,874 | 5,216 |
| Bad debt | 1,765 | 1,500 |
| Electricity | 61,673 | 60,419 |
| Equipment rentals | 3,962 | 3,339 |
| Heating | 26,967 | 31,233 |
| Housekeeping and supplies | 3,729 | 4,172 |
| Insurance | 786 | 1,317 |
| Office | 14,284 | 20,317 |
| Professional fees | 12,639 | 10,584 |
| Rental | 21,973 | 20,407 |
| Repairs and maintenance | 108,975 | 164,064 |
| Telephone | 6,455 | 7,168 |
| Travel | 1,832 | 1,579 |
| Vehicle | 1,948 | 1,013 |
| Wages and benefits | 284,868 | 270,871 |
| Water and sewer | 41,443 | 42,775 |
| | 598,173 | 645,974 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | 113,161 | 56,853 |
| Alberta Municipal Affairs remittance (Note 8) | (113,161) | (56,853) |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Barrett **(Schedule 11)**
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 689,293 | \$ 682,210 |
| OTHER INCOME | | |
| Interest income | 849 | 764 |
| Maintenance grant | 537 | 4,390 |
| Sundry income | 5,218 | 14,062 |
| | 6,604 | 19,216 |
| EXPENDITURES | | |
| Advertising and promotion | 4,674 | 5,032 |
| Bad debt | 178 | 153 |
| Electricity | 47,755 | 51,112 |
| Equipment rentals | 4,445 | 2,970 |
| Heating | 30,272 | 27,719 |
| Housekeeping and supplies | 4,152 | 4,597 |
| Insurance | 815 | 1,328 |
| Office | 13,804 | 20,312 |
| Professional fees | 14,512 | 10,177 |
| Rental | 21,145 | 19,678 |
| Repairs and maintenance | 92,226 | 104,788 |
| Telephone | 5,964 | 6,699 |
| Travel | 1,700 | 1,523 |
| Vehicle | 1,868 | 1,040 |
| Wages and benefits | 274,683 | 261,716 |
| Water and sewer | 31,601 | 30,545 |
| | 549,794 | 549,389 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | 146,103 | 152,037 |
| Alberta Municipal Affairs remittance <i>(Note 8)</i> | (146,103) | (152,037) |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Twilight (Schedule 12)
Year Ended December 31, 2016

| | 2016 | 2015 |
|--------------------------------------------------------------|------------------|------------------|
| REVENUE | \$ 53,377 | \$ 45,670 |
| OTHER INCOME | | |
| Interest income | 8 | - |
| Maintenance grants | 1,870 | 327 |
| Sundry income (expense) | (75) | 1,765 |
| | 1,803 | 2,092 |
| EXPENDITURES | | |
| Advertising and promotion | 349 | 379 |
| Electricity | 8,947 | 8,720 |
| Equipment rentals | 288 | 208 |
| Heating | 3,222 | 3,025 |
| Housekeeping and supplies | 152 | 248 |
| Insurance | 57 | 306 |
| Office | 1,002 | 1,459 |
| Professional fees | 904 | 713 |
| Rental | 1,570 | 1,458 |
| Repairs and maintenance | 17,115 | 5,604 |
| Telephone | 310 | 365 |
| Travel | 126 | 113 |
| Vehicle | 140 | 113 |
| Wages and benefits | 20,348 | 19,276 |
| Water and sewer | 4,506 | 4,684 |
| | 59,036 | 46,671 |
| EXCESS OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | (3,856) | 1,091 |
| Alberta Municipal Affairs remittance (Note 8) | 3,856 | (1,091) |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Centennial (Schedule 13)
Year Ended December 31, 2016

| | 2016 | 2015 |
|----------------------------------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 253,062 | \$ 260,329 |
| OTHER INCOME | | |
| Interest income | 56 | 156 |
| Maintenance grant | 906 | 2,439 |
| Sundry income | 4,039 | 11,821 |
| | <u>5,001</u> | <u>14,416</u> |
| EXPENDITURES | | |
| Advertising and promotion | 2,611 | 2,796 |
| Bad debt | 29 | 1,086 |
| Electricity | 24,006 | 22,201 |
| Equipment rentals | 2,260 | 1,671 |
| Heating | 27,562 | 27,487 |
| Housekeeping and supplies | 2,079 | 3,751 |
| Insurance | 431 | 715 |
| Office | 7,686 | 11,266 |
| Professional fees | 9,221 | 5,699 |
| Rental | 11,771 | 10,932 |
| Repairs and maintenance | 59,401 | 67,850 |
| Telephone | 4,728 | 5,047 |
| Travel | 975 | 846 |
| Vehicle | 1,048 | 579 |
| Wages and benefits | 152,609 | 144,192 |
| Water and sewer | 24,182 | 23,251 |
| | <u>330,599</u> | <u>329,369</u> |
| DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE REMITTANCE | (72,536) | (54,624) |
| Alberta Municipal Affairs remittance (Note 8) | 72,536 | 54,624 |
| DEFICIENCY OF REVENUE OVER EXPENDITURES | \$ - | \$ - |

PIPER CREEK FOUNDATION
Schedule of Revenues and Expenditures Conwood Seniors Housing Ltd. (Schedule 14)
Year Ended December 31, 2016

| | 2016 | 2015 |
|-----------------------------------------------|-------------------|-------------------|
| REVENUE | \$ 819,388 | \$ 811,472 |
| OTHER INCOME | | |
| Sundry income | 841 | 149 |
| Amortization of deferred capital contribution | 207,587 | 207,587 |
| | 208,428 | 207,736 |
| EXPENDITURES | | |
| Advertising and promotion | 1,200 | 1,200 |
| Amortization | 386,146 | 386,146 |
| Electricity | 59,698 | 56,167 |
| Equipment rentals | 110 | 144 |
| GST expense | 9,902 | 12,402 |
| Heating | 40,024 | 38,841 |
| Housekeeping and supplies | 462 | 336 |
| Insurance | 29,748 | 25,946 |
| Interest on callable debt | 103,812 | 106,343 |
| Interest on long term debt | 43,339 | 49,173 |
| Office | 5,174 | 6,319 |
| Professional fees | 4,601 | 6,517 |
| Property taxes | 110,717 | 108,863 |
| Repairs and maintenance | 95,011 | 107,647 |
| Security | 383 | 3,958 |
| Utilities and telephone | 8,080 | 6,307 |
| Wages and benefits | 52,502 | 54,323 |
| Water and sewer | 35,356 | 35,013 |
| | 986,265 | 1,005,645 |
| EXCESS OF REVENUE OVER EXPENDITURES | \$ 41,551 | \$ 13,563 |