

Board of Directors Meeting Minutes
Virtual – Friday, May 30, 2025 – 9:00 am

Present: Jackie Gardner-Nix, Sharyl Ann Milligan, Selena Forsyth, Jessica Clarke, Tim Miller, Stephen Beauchamp, Angela Grogan, Sharron MacDonald, Trish Baird, Tina Stephens,

Regrets: Elaine Azzopardi

Topic	Discussion	Decision/Action
1.1 & 1.2 Quorum & Declaration of Conflict of Interest	The meeting was called to order by Jessica Clarke who welcomed everyone. There was a quorum present, and no conflicts of interest were declared.	No conflicts were declared.
1.3. Approval of Consent Agenda	Approval of Consent Agenda	Motion by: Stephen Beauchamp to approve the consent agenda. 2 nd by: Sharron MacDonald Carried.
1.4 Approval of Agenda	Approval of Agenda *Move item 4.2 in-camera. *Add Board Portal after 4.6.	Motion by: Judy McLean to approve the amended agenda. 2 nd by: Selena Forsyth Carried.
3. Business Arising from Minutes	No Business Arising	For Information Purposes
4. Board Business/Committee Matters	<p>4.1 Health & Safety Commitment Trish presented the Board with the yearly Health & Safety Commitment. This normally is presented in January but was missed.</p> <p>4.2 Nominating Committee Report Moved to the in-camera session.</p> <p>4.3 CCN/Foundation Working Group A summary report was presented. There was quite a bit of discussion around where to go from here. Should there be a feasibility study completed, should the boards be combined? Board felt comfortable doing an assessment on the current structure of both Boards.</p>	<p>Motion by: Jackie Gardner-Nix to approve the signing of the Health & Safety Commitment. 2nd by: Selena Forsyth</p> <p>For Information Purposes</p> <p>Motion by: Tim Miller to conduct an assessment to evaluate the current structure of the CCN Board of Directors and the Ed’s House Foundation Board and recommend a structure going forward that will provide success in the future. 2nd by: Angela Grogan Jackie-Gardner-Nix – Abstained Sharyl Ann Milligan- Abstained Carried.</p>

	<p>4.4 CEO Recruitment Group The group has met with the recruitment company (Legacy Partners) representative Tony Woolgar to discuss what CCN is looking for in a candidate, and what the next steps look like. The group will be working on a firm timeline for the start of recruitment.</p> <p>4.5 CEO Evaluation With the upcoming retirement of the CEO in December, the Executive felt that a yearly evaluation was not necessary this year. The Chairperson has met with CEO and all requirements for an annual increase has been met and HR Generalist has been notified.</p> <p>4.6 OHT-N/Governance Advisory Committee The Collaboration Council has met and there are lots of events being planned. Looking for volunteers to sit on an Experience Partner Council. The Governance Advisory Council has met and will meet again in October.</p> <p>4.7 Board Portal – Tina informed the Board that the portal is currently under construction and to no log in.</p> <p>4.8 In-Camera Session .</p> <p>4.9 Nominating Committee Report A report was provided to the Board with the Committee’s activity related to the recruitment of new directors.</p>	<p>For Information Purposes</p> <p>For Information Purposes</p> <p>For Information Purposes</p> <p>For Information Purposes</p> <p>Motion by: Judy McLean to move into camera. 2nd by: Selena Forsyth. Carried.</p> <p>Motion by: Sharron MacDonald to move out of camera. 2nd by: Angela Grogan. Carried.</p> <p>Motion by: Judy McLean to recommend Nora Jones & Janet Burn for election as new Directors for a three-year term to the membership at the Annual General Meeting in June. 2nd by: Stephen Beauchamp Carried.</p>
5. Termination		Motion by: Selena Forsyth

Next Meeting – Friday, June 20, 2025 – 10:00 am – Zoom

Finance Committee Meeting Minutes
Zoom Meeting – Friday, Feb. 7, 2025 – 9:00 am

Present: Judy McLean, Tim Miller, Donna Moulton, Elaine Azzopardi, Trish Baird, Jordyn Boivin (Analyst, CMH)
 Tina Stephens

Regrets: Angela Grogan, Stephen Beauchamp, Jackie Gardner-Nix, Adam Kolisnyk (CFO, CMH)

Topic	Discussion	Decision/Action
1. Quorum & Approval of Agenda	The meeting was called to order by Judy McLean and a quorum was present. *Addition of Documents - 3.1 - Audit Findings Report for March 31, 2025. 3.2 – Draft Financial Statements, March 31, 2025 3.3 – Internal Controls – Q4	Motion by: Elaine Azzopardi to approve the amended agenda. 2nd: Tim Miller Carried.
2. Approval of Minutes	2.1 Approval of previous minutes – Feb. 7, 2025	Motion by: Donna Moulton to approve the previous minutes. 2nd: Tim Miller Carried.
3. New Business	3.1 Draft Audited Statements – Year ending March 31, 2025 Katie Mahon from KPMG presented a high-level Audit Findings Report. There were no new standards to adopt this year and overall was a clean audit. 3.2 Draft Audited Statements – Year End March 31, 2025 Katie Mahon presented the Draft Audited statements for the year ending March 31, 2025. The agency will complete 2024/2025 with a \$144,668 operating deficit. Suggestion made to send out a Q4 preliminary report to the committee next year prior to meeting with the auditors. A Q4 report for 2024/2025 will be sent out this summer for the committee to review before we come together in September. 3.2 Q4 Internal Controls Q4 Internal Control document was presented by Jordyn Boivin.	For Information Purposes Motion by: Donna Moulton to recommend the Draft Financials for year ending March 31, 2025, be presented at the next Board meeting for approval. 2 nd by: Tim Miller. Carried. For Information Purposes
4. Termination		Motion to terminate made by Tim Miller.

Next Meeting: TBD – Zoom



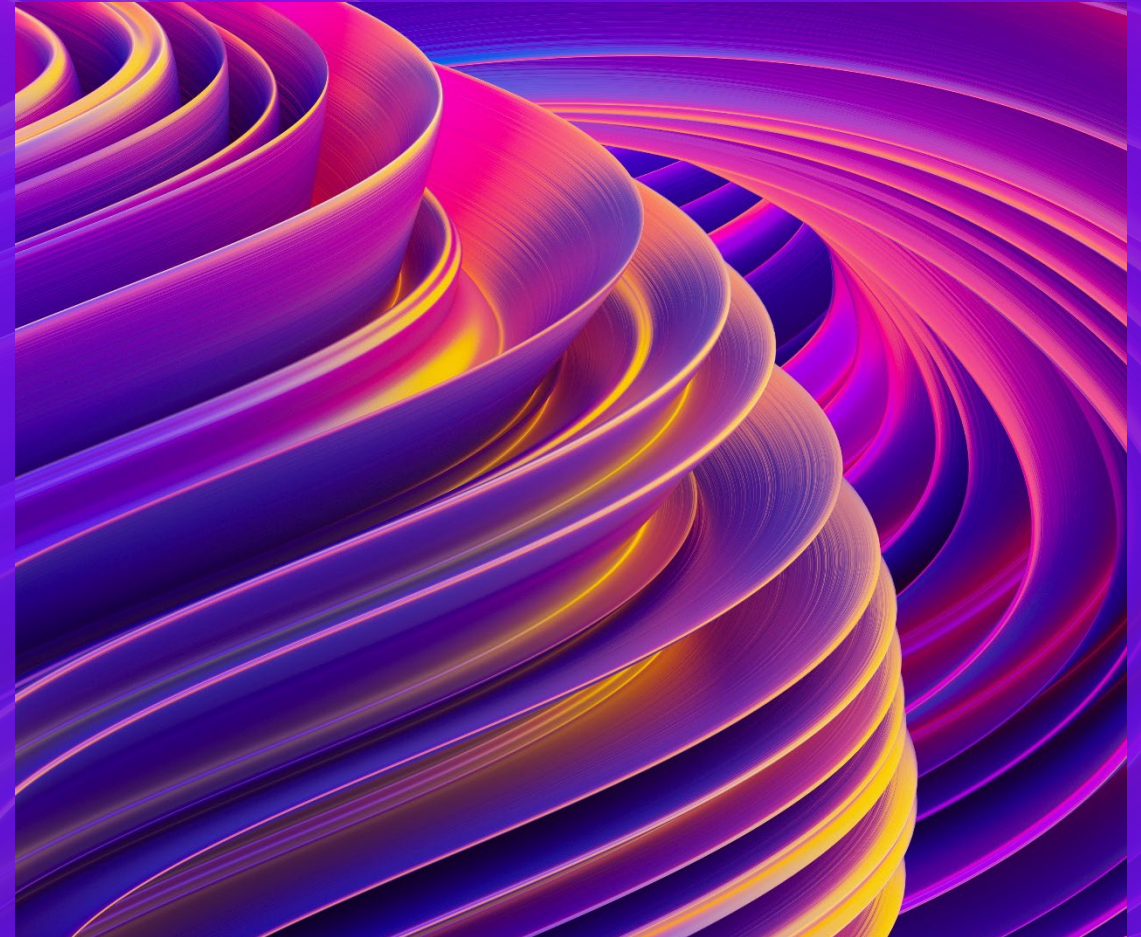
Community Care Northumberland

Audit Findings Report for the year ended
March 31, 2025

KPMG LLP

Prepared as of June 10, 2025 for presentation to the
Finance & Audit Committee on June 17, 2025

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



Katie Mahon

Lead Audit Engagement Partner

613 541 7340

kmahon@kpmg.ca



Tatiana Lacerda

Audit Manager

613 541 7362

tatianalacerda@kpmg.ca



Kristine Grace Ablao

Audit Senior Accountant

613 541 7315

kablao@kpmg.ca

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Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

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The purpose of this report is to assist you, as a member of the Finance & Audit Committee, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management and the Finance & Audit Committee and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights

Status

We have completed the audit of the financial statements ("financial statements") of Community Care Northumberland (the "Organization") for the year ended March 31, 2025, with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.



Significant changes

Significant changes since our audit plan



Risks and results & Significant unusual transactions

Significant risks

- We did not identify any significant financial reporting risks other than the presumed risk of management override of controls.

Other risks of material misstatement

- No matters to report.

Going concern matters

Significant unusual transactions



No matters to report



Matters to report – see link for details

Policies and practices & Specific topics

Accounting policies and practices

Other financial reporting matters

Specific topics



Misstatements

Uncorrected misstatements

Corrected misstatements

- See management representation letter for details



Control deficiencies

Significant deficiencies

Other observations



Audit Quality

Learn more about how we deliver audit quality.



Independence

Annual Statement of Compliance





Status

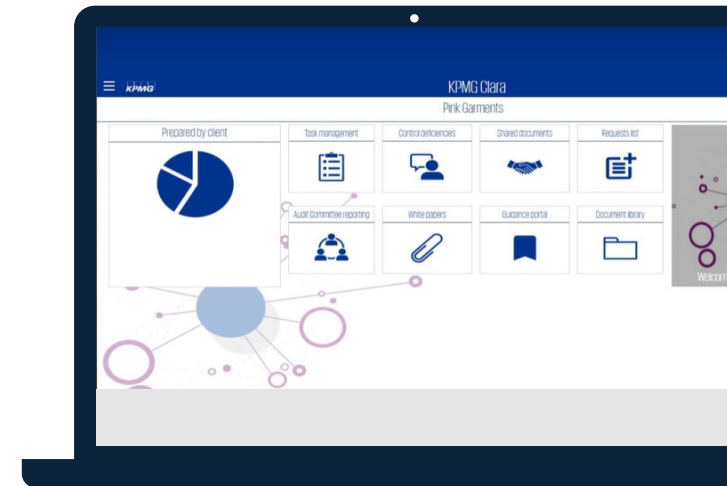
As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Obtaining receipt of the legal confirmation letter;
- Completing our discussions with the Committee;
- Completion of our subsequent events review procedures up to the date of our auditor's report;
- Obtaining evidence of the Board of Director's approval of the financial statements; and
- Receipt of signed management representation letter.

We will update the Board of Directors, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

A draft of our auditor's report is provided in [Appendix 1a: Draft Auditor's Report](#), will be dated upon the completion of any remaining procedures.

KPMG Clara for Clients (KCfc)





Significant changes

We have made the following significant changes since our communication with management:

Management and the KPMG audit team



There were no key Management team member changes from the Audit Plan. Management were available as needed to assist the Audit Team. The senior audit team remained consistent from the team presented in the Audit Plan.

Materiality



Materiality was set at \$125,000 in our audit planning report, which represented approximately 2.02% of prior year total expenses. Current year actual expenses increased to \$6.18 million, therefore, materiality represented 2.1% of current year expenses. This falls within the acceptable range of our required benchmark of between 0.5% -3.0%.

Fraud Risk



We performed our required audit procedures in professional standards over fraud risk as communicated to the Committee in the Audit Plan and did not identify any additional fraud risks from our audit work. As part of our unpredictable procedure, we reviewed a sample of bank reconciliations to ensure the proper approval process is being followed. We noted a finding from this procedure.
Refer to page 11.

Other areas of audit focus



We identified certain areas of audit focus in our Audit Plan. We did not identify any additional areas of audit focus and have no significant findings to report as a result of these procedures.



Significant risks and results

We highlight our significant findings in respect of **significant risk**.



Management Override of Controls

RISK OF

FRAUD

Significant risk

Estimate?

Key audit matter?

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

No

No

Our response

- Our procedures included:
 - We tested the design and implementation of controls surrounding the review of journal entries, and the business rationale for significant entries.
 - Using our KPMG software tools, we analyzed the journal entries posted during the year for completeness.
 - In responding to risks of fraud and management override of controls, we set specific criteria to isolate high risk journal entries and adjustments in order to analyze for further insights into our audit procedures and findings.
 - We have not identified any specific additional risks of management override relating to this audit.
- **No issues were noted.**



Other matters



Ongoing litigation

- KPMG notes, at year-end, there is a pending investigation and ongoing litigation.
- Under CPA handbook *Part III, S.3290 Contingencies*:
 - *A contingency is an existing condition or situation involving uncertainty as to possible gain or loss to an enterprise that will ultimately be resolved when one or more future events occur or fail to occur. Resolution of the uncertainty may confirm the acquisition of an asset or the reduction of a liability or the loss or impairment of an asset or the incurrence of a liability.*
 - *The treatment of contingent losses in financial statements depends upon the likelihood that a future event will confirm that an asset had been impaired or liability incurred as at the financial statement date.*
 - *Contingent gains are not accrued in financial statements, as this accounting treatment could result in the recognition of revenue that might never be realized.*
- KPMG sent a confirmation letter to the Organization's lawyers who confirmed any outcome from this litigation is undeterminable at this time.
- As such, no amounts have been recorded in the financial statements at March 31, 2025.
- Disclosure around general contingencies has been included in the financial statements in note 10(e).



Audit misstatements

As stated earlier in our report, materiality for fiscal 2025 was set at \$125,000 (2025 - \$125,000) which translated into an audit misstatement posting threshold of \$6,250 (2024 -\$6,250). As such, all misstatements identified during the audit greater than \$6,250 have been recorded on our summary of adjustments and differences.

Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and the Finance & Audit Committee that all identified adjustments or differences be corrected, if any.



Uncorrected differences

- We identified one difference that remains uncorrected. Refer to [Appendix 1b: Management Representation Letter](#)



Impact of corrected misstatements

- We identified one misstatement that was communicated to management and subsequently corrected. Refer to [Appendix 1b: Management Representation Letter](#)



Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Organization's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance. **We have not identified a significant deficiency in internal control over financial reporting. We identified other control observations as noted on the following page.**



Other control observations



Current year observations

We have identified the below observations in the current year.



Bank Reconciliation

Current year observation:

KPMG notes that, as part of our unpredictable procedure, we reviewed bank reconciliations to ensure they are being completed accurately, on a timely basis and are being approved by a secondary reviewer to ensure segregation of duties.

KPMG notes no issues with the accuracy or completion of the bank reconciliations.

Our understanding is that the bank reconciliations are being reviewed, however there is no evidence of approval on the bank reconciliation.

We recommend implementing a digital signature or physical sign-off on bank reconciliation to provide an audit trail of this key internal control.



Other control observations (continued)



Prior year observations

We have included our follow-up to the other observations identified in the prior year.



Vacation Accrual

Prior year observation and current year update:

During the prior audit, KPMG reviewed the details of the vacation accrual. During our review, we noted that there are employees with significant vacation balances that are in excess of the allowable carry forward. In addition to the above observation, KPMG noted a discrepancy between the vacation balance report and the general ledger. We continue to note these findings for the fiscal 2025 audit.

Recommendation:

KPMG continues to recommend that the Organization put a plan in place to adhere to its vacation policy within a reasonable time frame for each employee group. This will strengthen internal controls throughout the organization by ensuring certain duties are not handled by only one individual. This will also reduce the overall financial liability to the Organization.

KPMG also recommends a thorough review of the vacation balance and reconciliation to the general ledger be completed to reduce discrepancies.



Other control observations (continued)



Prior year observations

We have included our follow-up to the other observations identified in the prior year.



Aged Ministry Repayables

Prior Year Observation and Current Year Update:

During the audit, KPMG noted payables from the Ministry related to fiscal years 2013 – 2018, amounting to approximately \$24k.

KPMG notes that these years have been reconciled by the Ministry.

Current Year Observation:

Due to the age of the payables and management's effort to confirm with the Ministry that the related reconciliation period is complete with no adjustments noted, KPMG agrees with management's approach to write-off these balances in fiscal 2025. **KPMG considers this matter closed.**



Other control observations (continued)



Prior year observations

We have included our follow-up to the other observations identified in the prior year.



EFT Approval

Prior year observation and current year update:

During the prior audit, KPMG noted there is only one approval required to release electronic funds transfers (“EFTs”).

KPMG notes that dual release, similar to dual signatures on cheques, is a key internal control to ensure appropriate segregation of duties and secondary review.

During the current year audit, we did not note any updates to this process.

Current Year Update:

KPMG noted that the dual approval requirement has been met by the client accordingly by requiring CEO and Board Treasurer's approval for EFT payments. **KPMG considers this matter closed.**



Accounting policies and practices



Initial selection

There were no initial selections to the significant accounting policies and practices on the financial statements.



Revised

There were no changes to the significant accounting policies and practices on the financial statements.



Significant qualitative aspects

Significant accounting policies or practices are disclosed in note 1 to the financial statements.

No matters to report.



Other financial reporting matters

We also highlight the following:



Financial statement presentation - form, arrangement, and content



The presentation and disclosure in the financial statements is in accordance with the required standards as disclosed in the notes to the financial statements.



Concerns regarding application of new accounting pronouncements



No matters to report.



Significant qualitative aspects of financial statement presentation and disclosure



No matters to report.



Specific topics

We have highlighted the following that we would like to bring to your attention:

Matter	Finding
Illegal acts, including noncompliance with laws and regulations, or fraud	No matters to report
Other information in documents containing the audited financial statements	No matters to report
Significant difficulties encountered during the audit	No matters to report
Difficult or contentious matters for which the auditor consulted	No matters to report
Management's consultation with other accountants	No matters to report
Disagreements with management	No matters to report
Related parties	No matters to report
Significant issues in connection with our appointment or retention	No matters to report
Other matters that are relevant matters of governance interest	No matters to report



Independence

As a firm, we are committed to being and being seen to be independent. We have strict rules and protocols to maintain our independence that meet or exceed those of the IESBA Code¹ and CPA Code. The following are the actions or safeguards applied to reduce or eliminate threats to an acceptable level:



Dedicated ethics & independence partners



Process for reporting breaches of professional standards and policy, and documented disciplinary policy



Ethics, independence and integrity training for all staff



International proprietary system used to evaluate and document threats to independence and those arising from conflicts of interest



Operating policies, procedures and guidance contained in our quality & risk management manual



Mandated procedures for evaluating independence of prospective audit clients



Restricted investments and relationships



Annual ethics and independence confirmation for staff

Statement of compliance

We confirm that, as of the date of this communication, **we are independent** of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.



¹ International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)

Appendices

1

Required communications

2

Audit quality

3

Audit and assurance insights

4

Technology Highlights





Appendix 1: Other required communications



Engagement terms

A copy of the engagement letter and any subsequent amendments has been provided management.



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform the Finance & Audit Committee and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2022 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2023 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2023 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2024 Interim Inspections Results](#)



Appendix 1a: Draft auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Community Care Northumberland

Qualified Opinion

We have audited the financial statements of Community Care Northumberland (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

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

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from fundraising activities and 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 Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at March 31, 2025 and March 31, 2024
- the fundraising and donations revenues and excess of revenue over expenses reported in the statements of operations for the years ended March 31, 2025 and March 31, 2024
- the unrestricted net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended March 31, 2025 and March 31, 2024
- the excess of revenue over expenses reported in the statements of cash flows for the years ended March 31, 2025 and March 31, 2024.



Appendix 1a: Draft auditor's report (continued)

Our auditor's opinion on the financial statements for the year ended March 31, 2024 was qualified accordingly because of the possible effects of this limitation in scope.

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 auditor's report.

We are independent of the Entity 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 qualified 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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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.



Appendix 1a: Draft auditor's report (continued)

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 Entity'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 Entity'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 Entity 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.
- 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.

Chartered Professional Accountants, Licensed Public Accountants
Kingston, Canada
(date)



Appendix 1b: Management representation letter

KPMG LLP
Chartered Professional Accountants
863 Princes Street, Suite 400
Kingston, Ontario K7L 5N4

DATE

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of Community Care Northumberland ("the Entity") as at and for the period ended March 31, 2025.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated May 16, 2024, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements ("relevant information"), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.
 - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
 - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
 - h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - others
 where such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, short sellers, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements or illegal acts, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment, or disclosure, in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for, and disclosed, in accordance with the relevant financial reporting framework.

Estimates:

- 8) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.



Appendix 1b: Management representation letter (continued)

Going concern:

- 9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Misstatements:

- 11) The effects of the uncorrected misstatements described in **Attachment II** are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- 12) We approve the corrected misstatements identified by you during the audit described in **Attachment III**.

Non-SEC registrants or non-reporting issuers:

- 13) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 14) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

Community Care Northumberland

By: Ms. Trish Baird, Chief Executive Officer

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.



Appendix 1b: Management representation letter (continued)

Attachment II – Summary of Audit Misstatements

Summary of uncorrected audit misstatement

Description	Statement of Financial Position ¹			Statement of Operations ¹
	Assets	Liabilities	Net Assets	
	\$	\$	\$	\$
Audit misstatements greater than \$6,250 individually				
Cr. Expenses	-	-	(45,500)	(46,500)
Dr. Net assets	-	-	46,500	-
To record the projected misstatement in expenses due to cut-off error noted in expense sample				
Total uncorrected audit misstatements	-	-	-	(46,500)

¹ Debit (Credit)

Attachment III – Summary of Audit Misstatements

Summary of corrected audit misstatement

Description	Statement of Financial Position ²			Statement of Operations ¹
	Assets	Liabilities	Net Assets	
	\$	\$	\$	\$
Audit misstatements greater than \$6,250 individually				
Dr. Cash	(25,000)	-	-	-
Cr. Accounts payable and accrued liabilities	-	25,000	-	-
To reclassify operating line of credit				
Total corrected audit misstatements	(25,000)	25,000	-	-

² Debit (Credit)



Appendix 2: Audit quality - How do we deliver audit quality?

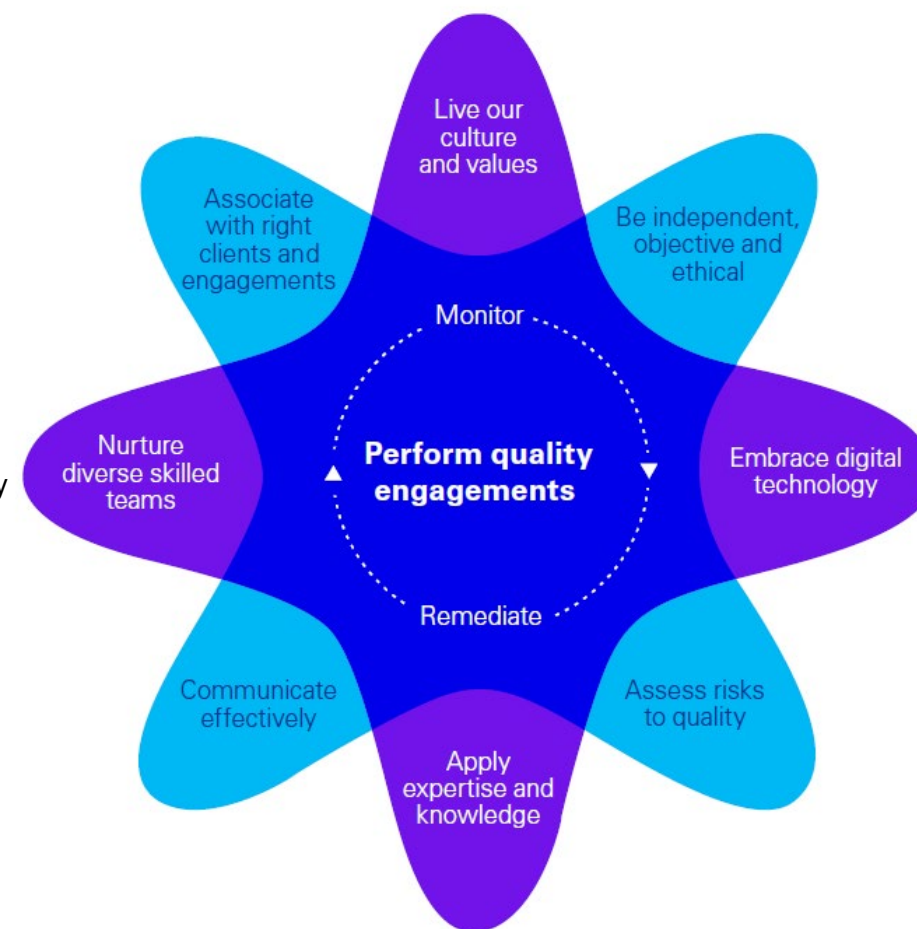
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Our Transparency Report includes our firm's Statement on the Effectiveness of our SoQM.

 [KPMG Canada Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.



Appendix 2: Audit quality - Indicators (AQIs)

The objective of these measures is to provide the Finance & Audit Committee and management with more in-depth information about factors that influence audit quality within an audit process. Below you will find the current status of the AQIs that are relevant for the audit.



Audit team composition



- Experience, commitment and knowledge of the broader not-for-profit sector
- A combination of continuity and fresh perspectives
- Access to specialist resources with not-for-profit sector experience



Technology in the audit



- Increase in use of technology in the audit year over year
- Use of secure KPMG portal for transfer of electronic documents



Independence



- We will not put ourselves in a situation where we would audit our own work.
- We apply the most rigorous standards to our professional services in order to ensure our continued independence in our role.



Client preparedness



- Key financial records and working papers were made available to the audit team on the first day of audit
- KPMG assisted in the preparation of the financial statements, ensuring the appropriate safeguards were in place to mitigate any independence conflict



Finance & Audit Committee



- Committee members participate fully in the discussion with auditors, including meeting in camera with the auditors
- KPMG provides current industry trends and updates to accounting and audit standards



Nothing to report



Some matters to report



Specific matters to report



Appendix 3: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Boards, Finance & Audit Committee and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Insights - KPMG Canada

Sustainability Reporting

Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping Finance Committee effectiveness in Canada.

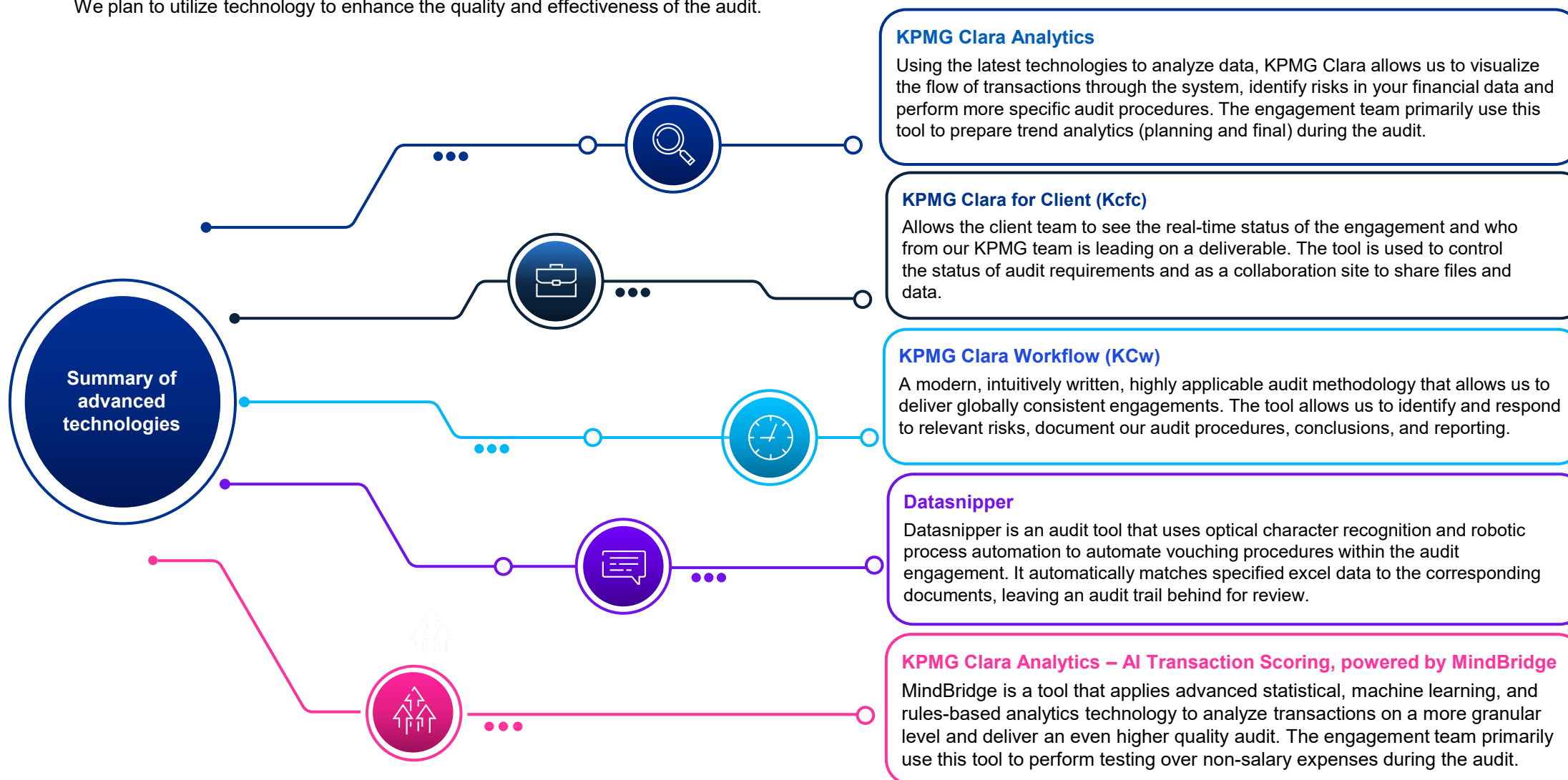
Accelerate 2025

Discover the most pressing risks and opportunities that face audit committee, boards and management teams.



Appendix 4: Technology highlights

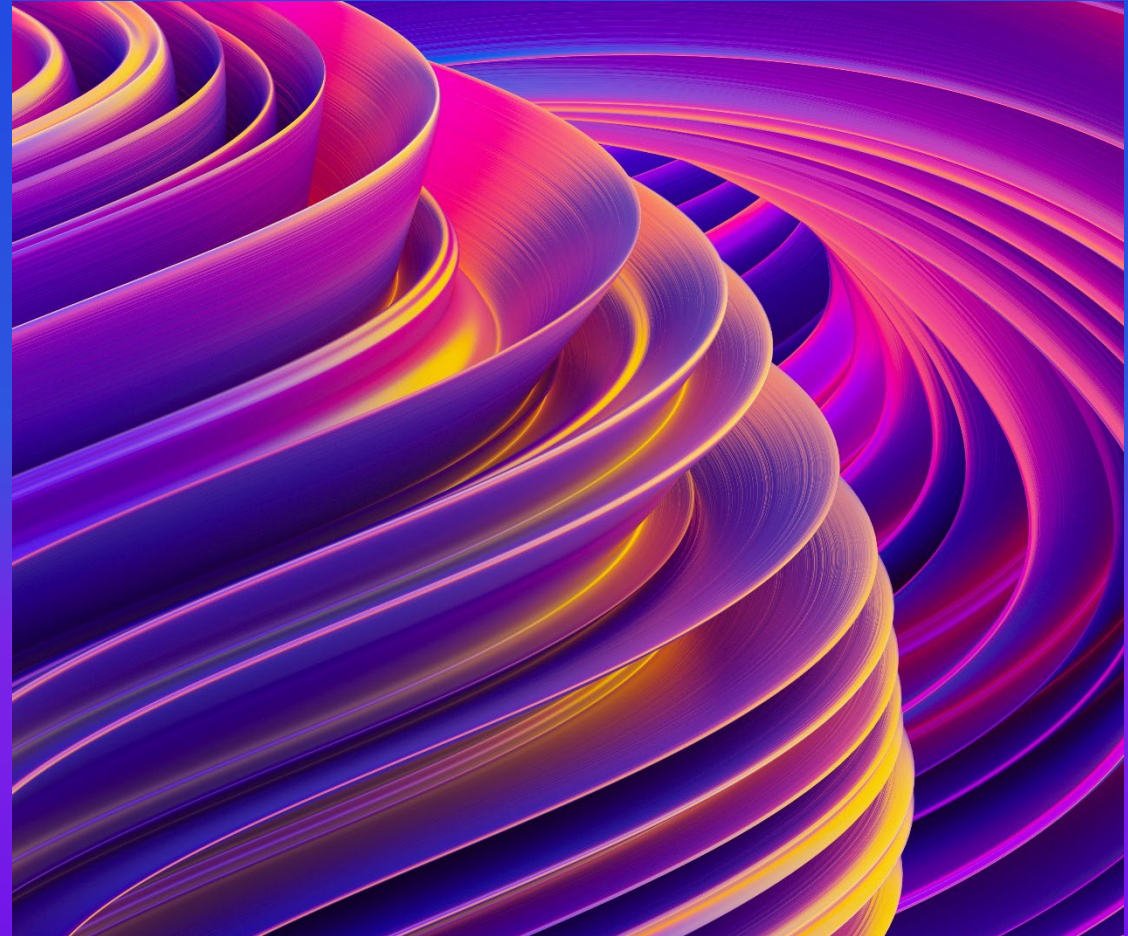
We plan to utilize technology to enhance the quality and effectiveness of the audit.





<https://kpmg.com/ca/en/home.html>

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Community Care Northumberland – For June Board Meeting – Consent Agenda Item.

Incident/Complaint Report – October 1, 2024 to March 30 2025

Number of Incidents this period – 7

Number of complaints this period - 1

Type of Incident	Details	Resolution	Immediate Changes Required/Next Steps
Medical	<ol style="list-style-type: none"> 1. Staff member experienced a slight allergic reaction and further medical complications. Staff called 911 and staff member was taken to hospital. 2. Volunteer delivering hot meals on wheels fell while trying to access clients front walk way. Volunteer bruised their knee and elbow but no lasting injury or medical care required. 3. Staff member slipped in parking lot due to weather conditions (ice forming at night). Injury to elbow & hip. Co-workers assessed injury and provided first aid. 4. Client during Chair Yoga class slipped off their chair. Client next to them tried to help prevent the 'slip' and fell off their chair also. Both individuals were able to get up on their own and were monitored during the rest of the class. 	<ol style="list-style-type: none"> 1. Co-worker followed to hospital to ensure family support arrived. Staff member was cleared by medical team at hospital. 2. There was snow and ice build up at the clients house. Office called family to resolve. Client switching to frozen Meals on Wheels delivered by CCN staff until the weather clears up. 3. Maintenance staff came in and sanded the area. Call made to snow removal company regarding sanding of full parking lot. 4. Both clients were fine. One client will use a chair with arms in future classes. 	<ol style="list-style-type: none"> 1. No changes required. 2. No further action required. 3. No further action required. 4. No further action required.
Vehicle Damage	<ol style="list-style-type: none"> 1. Volunteer driver dropped off client at destination and was in a vehicular accident when completing errands while waiting for pick up of client. The volunteers personal vehicle was not operable. Office arranged for a second volunteer to pick up client at their appointment. Client was kept informed throughout the situation. 	<ol style="list-style-type: none"> 1. Staff ensured volunteer was able to get home following their accident. Volunteer was unable to drive until their vehicle was repaired. 	<ol style="list-style-type: none"> 1. No further action required.
Behavioural	<ol style="list-style-type: none"> 1. Client picked up at hospital through the 'Home at Last' HAL program was visibly agitated and acting aggressively with hospital staff, CCN PSW and CCN Van driver. The behaviour continued throughout the ride home. CCN staff acted calmly throughout drive and delivered client to their destination. 2. Member of the public entered the Brighton office wanting to use the phone. Person was identified as possibly 'drug intoxicated' from their behaviour. Individual needed a ride to the shelter in Cobourg. Staff were unable to assist but suggested OPP would be able to help. Person agreed and OPP were called. Person then left the office and spent time outside exhibiting random behaviours in the parking lot. 	<ol style="list-style-type: none"> 1. Family of client will be informed that an escort will be required for client on future drives to help with client behaviour. CCN staff involved were supported in their decisions made during the drive and reviewed options for future similar situations. 2. OPP arrived and took individual away in their cruiser. 	<ol style="list-style-type: none"> 1. No further action required. 2. Concern from staff about the entryway of the Brighton office. Open style leads to no separation between members of the public and the staff. Director and Manager

			reviewed space, created a temporary block for the entry way and will investigate permanent solutions.
Privacy Breach			
Complaints	1. Family member called Manager of In-Home services with a complaint about the discharge of her parent home from hospital using the 'Home at Last' program.	1. Manager reviewed the situation with CCN staff involved and the family member. Hospital discharge facts on referral form were not as accurate as they could have been. In addition, PSW support during settlement was reviewed with the PSW. Discussed this with family member who appreciated the review and resolution.	1. Staff team will be reviewing procedures regarding settlements through the HAL program and will adjust accordingly.