

**Form 13-31**  
(Rule 13-31)

COURT FILE NUMBER           KBG-SA-00149-2023  
COURT OF KING'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE               SASKATOON

APPLICANTS                    TWILA REDDEKOPP and JEROME  
HEPFNER

RESPONDENTS                  THE LIGHTHOUSE SUPPORTED LIVING  
INC. and BLUE MOUNTAIN  
ADVENTURE PARK LTD.

IN THE MATTER OF AN APPLICATION PURSUANT TO *THE NON-PROFIT  
CORPORATIONS ACT, 1995* REGARDING THE LIGHTHOUSE SUPPORTED LIVING INC.  
AND BLUE MOUNTAIN ADVENTURE PARK INC.

-AND-

IN THE MATTER OF THE INTERIM RECEIVERSHIP OF THE LIGHTHOUSE  
SUPPORTED LIVING INC. and BLUE MOUNTAIN ADVENTURE PARK INC.

**AFFIDAVIT OF ADEEL SALMAN**

I, Adeel Salman, of the City of Saskatoon, in the Province of Saskatchewan, make oath and say  
(or affirm) that:

**A. Introduction**

1. I serve on the Board of Directors of respondents, The Lighthouse Supported Living Inc.  
(the "**Lighthouse**") and Blue Mountain Adventure Park Inc. ("**Blue Mountain**" and together  
with the Lighthouse, the "**Corporations**"), and as such, I have access to records of the  
Corporations and personal knowledge of the matters deposed to herein, unless stated to be on  
information and belief, and where so stated I verily believe the same to be true.

2. I have served on the Board of Directors of the Corporations since 2019.

3. Attached to this affidavit and marked as Exhibit “A” is a copy of the bylaws of the Lighthouse (the “**Bylaws**”). Section 3 of the Bylaws outlines the Lighthouse’s corporate purpose for existing and is reproduced below:

- (a) to promote public awareness of abilities of people who are mentally or physically challenged or whose lifestyle has been limited due to a disability;
- (b) to support education and employment opportunities for people who are mentally or physically challenged or whose lifestyle has been limited due to a disability;
- (c) to assist people who are mentally or physically challenged or whose lifestyle has been limited due to a disability to achieve more independent living; and
- (d) fundraising, counseling and administrative activities to achieve these purposes.

4. The Lighthouse provides a variety of programs for the vulnerable population of Saskatchewan. These programs are funded through contracts with government agencies, private donations, and rents received from low-income housing projects.

**B. Deterioration of the Lighthouse’s Financial Situation**

5. The Lighthouse’s financial situation deteriorated in 2022. The reasons for this financial decline include: (i) mismanagement; and (ii) reputational damage in the media.

**(i) Mismanagement**

6. Attached to this affidavit and marked as Exhibit “B” is a copy of the unaudited and unapproved financial statements of the Lighthouse for the 2021 fiscal year (the “**Financial Statement**”). According to the Financial Statement the Lighthouse had \$1,084,960.00 of cash as of March 2021.

7. I reviewed the records of the Corporations and verily believe that the Lighthouse had ample cash reserves prior to January 1, 2022. On or around January 12, 2022, Twila Reddekopp

and Jerome Hepfner (the “**Applicants**”) were appointed as the interim co-managing directors of the Lighthouse. The Applicants were removed from their positions on January 24, 2023. One of the primary reasons why the Applicants were removed was because, under their management, the Lighthouse’s ample cash reserves were depleted and source deductions had not been remitted. The Lighthouse is currently investigating how much is owed to Canada Revenue Agency for source deductions.

(ii) **Reputational Damage**

8. On June 20, 2022, the Saskatchewan Court of Appeal rendered a decision which lifted the publication ban regarding an ongoing oppression dispute between the Applicants and Donald Windels (the “**Oppression Litigation**”). Shortly after the publication ban was lifted the Government of Saskatchewan announced that it would no longer be providing financial support to the Lighthouse. The Lighthouse has also experienced a decline in private donations since the Oppression Litigation became public.

9. On January 26, 2023, the Lighthouse received correspondence from the Ministry of Social Services (the “**Ministry**”) advising that it would be withholding payment of the amount of \$101,570.00 (the “**Frozen Funds**”) because the Lighthouse failed to provide the financial reporting that is required pursuant to the terms of the agreement between the Lighthouse and the Ministry (the “**Ministry Letter**”). The Ministry Letter is attached as Exhibit “I” to the Affidavit of Twila Reddekopp.

C. **Alternative to Interim Receivership Order**

10. The majority of the Lighthouse Board of Directors are concerned that the draft order filed by the Applicants will result in an abrupt disruption to its day-to-day operations which may negatively impact the clients that the Lighthouse serves. A gradual transition of power is a preferable option.

11. It is my belief, based on the financial information that I have reviewed to date, that the

Lighthouse will be able to satisfy its payroll obligations in February. Regardless, it is obvious that the Lighthouse needs to be restructured, both from a governance and operational perspective.

12. The majority of the Lighthouse's Board of Directors is prepared to take (among others) the following steps during the interim receivership:

- (a) transition power from the current Board of Directors to a newly elected Board of Directors;
- (b) work with the Applicants to market and sell certain lands owned by the Lighthouse (the "**Proposed Land Sale**"); and
- (c) finalize and seek membership approval of the audited financial statements that are preventing the Lighthouse from access the Frozen Funds.

(the "**Interim Activities**")

13. All of the Interim Activities would be supervised by the proposed interim receiver, MNP Ltd., under a revised form of interim receivership order.

14. With respect to the Proposed Land Sale, the majority of the Lighthouse's Board of Directors has identified certain parcels of land that can (and should) be sold as soon as possible. Three of these lands are currently unencumbered. One parcel has a judgment registered against it from a previous owner- the Lighthouse is applying to discharge this judgment. The final parcel has a mortgage registered against it by Saskatchewan Housing Corporation ("**SHC**"). It is my understanding that this obligation has been paid and the balance may be forgiven by SHC. Attached to my affidavit as Exhibit "C" are copies of the titles to the lands the majority wishes to sell under the Proposed Land Sale.

15. The Proposed Land Sale is necessary for the following reasons:

- (a) the sale will generate cash which will be used to reduce the Corporations' liabilities and ensure that the Corporations have sufficient funds to meet (among others) their payroll and source deduction obligations; and

(b) the Lighthouse no longer has staff located in North Battleford to attend to these properties and the tenants who reside in these properties.


**D. Conclusion**

16. The majority of the Lighthouse’s Board of Directors and the Applicants agree that the Lighthouse serves an important function in the Saskatchewan community. It is the interests of Saskatchewan’s most vulnerable that the Lighthouse’s Board of Directors wish to protect by contesting the relief sought by the Applicants.

17. I make this affidavit in support of draft order filed by the Lighthouse.

SWORN BEFORE ME at the City )  
of Saskatoon, in the Province of )  
Saskatchewan, this 21<sup>st</sup> day of )  
February, 2023. )

  
\_\_\_\_\_  
A COMMISSIONER FOR OATHS  
in and for the Province of Saskatchewan  
Being a Solicitor

  
\_\_\_\_\_  
ADEEL SALMAN

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

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THE LIGHTHOUSE SUPPORTED LIVING INC.

BYLAWS

WHEREAS the The Lighthouse Supported Living Inc. (Charity) formed on the 1st day of August, 1989; and

WHEREAS the Charity was incorporated under the Non-profit Corporations Act on the 15th day of June, 1992 as Voyageur Club of Saskatoon Inc. and changed to The Lighthouse Supported Living Inc. as of February 16, 2007; and

WHEREAS the Charity is empowered under the Act to make bylaws;

THEREFORE, the Charity makes bylaws as follows:

TITLE

Title


1. These bylaws may be cited as the Bylaws of The Lighthouse Supported Living Inc.

INTERPRETATION

Definitions

2. In these bylaws:
  - (a) "Charity" means The Lighthouse Supported Living Inc.;
  - (b) "ex officio" means by virtue of his office and does not limit the rights, duties and capacity of any person who is, ex officio, a director, member of a committee or the holder of any other office.
  - (c) "Appointed counselor" means a person who by mutual consent is designated by the president to serve in providing practical counsel to the president and executive director.
  - (d) Any word or expression used but not defined has, unless the context otherwise requires, the same meaning as in the Act.

This is Exhibit 'A' referred to in the Affidavit of Adeel Salman made in this action and sworn before me this 21st day of February, 2023.

  
A COMMISSIONER OF OATHS  
in and for the Province of Saskatchewan  
Being a Solicitor

## GOALS

### Aims and Purposes

3. The goals of the Charity are:
  - (a) To promote public awareness of abilities of people who are mentally or physically challenged or whose lifestyle has been limited due to a disability.
  - (b) To support education and employment opportunities for people who are mentally or physically challenged or whose lifestyle has been limited due to a disability.
  - (c) To assist people who are mentally or physically challenged or whose lifestyle has been limited due to a disability to achieve more independent living.
  - (d) Fundraising, counseling and administrative activities to achieve these purposes.

## MEMBERSHIP

4. The membership of the Charity shall consist of:
  - (a) charter members; and
  - (b) active members; and
  - (c) associate members.
  
5.
  - (a) A charter member is entitled to all privileges of membership including the right to vote at meetings of members.
  - (b) An active member is entitled to all privileges of membership including the right to vote at meetings of members except the right to be elected as a director.
  - (c) An associate member is entitled to all privileges of active membership except the right to vote at meetings of members.
  
6.
  - (a) Any person is eligible for admission to membership as a charter member if they qualify as an active member in good standing and has been approved by the then present charter membership.
  - (b) Any person is eligible for admission to membership as an active member if they are:
    - (i) a person who supports the goals of the charity;
    - (ii) who makes application for membership;
    - (iii) whose application has been approved at a meeting of the members at the time of the application;
    - (iv) whose membership has not been revoked by the members of the charity.
  - (c) Any person is eligible for admission to membership as an associate member if they are interested in the advancement of the goals and the other purposes of the Charity.

7. Membership fees payable to the Charity shall be prescribed by the directors.
8. Any person who is eligible and approved for admission to membership may, upon payment of the prescribed fee, be admitted to membership by resolution of the directors in the class to which he is eligible.
9. Upon termination of membership for cause or otherwise, a member is not entitled to any refund of membership fees paid.

#### MEETING OF MEMBERS

10.
  - (a) An annual meeting of members shall be held each year at a time and place to be fixed by the previous annual meeting or by the directors.
  - (b) The president may call a special general meeting of members at any time but shall do so upon the written request of at least 5% of the members.
11.
  - (a) All business transacted at an annual meeting, except consideration of the financial statements, auditor's report, election of directors and reappointment of the incumbent auditor, and all business transacted at any other meeting of members, is deemed to be special business.
  - (b) No special business may be transacted at a meeting of members unless the notice of meeting states the nature of the business in sufficient detail to permit members to form a reasoned judgment thereon.
  - (c) Any member may submit to the Charity notice of any matter that it proposes to raise and discuss at the meeting and notice of the proposal shall be given with the notice of the next meeting of members.
12.
  - (a) Notice of the time and place of a meeting of members shall be sent to the voting members, not less than 15 days or more than 50 days before the meeting and to the auditor.
  - (b) A member may waive notice of a meeting by his attendance at a meeting or, if not in attendance, by so stating by letter, telephone or otherwise.



13.

- (a) At every meeting of members, each voting member is entitled to one vote on each question.
- (b) Voting at a meeting of members shall be by show of hands except where a ballot is demanded by a member either before or after a vote by show of hands.

Quorum

14. More than 50% of the voting membership personally present at the opening of a meeting shall constitute a quorum.

Rules of order

15. The conduct of meetings shall be governed by the latest revised edition of Roberts Rules of Order.

DIRECTORS

Number of Directors

16. The directors of the Charity shall consist of a minimum the first three of the following:
- (a) a president;
  - (b) an executive director;
  - (c) a treasurer;
  - (d) a secretary;
  - (e) a first vice president;
  - (f) a second vice president;
  - (g) the immediate past president; and
  - (h) 5 other members.

Term of Office

17. The Executive Director shall hold office for an indefinite period unless otherwise stipulated by the membership at the time of election. The president and treasurer shall hold office for 3 years terms. Each of the other directors, other than the immediate past president who holds office ex officio, shall be elected at each annual meeting to hold office until the end of the annual meeting following his election.

18.

- (a) The Charity may, by ordinary resolution, at a meeting of members called for the purposes, remove any director or directors from office.
- (b) Grounds for such action shall be:
  - (i) Immoral, unethical or unscriptural conduct:
  - (ii) Incompetence in office
- (c) if a charge is brought against the executive director it must be in writing, detailed as to facts and evidences and signed by the person(s) bringing the charge. The charge must be brought to the executive director in person and in the presence of at least one other director.
  - (i) If the charges are denied by the executive director then every effort will be made to bring the situation to a peaceful resolution. If the charges persist, witnesses are brought to a meeting of the Board. The entire motivation of every party should at all times be to let truth and peace prevail. If a peaceful resolution cannot be obtained, the appointed counselor will be asked to preside as judge at a meeting of the Board.
  - (ii) If the executive director is guilty by admission then the appointed counselor is contacted by the executive director himself or the Board and asked to preside over the restoration and/or replacement of the executive director. The appointed counselor's judgments and recommendations for action will be binding upon executive director and therefore the Board.
- (d) The directors, or members in general meeting, may fill any vacancy among the directors by appointing a director to hold office for the remainder of the term of the director whom he is replacing.

#### Qualification for Director

19. A director must be a member to qualify or hold office as a director. They shall be nominated by the president and shall be approved by the board and ratified by the membership.

#### Notice of Directors Meeting

20.

- (a) Every director shall be given by letter, telephone otherwise at least five days notice of every meeting of directors.
- (b) The directors may at any meeting decide to hold regular meetings by adopting a resolution stating the day, hour and place of the regular meetings and no further notice of those meetings shall be required.
- (c) A director may waive notice of a meeting by his attendance at a meeting or, if not in attendance, by so stating by letter, telephone or otherwise.

### Quorum

21. A majority of directors constitutes a quorum at a meeting of directors.

## COMMITTEES

### Standing

22.

- (a) There shall be the following standing committees to be called:
  - (i) social committee;
  - (ii) membership committee;
  - (iii) finance committee; and
  - (iv) public relations and publicity committee.
- (b) The duties of the standing committees shall be assigned to them by the directors.

### Special Committees

23. The directors may provide for special committees and may assign duties to them.

### Appointment of Committee Chairman

24.

- (a) The committee chairman shall be appointed from among the directors by the president but every appointment shall be subject to confirmation by the directors.
- (b) The members of each committee shall be appointed from among the directors or members by its chairman.
- (c) The number of members on a committee shall be determined by the chairman of the committee but all appointments shall be subject to confirmation by the directors.
- (d) Committee members may meet, adjourn and otherwise regulate their meetings as they may determine.

## OFFICERS AND THEIR DUTIES

### Duties of Directors and officers

25.

- (a) The directors shall manage the activities and affairs of the Charity.
- (b) Every director and officer of the Charity shall act honestly and in good faith with a view to the best interests of the Charity and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### Duties of president

26.

- (a) The president shall be the chief officer of the Charity and it shall be his duty to be vigilant and active in promoting the objects of the Charity.
- (b) The president shall preside at meetings of the Charity and of the directors.
- (c) The position of appointed counselor is regulated by the president and provides a means of accountability and protection for the Charity. For this reason the appointed counselor will provide judicious counsel to the board in the event of a vacancy in the position of president (by means of a charge, accident or death, or pre-determination). The membership has no recourse to the appointed counselor except through the president.

### Duties of vice president

27.

- (a) The first vice president shall assist the president in the performance of his duties and shall act in "the absence or inability of the president".
- (b) The second vice president shall assist the president and first vice president in the performance of their duties and shall act in the absence or inability of the president and first vice president.

## FINANCIAL AFFAIRS

### Fiscal Year

28. The fiscal year of the Charity shall end on the 31st day of December of each year.

### Records

29. The directors shall cause to be kept proper records and accounts of all transactions of the Charity.

### Budgets

30. Each year, on or before the commencement of the new fiscal year, a budget setting forth details of the estimated revenues and expenditures of the Charity for the ensuing fiscal year shall be prepared and submitted to the directors.

### Financial disclosure

31.

- (a) The directors shall place before the members at every annual meeting:
  - (i) financial statements for the year ended not more than 4 months before the annual meeting;
  - (ii) the report of the auditor; and
  - (iii) any further information respecting the financial affairs of the Charity.
- (b) The directors shall approve the financial statements and shall evidence their approval by the signature of one or more directors.
- (c) No financial statement shall be released: or circulated unless it has been approved by the directors and is accompanied by the report of the auditor.
- (d) The Charity shall send to each member financial statements and the report of the auditor or may, in lieu thereof, publish a notice stating the documents are available at the office of the Charity and that any member may, upon request, obtain a copy free of charge by prepaid mail to his address or by calling at the office during usual business hours.
- (e) The Charity shall, at the annual meeting, make available a copy of its financial statements and report of the auditor to each member and to the Director, Corporations Branch.

### Funds etc. to be in the name of the Charity

32.

- (a) All funds of the Charity shall be deposited in one or more accounts in the name of the Charity at a chartered bank, trust company or credit union, designated by the directors.
- (b) All cheques, promissory notes, bills of exchange or other negotiable instruments shall be executed in the name of the Charity and signed in accordance with resolutions passed by the directors for that purpose.

### Remuneration of directors

33. Remuneration may be paid to the directors other than compensation for travel and sustenance while on Charity business at rates approved by the members in general meeting.

## LIQUIDATION AND DISSOLUTION

### Distribution of remaining property

- 34.
- (a) The remaining property of the Charity shall, in the course of liquidation and dissolution, be distributed in accordance with the articles of the Charity.
  - (b) The articles provide that the remaining property of the Charity shall, in the course of liquidation and dissolution, be transferred to other charitable corporations at the discretion of the directors.

## AMENDMENT TO BYLAWS

- 35.
- (a) The directors may, by resolution, amend, repeal or make any bylaws that regulate the activities and affairs of the Charity.
  - (b) The directors shall submit any bylaws, or any amendment or repeal thereof to the next meeting of members and the members may, by ordinary resolution, confirm, reject, or amend the bylaws, amendment or repeal.
  - (c) Any bylaws, or an amendment or repeal thereof is effective from the day of the resolution of directors until confirmed, confirmed as amended, or rejected by the members.
  - (d) If any bylaws, or any amendment or repeal thereof is rejected by the members or is not submitted to the next meeting of members, the bylaws, amendment or repeal thereof ceases to be effective and no subsequent bylaw, amendment or repeal having substantially the same purpose or effect shall be effective until confirmed or confirmed as amended by the members.
  - (e) Except in the case of first bylaws made by the directors, every bylaw, amendment or repeal thereof shall state an effective date which shall not be more than 30 days from the day on which the bylaw, amendment or repeal is made,
  - (f) Every bylaw and every amendment or repeal thereof shall be distributed to the membership before its effective date.

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Signatory Page to Follow.

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

**Financial Statements**

Year Ended March 31, 2021

DRAFT

This is Exhibit 'B' referred to in the Affidavit of Adeel Salman made in this action and sworn before me this 21st day of February, 2023.



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A COMMISSIONER OF OATHS  
in and for the Province of Saskatchewan  
Being a Solicitor

DRAFT

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

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Year Ended March 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
THE LIGHTHOUSE SUPPORTED LIVING INC.

### Qualified Opinion

We have audited the accompanying financial statements of THE LIGHTHOUSE SUPPORTED LIVING INC. (the "Organization"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects and possible effects of the matters described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, and its financial performance and its cash flows for the period then ended in accordance with Canadian accounting standards for not for profit organizations (ASNPO).

### Basis for Qualified Opinion

As disclosed in note 2 to the financial statements, the tower included in tangible capital assets is being amortized at the same rate as the forgivable loan which financed the tower is reduced each year, which constitutes a departure from Canadian accounting standards for not-for-profit organizations. This is the result of a decision made by management at the start of the 2012 financial year to match the annual amortization of the tower and revenue recognized annually upon the forgiveness of the loan. Based on the declining balance method of amortization at an annual rate of 4% for the tower, tangible capital assets and forgivable debt should each be decreased \$ 1,876,967 at March 31, 2021 (2020 - \$ 1,849,350) and revenue from the forgiveness of debt and amortization of tangible capital assets should each be increased by \$ 27,617 for the period ended March 31, 2021 (2020 - \$ 126,226).

In common with many not-for-profit organizations, the Organization derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, surplus (deficit) of revenue over expenditures and cash flows from operations for the period ended March 31, 2021 and year ended December 31, 2020, current assets as at March 31, 2021 and 2019 and net assets as at the beginning and the end of the period ended March 31, 2021 and December 31, 2020. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

We were unable to determine the completeness of financial statement disclosures and subsequent events due to a scope limitation on being denied access to board meeting minutes. Therefore, we cannot verify that disclosures regarding subsequent events or other significant events during the year are complete and we not able to determine whether any adjustments might be necessary to the surplus (deficit) of revenues over expenditures and cash flows from operations for the year ended March 31, 2021 or the statements financial position and changes in net assets of as at March 31, 2021.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

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

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

DRAFT

SASKATOON, CANADA  
DATE

CHARTERED PROFESSIONAL ACCOUNTANTS

**THE LIGHTHOUSE SUPPORTED LIVING INC.**  
**Statement of Financial Position**  
As at March 31, 2021

	2021	2020
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,084,960	\$ 1,197,463
Investments	2,744	2,743
Accounts receivable (note 3)	490,964	448,649
Loan receivable (note 4)	30,000	30,000
Inventory (note 5)	27,887	28,377
Prepaid expenses	91,815	77,345
	1,728,370	1,784,577
Patronage equity	5,711	5,711
Due from Blue Mountain Adventure Park Inc. (note 13)	265,845	261,089
Tangible capital assets (note 6)	21,837,641	21,596,799
	\$ 23,837,567	\$ 23,648,176
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	\$ 408,049	\$ 380,227
Current portion of long term debt (note 8)	171,749	189,919
Current portion of forgivable debt (note 9)	1,279,663	618,144
	1,859,461	1,188,290
Long term debt (note 8)	2,595,554	2,627,002
Forgivable debt (note 9)	10,510,335	11,268,075
Deferred contributions (note 10)	2,663,034	3,105,096
	17,628,384	18,188,463
Net assets		
Unrestricted net assets	1,006,639	671,129
Internally restricted net assets - Invested in tangible capital assets	4,753,377	4,339,417
Externally restricted net assets - Reserves (note 12)	449,167	449,167
	6,209,183	5,459,713
	\$ 23,837,567	\$ 23,648,176

See accompanying notes to financial statements

Approved by:

Director: \_\_\_\_\_

Director: \_\_\_\_\_

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

**Statement of Changes in Net Assets**

For the year ended March 31, 2021

	Unrestricted	Internally restricted	Externally restricted	2021 Total
<b>Net assets, beginning of the year</b>	671,129	4,339,417	449,167	5,459,713
Net surplus (deficit)	749,470	-	-	749,470
Transfers				
Reserves (note 12)	-	-	-	-
Purchases of tangible capital assets	(411,558)	411,558	-	-
Capital grants recognized (note 10, 11)	(27,279)	27,279	-	-
Amortization of tangible capital assets	170,716	(170,716)	-	-
Proceeds from long term debt	413,193	(413,193)	-	-
Repayment of long term debt	(49,615)	49,615	-	-
Forgiveness of debt	(509,417)	509,417	-	-
<b>Net assets, end of the year</b>	\$ 1,006,639	\$ 4,753,377	\$ 449,167	\$ 6,209,183

	Unrestricted	Internally restricted	Externally restricted	2020 Total
<b>Net assets, beginning of the year</b>	247,428	3,861,984	385,000	4,494,412
Net surplus (deficit)	965,301	-	-	965,301
Transfers				
Reserves (note 12)	(64,167)	-	64,167	-
Purchases of tangible capital assets	(1,002,210)	1,002,210	-	-
Proceeds from sale of tangible capital assets	67,759	(67,759)	-	-
Capital grants received (note 10)	180,368	(180,368)	-	-
Capital grants recognized (note 10, 11)	(105,505)	105,505	-	-
Amortization of tangible capital assets	689,843	(689,843)	-	-
Proceeds from long term debt	465,386	(465,386)	-	-
Repayment of long term debt	(186,610)	186,610	-	-
Forgiveness of debt	(586,464)	586,464	-	-
<b>Net assets, end of the year</b>	\$ 671,129	\$ 4,339,417	\$ 449,167	\$ 5,459,713

See accompanying notes to financial statements

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

**Statement of Operations**

For the year ended March 31, 2021

	2021 (3 Months)	2020 (12 Months)
<b>Revenue (note 13)</b>		
Operating grants (note 11)	\$ 1,178,941	\$ 3,160,780
Rental and service income	863,214	3,074,756
Forgiveness of debt (note 9)	509,417	586,464
Donations	162,098	1,021,988
Capital grants (note 10)	27,279	105,505
Interest income	40	6,204
	2,740,989	7,955,697
<b>Expenditures (note 13)</b>		
Wages and benefits	↓ 1,145,901	4,014,544
Amortization of tangible capital assets	170,716	689,843
Food supplies	161,911	539,148
Telephone and utilities	160,207	558,487
Repairs and maintenance	116,527	332,112
Bad debts	48,336	112,678
Rent and leases	ψ 47,124	86,400
Interest on long term debt	27,860	89,441
Property taxes	24,986	91,222
Professional fees	22,449	75,866
Insurance	20,886	61,794
Projects	17,275	191,476
Office supplies	11,822	41,746
Vehicle operating	7,032	26,411
Interest and bank charges	3,901	14,430
Advertising, promotion and fundraising	3,872	52,425
Mobile outreach	714	12,373
	1,991,519	6,990,396
<b>Net surplus</b>	\$ 749,470	\$ 965,301

See accompanying notes to financial statements

**THE LIGHTHOUSE SUPPORTED LIVING INC.**  
**Statement of Cash Flows**  
For the year ended March 31, 2021

	2021 (3 Months)	2020 (12 Months)
<b>Cash flow from operating activities</b>		
Net surplus	\$ 749,470	\$ 965,301
Items not affecting cash:		
Amortization of tangible capital assets	170,716	689,843
Forgiveness of debt	(509,417)	(586,464)
Changes in non-cash working capital:		
Accounts receivable	(42,315)	30,796
Inventory	490	8,606
Prepaid expenses	(14,470)	(16,673)
Accounts payable and accrued liabilities	27,822	150,521
Deferred contributions	(442,062)	608,450
<b>Net cash provided by (used in) operating activities</b>	(59,766)	1,850,380
<b>Cash flows from investing activities</b>		
Purchase of tangible capital assets	(411,558)	(1,002,210)
Proceeds from sale of tangible capital assets	-	67,759
Increase in investments	(1)	(406)
Increase in patronage equity	-	(503)
Loans and advances issued	-	(106,988)
Loans and advances receivable	(4,756)	-
<b>Net cash used in investing activities</b>	(416,315)	(1,042,348)
<b>Cash flows from financing activities</b>		
Proceeds from long term debt	413,193	465,386
Repayment of long term debt	(49,615)	(186,610)
<b>Net cash provided by financing activities</b>	363,578	278,776
<b>Net increase (decrease) in cash</b>	(112,503)	1,086,808
Cash at the beginning of the year	1,197,463	110,655
<b>Cash at the end of the year</b>	\$ 1,084,960	\$ 1,197,463

See accompanying notes to financial statements

# THE LIGHTHOUSE SUPPORTED LIVING INC.

Notes to Financial Statements  
For the Year Ended March 31, 2021

## 1. PURPOSE OF THE ORGANIZATION

The Lighthouse Supported Living Inc. (the "Organization") was incorporated under the Non-profit Corporations Act of Saskatchewan on June 15, 1992 and is a non-profit community based organization that provides emergency shelter, short term supported living and independent housing for at-risk and hard-to-house men, women and families. The Organization works to address the root cause of poverty through providing housing, food services and employment in a supportive community. The Organization offers 24/7 support, nutritious meals, work training, services to support recovery, wellness and life skills classes.

The Organization has operations in Saskatoon and the Battlefords area. The operations of both divisions are reflected in these statements.

The Organization is a registered charity and exempt from income tax under Section 149(1)(f) of the Income Tax Act and files a T3010 charity information return annual to maintain this status.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) set out in Part III of the CPA Canada Handbook, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with financial institutions which are highly liquid and which have an initial term to maturity of less than 90 days.

### Accounts receivable

Accounts receivable are stated net of an allowance for bad debts, if any.

### Tangible capital assets

Purchased tangible capital assets are stated at cost. Donated tangible capital assets are recorded at fair market value at the date of contribution. Amortization is recorded using the declining balance method at the following annual rates:

	<u>Rate</u>	<u>Method</u>
Buildings	4%	declining balance
Furniture and equipment	20%	declining balance
Vehicles	30%	declining balance
Computer equipment	30%	declining balance
Computer software	100%	declining balance

Amortization is taken at one half of the above rates in the year of acquisition. The portion of the tower financed by the forgivable loan (note 9) is amortized at the same rate as the forgivable loan is reduced each year, with the remainder amortized at 4%.

The amortization rates are based on the estimated useful lives for each class of assets. Amortization commences once an asset is put into use.



## THE LIGHTHOUSE SUPPORTED LIVING INC.

Notes to Financial Statements  
For the Year Ended March 31, 2021

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

#### Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. Estimates of future cash flows used to test the recoverability of a long-lived asset include only the net future cash flows that are directly associated with, and that are expected to arise as a result of its use and eventual disposition. An impairment loss is recognized when the carrying amount of long-lived assets is not recoverable and exceeds its fair value. Impairment losses are not reversed if fair value subsequently increases.

#### Inventory

The inventory is stated at the lower of cost and current replacement cost. Inventory consists of janitorial, kitchen and building supplies.

#### Revenue recognition

The Organization follows the deferral method of accounting. Restricted operating grants and donations are recognized as revenue in the year in which the related expenditure is incurred. Restricted capital grant revenue is recorded as deferred revenue and recognized as revenue on the same basis as the amortization of the corresponding tangible capital asset. Unrestricted operating grants, donations and all other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donation pledges are recorded as revenue only when received.

#### Donated services

The Organization benefits from the donated services of volunteers. These donated services are not recorded in the financial statements.

#### Financial instruments

The Organization's financial instruments consist of cash and cash equivalents, investments, accounts receivable, loans receivable, accounts payable and long term debt.

All financial instruments are initially measured at fair value and subsequently carried at amortized cost.

Financial assets are tested for impairment at the end of each reporting period when there are indicators that an asset may be impaired.

#### Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include:

- a) The accounts receivable and allowance for doubtful accounts and indirectly bad debt expense.
- b) The inventory and indirectly food and maintenance expenses.
- c) The useful lives of tangible capital assets and indirectly amortization.
- d) The accounts payable and indirectly expenses.

## THE LIGHTHOUSE SUPPORTED LIVING INC.

Notes to Financial Statements  
For the Year Ended March 31, 2021

### 3. ACCOUNTS RECEIVABLE

	2021	2020
Rent and other	\$ 274,012	\$ 233,351
Grants receivable	183,707	188,061
GST receivable	33,245	27,237
Allowance for doubtful accounts	-	-
	\$ 490,964	\$ 448,649

### 4. LOAN RECEIVABLE

The demand loan receivable from Mech-EI Services Inc. was renegotiated and secured by property owned Pierre Trudel who is the owner of Mech-EI Services Inc. and a director of The Lighthouse Supported Living Inc. The loan was originally disbursed in June 2010, bearing interest at 15% per annum, for the purposes of research and development by Mech-EI Services Inc. and was to be repaid upon the sale of the patent developed using the proceeds of the loan or one year, whichever came first. The Organization has continually granted extensions to Mech-EI Services Inc. to defer payments with the latest extension expiring in September 2020. No interest had been accrued on the loan due to uncertainty about the collectability of accrued interest.

In November 2021 the loan was renegotiated to be taken over by Pierre Trudel. The repayable balance was increased to \$ 41,523 recognizing \$ 11,523 accrued interest from 2010 at a rate of 3% per annum. Monthly payments of \$ 500 bearing interest at 3% are due beginning November 30, 2021. The loan has a maturity date of September 30, 2029. The \$ 11,523 increase in the loan balance will be recognized as an impairment reversal on November 8, 2021, the date the new loan agreement was signed.

### 5. INVENTORY

	2021	2020
Building maintenance supplies	\$ 17,210	\$ 17,030
Kitchen supplies	10,677	11,347
	\$ 27,887	\$ 28,377

### 6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 2,146,902	\$ -	\$ 2,146,902	\$ 2,096,902
Tower	13,652,092	267,713	13,384,379	13,384,379
Buildings	11,069,937	5,144,654	5,925,283	5,710,370
Furniture and equipment	569,083	329,119	239,964	252,594
Vehicles	369,920	243,188	126,732	137,007
Computer equipment	60,454	46,073	14,381	15,547
	\$ 27,875,934	\$ 6,038,293	\$ 21,837,641	\$ 21,596,799

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

Notes to Financial Statements  
For the Year Ended March 31, 2021

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2021	2020
Trade payables and accruals	\$ 228,683	\$ 220,244
Accrued vacation pay and payroll liabilities	179,366	159,983
	\$ 408,049	\$ 380,227

**8. LONG TERM DEBT**

	2021	2020
Affinity Credit Union mortgage, interest at 3.69%, matures December 1, 2025, repayable \$ 9,196 monthly including interest, secured by specific land and buildings with a net book value of \$ 11,236,959.	\$ 1,031,999	\$ 1,050,159
Affinity Credit Union mortgage, interest at 3.69%, matures March 1, 2026, repayable \$ 9,714 monthly including interest, secured by specific land and buildings with a net book value of \$ 5,016,574.	1,000,811	1,017,739
Affinity Credit Union mortgage, interest at 3.89%, matures September 15, 2022, repayable \$ 388 monthly including interest, secured by specific land and buildings with a net book value of \$ 349,343.	68,017	68,531
Melba Burgoyne loan, interest at 6.5%, matures December 31, 2022, repayable \$ 1,429 monthly plus interest, secured by specific land and buildings with a net book value of \$ 1,640,516.	30,012	34,300
Norman Burgoyne loan, interest at 6.5%, matures December 31, 2022, repayable \$ 1,429 monthly plus interest, secured by specific land and buildings with a net book value of \$ 1,640,516.	30,012	34,300
Affinity Credit Union mortgage, interest at 4.59%, matures August 30, 2023, repayable \$ 668 monthly including interest, secured by specific land and buildings with a net book value of \$ 318,025.	89,771	90,761
Affinity Credit Union mortgage, interest at 3.59%, matures May 20, 2025, repayable \$ 1,184 monthly including interest, secured by specific land and buildings with a net book value of \$ 444,754.	230,254	231,775
Affinity Credit Union mortgage, interest at 4.59%, matures August 30, 2023, repayable \$ 581 monthly including interest, secured by specific land and buildings with a net book value of \$ 278,832.	78,423	79,280
Affinity Credit Union mortgage, interest at 3.89%, matures June 30, 2024, repayable \$ 767 monthly including interest, secured by specific land and buildings with a net book value of \$ 486,368.	140,240	141,201

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

Notes to Financial Statements  
For the Year Ended March 31, 2021

**8. LONG TERM DEBT (continued)**

	2021	2020
Affinity Credit Union mortgage, interest at 4.74%, matures November 25, 2023, repayable \$ 635 monthly including interest, secured by specific land and buildings with a net book value of \$ 113,849.	67,764	68,875
Total debt	2,767,303	2,816,921
Current portion	171,749	189,919
Long term portion	\$ 2,595,554	\$ 2,627,002

Principal payments over the next five years, assuming renewal of debt at similar terms upon maturity, are estimated to be as follows:

2022	\$	171,749
2023		178,357
2024		185,220
2025		193,248
2026		199,753
	\$	928,327

**9. FORGIVABLE DEBT**

	2021	2020
<u>The Tower - 227 20th Street East</u> Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 5.29% per annum), secured by a collateral mortgage. Forgiven monthly, if all conditions are met, at a rate of \$ 22,309 per month up to September 2022 and from then on at a rate of \$ 44,618 per month until December 2039.	\$ 9,651,529	\$ 9,718,457
<u>Dube - 304 2nd Ave South</u> Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 4.96% per annum), secured by a collateral mortgage. Forgiven monthly in escalating amounts until July 2022.	700,000	900,000
<u>119 Avenue O South</u> Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 4.84% per annum), secured by a collateral mortgage. Forgiven monthly in escalating amounts until January 2025.	206,250	234,375

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

Notes to Financial Statements  
For the Year Ended March 31, 2021

**9. FORGIVABLE DEBT (continued)**

	2021	2020
<u>2121 Wiggins Ave &amp; 320 Winnipeg Ave</u>		
Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 5.34% per annum), secured by a collateral mortgage. Forgiven monthly in escalating amounts until January 2028.	447,223	460,001
<u>2540 Melrose Ave</u>		
Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 5.34% per annum), secured by a collateral mortgage. Forgiven monthly in escalating amounts until January 2028.	333,472	343,000
<u>1322 -103rd Street</u>		
Saskatchewan Housing Corporation demand loan, without interest except in the event of default (in which case interest is charged at 5.34% per annum), secured by a collateral mortgage. Forgiven monthly in escalating amounts until October 2023.	219,500	-
<u>2942-2944 Cumberland Ave</u>		
Saskatchewan Housing Corporation forgivable advances. The terms of the loan have not yet been finalized.	232,024	230,386
Total debt	11,789,998	11,886,219
Current portion	1,279,663	618,144
Long term portion	\$ 10,510,335	\$ 11,268,075

Loan forgiveness over the next five years, if all conditions are met on all forgivable loans, is scheduled to be as follows:

2022	\$ 1,279,663
2023	909,956
2024	691,141
2025	760,169
2026	679,197
	\$ 4,320,126

**THE LIGHTHOUSE SUPPORTED LIVING INC.**

Notes to Financial Statements  
For the Year Ended March 31, 2021

**10. DEFERRED CONTRIBUTIONS**

	Operating	Capital	2021
Deferred contributions- January 1, 2021	\$ 550,854	\$ 2,554,242	\$ 3,105,096
Restricted contributions held	30,614	-	30,614
Restricted contributions recognized	(533,584)	(27,279)	(560,863)
Prepaid rent received	88,187	-	88,187
	<hr/>	<hr/>	<hr/>
Deferred contributions- March 31, 2021	\$ 136,071	\$ 2,526,963	\$ 2,663,034

	Operating	Capital	2020
Deferred contributions- January 1, 2020	\$ 17,267	\$ 2,479,379	\$ 2,496,646
Restricted contributions held	434,715	180,368	615,083
Restricted contributions recognized	-	(105,505)	(105,505)
Prepaid rent received	98,872	-	98,872
	<hr/>	<hr/>	<hr/>
Deferred contributions - December 31, 2020	\$ 550,854	\$ 2,554,242	\$ 3,105,096

**11. OPERATING AND CAPITAL GRANTS**

	2021	2020
Operating grants for wage subsidies and operations	\$ 722,309	\$ 1,575,959
Operating grants from Saskatoon Health Region	456,632	1,584,821
	<hr/>	<hr/>
	\$ 1,178,941	\$ 3,160,780
	<hr/>	<hr/>
Capital grants for purchases of tangible capital assets	\$ 27,279	\$ 105,505

**12. RESERVES**

Under an agreement with Saskatchewan Housing Corporation, the Organization is required to provide for an annual reserve for future major repairs or replacements. The annual major repairs and replacements reserve is for a period of seventeen years from January 1, 2013 to December 31, 2029.

## THE LIGHTHOUSE SUPPORTED LIVING INC.

Notes to Financial Statements  
For the Year Ended March 31, 2021

### 13. RELATED PARTY TRANSACTIONS

The related party transactions and balances described below are measured at carrying amounts.

#### Individuals

Members of the immediate family of the Organization's management lease rental houses to the Organization. Lease payments made to these individuals are for two houses with individuals rooms in the houses being rented out by the Organization to their clients. The lease payments are recorded as expenditures in the statement of operations. During the period ended March 31, 2021 lease payments were \$ 7,575 (2020 - \$ 30,300).

The spouse of a Director is employed to manage Blue Mountain Adventure Park Inc. which is a separate entity with Directors in common with the Organization. As part of this employment the spouse is granted exclusive use of a residence on a rent free basis in carrying out duties as an on site manager.

#### Mech-EI Services Inc.

Mech-EI Services Inc., referred to in note 4, is a company owned by a Director.

#### Blue Mountain Adventure Park Inc.

Blue Mountain Adventure Park Inc. (BMAP) is a separate legal entity with Board members in common with the Organization. Throughout the year the Organization paid expenses on behalf of BMAP for which the Organization will be reimbursed. The legal title of the land, building and equipment rests with the Organization while BMAP is responsible for covering their operating costs. At the end of the year BMAP owed \$ 265,845 (2020 - \$ 261,089)

As at the date of approval of these financial statements, there remains significant uncertainty regarding the financial statements of BMAP which the board of directors of that organization are actively working to address. In the absence of any audited financial statements for BMAP, the Board of this organization cannot be certain that the asset is accurately stated. In accordance with section 159(6) of The Non-Profit Corporations Act, 1995, each of the directors and officers of the corporation shall immediately notify the audit committee and the auditor of any error or misstatement of which he or she becomes aware.

BMAP was incorporated on January 1, 2019. Prior to 2019 the operations of BMAP were combined as part of the operations of The Lighthouse Supported Living Inc.

### 14. FINANCIAL RISKS AND CONCENTRATION OF RISK

The Organization is exposed to various risks through its financial instruments. The following analysis describes the Organization's risk exposure at March 31, 2021

#### Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Organization is exposed to credit risk on its accounts receivable and loan receivable; however, this risk is not concentrated in any single counterparty or group of counterparties. The Organization is exposed to a moderate amount of credit risk due to the nature of the rental services they offer.

## THE LIGHTHOUSE SUPPORTED LIVING INC.

Notes to Financial Statements  
For the Year Ended March 31, 2021

### 14. FINANCIAL RISKS AND CONCENTRATION OF RISK *(continued)*

#### Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Organization's approach to managing liquidity risk is to ensure that it has sufficient cash flows to fund its operations and to meet its obligations when due, under both normal and stressed conditions. The Organization does not consider itself to have significant exposure to liquidity risk.

#### Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Organization is exposed to interest rate risk on cash and cash equivalents and long term debt.

#### Market and other price risk:

Market risk and other price risk are risks that the value of a financial instrument will fluctuate as the result of changes in market price. The Organization is not exposed to significant market risk or other price risk.

#### Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Organization is not exposed to significant currency risk.

### 15. ECONOMIC DEPENDENCE

The Organization receives a substantial amount of its revenue from grants. Without these grants the Organization would be unable to offer many of the programs and services they currently offer. Grantors periodically make decisions about grants based upon information and applications submitted by the Organization.

### 15. SUBSEQUENT EVENTS

#### Battlefords operations

On March 31, 2021 federal funding from the Reaching Home program expired. The federal government did not renew the funding for the Battlefords location and the Organization was forced into the difficult decision of ceasing operations of their emergency shelter in North Battleford. The Organization continued to operate the shelter until the end of September 2021 with funding from Provincial Métis Housing Corporation and Métis Nation Saskatchewan. Battlefords Agency Tribal Chiefs took over operations of the building under a short term lease from October 1, 2021 to March 31, 2022 being charged \$ 5 per month by the Organization.

#### Legal matters

There are ongoing legal proceeding between board members regarding the governance and operations of the Organization.



**THE LIGHTHOUSE SUPPORTED LIVING INC.**

**Notes to Financial Statements**  
For the Year Ended March 31, 2021

**16. CHANGE IN YEAR END**

The Organization elected to change their year end from December 31 to March 31 effective March 31, 2021. The purpose of this change was to align their year end with the year end of the majority of their funding organizations which use a March 31 year end. The year ended March 31, 2021 account for 3 months of operations while the comparative figures for the year ended December 31, 2020 account for 12 months of operations.

DRAFT

# Province of Saskatchewan Land Titles Registry Title

**Title #:** 145387165**Title Status:** Active**Parcel Type:** Surface**Parcel Value:** \$6,800.00 CAD**Title Value:** \$6,800.00 CAD**Converted Title:** 80B15143**Previous Title and/or Abstract #:** 115142442**As of:** 17 Feb 2023 08:09:34**Last Amendment Date:** 11 Jul 2014 09:26:16.140**Issued:** 08 Jul 2014 15:07:21.330**Municipality:** CITY OF NORTH BATTLEFORD

THE LIGHTHOUSE SUPPORTED LIVING INC. is the registered owner of Surface Parcel #146739628

Reference Land Description: Lot 3 Blk/Par 12 Plan No B1929CNV Extension 38  
As described on Certificate of Title 80B15143, description 38.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

**Registered Interests:**

None

**Addresses for Service:****Name****Address****Owner:**

THE LIGHTHOUSE SUPPORTED LIVING INC. 304 - 2ND AVE. S. SASKATOON, SK, Canada S7K 1L1

Client #: 100030239

**Notes:**

Under The Planning and Development Act, 2007, the title for this parcel and parcels 131462119, 131462120 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)

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This is Exhibit 'C' referred to in the Affidavit of Adeel Salman made in this action and sworn before me this 21st day of February, 2023.

A COMMISSIONER OF OATHS  
in and for the Province of Saskatchewan  
Being a Solicitor

## Province of Saskatchewan Land Titles Registry Title

**Title #:** 145387176  
**Title Status:** Active  
**Parcel Type:** Surface  
**Parcel Value:** \$13,600.00 CAD  
**Title Value:** \$13,600.00 CAD  
**Converted Title:** 80B15143  
**Previous Title and/or Abstract #:** 115142464

**As of:** 17 Feb 2023 08:09:56  
**Last Amendment Date:** 11 Jul 2014 09:26:15.956  
**Issued:** 08 Jul 2014 15:07:22.426

**Municipality:** CITY OF NORTH BATTLEFORD

THE LIGHTHOUSE SUPPORTED LIVING INC. is the registered owner of Surface Parcel #131462120

Reference Land Description: Lot 4 Blk/Par 12 Plan No B1929CNV Extension 0  
As described on Certificate of Title 80B15143.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

### Registered Interests:

None

### Addresses for Service:

Name	Address
<b>Owner:</b> THE LIGHTHOUSE SUPPORTED LIVING INC. Client #: 100030239	304 - 2ND AVE. S. SASKATOON, SK, Canada S7K 1L1

### Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 131462119, 146739628 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)



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**Notes:**

Parcel Class Code: Parcel (Generic)



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