

**Board of Directors Meeting Minutes**  
**Wednesday, May 27, 2026 – 9:00 am – Virtual**

**Present:** Elaine Azzopardi, Nadine Lee, Nora Jones, Janet Burn, Tim Miller, Jessica Clarke, Judy McLean, Angela Grogan, Sharron MacDonald, Jordan Prosper, Tina Stephens, Joel Scott (CCN Director, Donor Relations)

**Regrets:** Stephen Beauchamp

<b>Topic</b>	<b>Discussion</b>	<b>Decision/Action</b>
Call to Order	The meeting was called to order by Elaine Azzopardi.	
1.1 Confirmation of Quorum	A Quorum was confirmed.	
1.2 Land Acknowledgement	Angela Grogan offered a Land Acknowledgement	Jordan will offer next meeting.
1.3 Declaration of Conflict of Interest	No conflicts were declared.	
1.4 Approval of Agenda	Approval of Agenda	Motion by: Judy McLean to approve the agenda. 2 <sup>nd</sup> by: Janet Burn. Carried.
3. Business Arising from Minutes	<p>3.1 CCN AGM Update Jordan proposed having the CCN AGM and Foundation's AGM on the same day, on Monday, June 29<sup>th</sup>. Both Boards, CCN Leadership team and newly elected Board members for both CCN &amp; the Foundation will be invited. This will run from 10:00 am – 12:00 pm with a lunch to follow.</p> <p>3.2 Strategic Plan RFP Draft A draft RFP proposal was circulated. The proposal will be sent out to targeted vendors (10+) with proposals due back at the end of June. Consultant selection slated for August 1, 2026, with a project start date of Sept. 1, 2026. Target completion will be Feb. 2027.</p>	<p>For Information Purposes</p> <p>Jordan will keep the Board updated on the process as it moves forward.</p>
4. Board/Committee Business	4.1 – Joint Governance Committee – Expansion of Foundation Scope – Jordan & Joel presented a proposal to expand the Foundation's mandate to encompass all of CCN's five pillars, currently limited to Hospice Services. This expansion is timely due to demographic changes and growth opportunities in the	Motion by: Nadine Lee that the CCN Board supports the expansion of the current scope of the Foundation to encompass all CCN Services as

	<p>region. While the Foundation scope would expand, key elements like charitable registration, board independence, and governance structure would remain the same. There was good discussion around the table with collective support for the changes pending approval from the Foundation Board.</p> <p>4.2 - Finance Committee – Q4 Unaudited Financial Results The Board reviewed unaudited financial statements for year ending March 31, 2026, reporting a significant improvement from a deficit of \$144,000 last year to a deficit of only \$779 this year.</p> <p>4.2.1 – New Van Quote The Finance Committee made a motion at their last meeting to purchase a new van, quote included, for \$125,000. Jordan explained that this was funded by a specific donation and would replace one of three vans expected to be replaced by the end of 2028/2029 fiscal year.</p> <p>4.3 Nominating Committee Briefing Note A briefing note from the Nominating Committee was circulated. Rachel Spence was recommended to join the Board as a Director and Conrad Thompson has been recommended to join as a Community Member on a Committee. This slate will be brought forth at the AGM on June 29<sup>th</sup>.</p> <p>4.4 Foundation Update Jordan provided an update on the Foundation activities, highlighting increased donor engagement and the successful Handbags for Hospice event that raised \$161,000 in net profit.</p> <p>4.5 In Camera Session</p>	<p>proposed pending the approval of the Ed's House Foundation Board of Directors. 2<sup>nd</sup> by: Judy McLean, Carried.</p> <p>Motion by: Judy McLean to accept the unaudited Q4 results as presented. 2<sup>nd</sup> by: Angela Grogan. Carried.</p> <p>Motion by: Judy Mclean to accept the recommendation by the Finance Committee to purchase a new van. 2<sup>nd</sup> by: Sharron MacDonald. Carried.</p> <p>Motion by: Judy Mclean to accept the report from the Nominating Committee and present this slate at the AGM in June. 2<sup>nd</sup> by: Angela Grogan. Carried.</p> <p>For Information Purposes</p>
5. Termination		Motion by: Sharron Macdonald

**Next Meeting – Wednesday, June 24, 2026 – 9:00 am - Virtual**

## Governance Committee Meeting Minutes Zoom Meeting – Friday, June 5, 2026 – 9:00 am

**Present:** Jessica Clarke, Nadine Lee, Janet Burn, Angela Grogan, Jordan Prosper, Tina Stephens

Regrets:

Topic	Discussion	Decision/Action
<b>1. Quorum &amp; Approval of Agenda</b>	There was a quorum present.	Motion by: Nadine Lee to approve the agenda. 2 <sup>nd</sup> by: Janet Burn Carried.
<b>2. Land Acknowledgement</b>	Janet offered the Land Acknowledgement	
<b>3. Approval of Minutes</b>	3.1 Approval of Previous Minutes – April 10, 2026	Motion by: Janet Burn to approve the minutes of April 10, 2026. 2 <sup>nd</sup> by: Nadine Lee Carried.
<b>4. Business Arising</b>	4.1 Board Orientation Update Jordan presented a comprehensive governance training program designed to welcome new CCN Board members & Foundation Board members, with plans to hold a full-day orientation session featuring both training and site visits to CCN's various locations. Current Board members will also be invited to participate.	Tina will send out a doodle poll this summer to see what dates would work well for everyone.
<b>5. Work Plan Items</b>	5.1 Committee Membership 2026/2027 The current Committee membership was shared. Jessica suggested sharing this at the next Board meeting and she will ask members if they are fine in their current committee roles. A new community member (Conrad Thompson) has requested to join the Governance Committee. Angela asked to be removed from Finance, and she would like to remain on Governance. Jordan will reach out to the new Board member, Rachel Spence, to see if she is interested in joining Finance.  5.2 Review Board Member Survey Results The Committee reviewed the board survey results, noting strengths in governance, financial stewardship, and board culture. Areas for improvement included CEO succession planning and board education. There was discussion around implementing a new approach to board education by incorporating both internal & external speakers.	Jessica will speak to this at the June Board Meeting. Tina will update the list to reflect Angela's movement and the new members. Jordan will reach out to Rachel to confirm if she would like to sit on the Finance Committee.  Jordan will provide a summary of this education plan to Jessica for the governance update at the next Board meeting.
<b>Terminate</b>		Motion by: Angela to Terminate

**Next Regular Meeting: TBD**

**Finance Committee Meeting Minutes**  
**Zoom Meeting – Thursday, June 18, 2026– 9:00 am**

**Present:** Judy McLean, Angela Grogan, Stephen Beauchamp, Nora Jones, Jordyn Boivin (Analyst, CMH), Adam Kolisnyk (CFO, CMH), Tina Stephens, Jordan Prosper, Katie Mahon (KPMG), Emma Leaver (White & Gale), Hannah Wells (White & Gale)

**Regrets:** Elaine Azzopardi, Tim Miller

<b>Topic</b>	<b>Discussion</b>	<b>Decision/Action</b>
<b>1. Quorum &amp; Approval of Agenda</b>	The meeting was called to order by Judy McLean, and a quorum was present.	Motion by: Nora Jones to approve the agenda 2 <sup>nd</sup> by: Stephen Beauchamp. Carried.
<b>2. Land Acknowledgement</b>	Judy offered a Land Acknowledgement	
<b>3. Approval of Previous Minutes</b>	3.1 Approval of Previous Minutes – May 7, 2026	Motion by: Angela Grogan to approve the minutes of May 7, 2026. 2 <sup>nd</sup> by: Nora Jones. Carried.
<b>4. New Business</b>	<p>4.1 Audit Findings Report &amp; Draft Audited Statements – March 31, 2026 Katie presented a clean audit findings report with no significant issues to report. The financial statements showed strong liquidity with a positive working capital ratio, and the organization achieved a small surplus of \$885 this year. The June Board meeting will provide final approval of the financial statements before submission to the Ministry by June 30, 2026.</p> <p>4.2 – Q4 Internal Controls Will be added to the consent agenda for the June Board meeting.</p> <p>4.3 – White &amp; Gale Pay Equity Findings and Implementation Plan. The presentation outlined the project’s scope, market data sources, and recommendations for updating the organization’s compensation structure, including creating separate salary grids for different roles and adjusting the number of steps in the pay structure to improve market competitiveness. The team discussed cost estimates for implementing the proposed</p>	<p>Motion by: Nora Jones to accept the Draft Audited Statements for year ending March 31, 2026, as presented. 2<sup>nd</sup> by: Stephen Beauchamp Carried.</p> <p>The Committee asked for further data on location premium and industry premium as compared to all industries. Jordan will provide these answers to the Committee once received from White &amp; Gale.</p>

	<p>changes, with a focus on bringing current employees to Step 2 in the new structure. The Committee had healthy discussions around funding the project and the need for additional information from White &amp; Gale.</p> <p>Adam presented a briefing note outlining an implementation plan aimed at helping reduce the organization's current 20% turnover rate, identifying pension benefits and salary competitiveness as key issues driving staff departures. The committee was interested in hearing more about the HOOPP (Healthcare of Ontario Pension Plan) but felt trying to implement both simultaneously would be difficult financially. Jordan explained that a new salary grid would need to be put in place before HOOPP is even considered.</p> <p>Motion by: Stephen Beauchamp to move into camera. 2<sup>nd</sup> by: Angela Grogan. Carried.</p> <p>Motion by: Angela Grogan to move out of camera. 2<sup>nd</sup> by: Stephen Beauchamp. Carried.</p> <p>Once coming out of camera, the committee was about to lose quorum, so it was decided to take the White &amp; Gale presentation deck and implementation plan to the June 24<sup>th</sup> board meeting and include the thoughts/concerns of the entire board. Jordan will present these materials.</p> <p>The Committee went into camera once again briefly before termination.</p> <p>Motion by: Stephen Beauchamp to move into camera. 2<sup>nd</sup> by: Nora Jones. Carried.</p> <p>Motion by Stephen Beauchamp to move out of camera. 2<sup>nd</sup> by: Judy Mclean. Carried.</p>	<p>Jordan, Adam, &amp; Jordyn left the meeting during this in camera session.</p>
<p>Terminate</p>		<p>Motion by Stephen to terminate</p>

**Next Regular Meeting: TBD**



# Community Care

## NORTHUMBERLAND

### ***Community Care Northumberland Board Self-Assessment Survey***

#### **Executive Summary**

Eight board members completed the Board Self-Assessment Survey, providing a strong snapshot of board effectiveness across governance, strategic oversight, financial stewardship, board operations, and board culture. Overall, the results indicate a highly engaged and effective board with strong confidence in governance practices and leadership oversight. Most responses fell within the "Agree" and "Strongly Agree" categories, with no significant areas of dissatisfaction identified.

#### **Key Strengths**

The board demonstrated particularly strong performance in the following areas:

- **Board Governance and Operations**
  - Minutes accurately reflect board discussions and decisions (4.88/5).
  - Appropriate use of in-camera sessions (4.86/5).
  - Board members receive timely information about significant risks (4.75/5).
  - Board meetings are well organized and effectively chaired (4.75/5).
  - Board materials arrive with sufficient time for review and preparation (4.75/5).
- **Financial Stewardship**
  - Strong confidence in the board's oversight of budgets and financial planning (4.50/5).
  - Finance Committee effectiveness was highly rated (4.63/5).
- **Board Culture**
  - Directors work collaboratively and respectfully (4.71/5).
  - Board members support decisions once made (4.50/5).
  - Strong understanding of governance responsibilities and the distinction between board and management roles (4.63/5).

#### **Areas for Improvement**

While overall results were positive, several areas scored lower than the overall average and may benefit from additional focus:

- **CEO Succession Planning (3.00/5)**

- This was the lowest-rated area, suggesting an opportunity to strengthen formal succession and leadership development planning.
- **Board Education and Development (3.13/5)**
  - Directors expressed less confidence in the availability of ongoing board education and professional development opportunities.
- **Governance Evaluation Processes (3.50/5)**
  - Opportunities exist to enhance board evaluation tools and governance review processes.
- **Stakeholder Engagement and Strategic Oversight**
  - Ratings suggest room to strengthen stakeholder engagement in strategic planning and board discussions on future-focused issues.

## **Overall Assessment**

The CCN Board is viewed as a high-performing governance body that demonstrates strong stewardship, effective oversight, constructive relationships, and sound governance practices. Directors report a clear understanding of their responsibilities and confidence in board operations. Future board development efforts should focus on CEO succession planning, board education, governance evaluation processes, and creating additional opportunities for strategic discussion and long-term planning. These improvements would build upon an already strong governance foundation and further enhance board effectiveness.

**Conclusion:** The survey results reflect a board that is functioning effectively and collaboratively, with a strong commitment to governance excellence. The identified opportunities represent areas for continuous improvement rather than significant concerns.



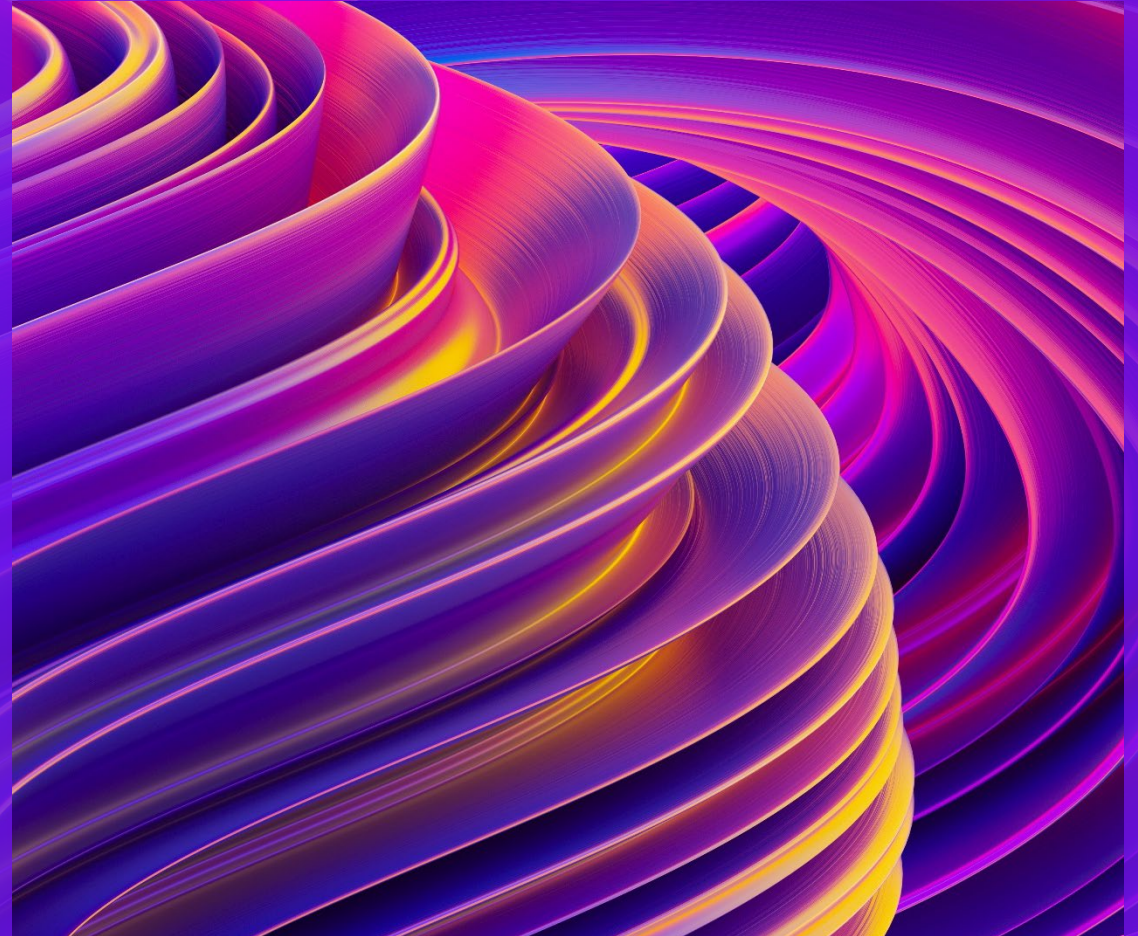
# Community Care Northumberland

Audit Findings Report  
for the year ended March 31, 2026

*KPMG LLP*

Prepared as of June 9, 2026, for presentation to the Finance &  
Audit Committee on June 18, 2026

[kpmg.ca/audit](https://kpmg.ca/audit)



# KPMG contacts

## Key contacts in connection with this engagement



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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 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, the Committee and the Board of Directors 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

Our audit of the financial statements of Community Care Northumbland (the “Organization”) as of and for the year ended March 31, 2026, was performed in accordance with Canadian generally accepted auditing standards.



We have completed the audit of the financial statements of Organization, with the exception of certain remaining outstanding procedures, which are highlighted on the ‘Status’ slide of this report.

## Significant changes

There were no significant changes to our preliminary audit plan.

## Risks and results & Significant unusual transactions

- Significant risks
- Presumed risk of fraud from management override of controls.
- Other significant risks
- Going concern matters
- Significant unusual transactions

## Independence

Annual Statement of Compliance

## Audit Quality

Learn more about how we deliver audit quality.

## Misstatements

- Uncorrected misstatements
- Corrected misstatements

## Control deficiencies

- Significant deficiencies
- Other observations

## Policies and practices & Specific topics

- Accounting policies and practices
- Other financial reporting matters
- Specific topics

No matters to report     Matters to report – see link for details



# Status

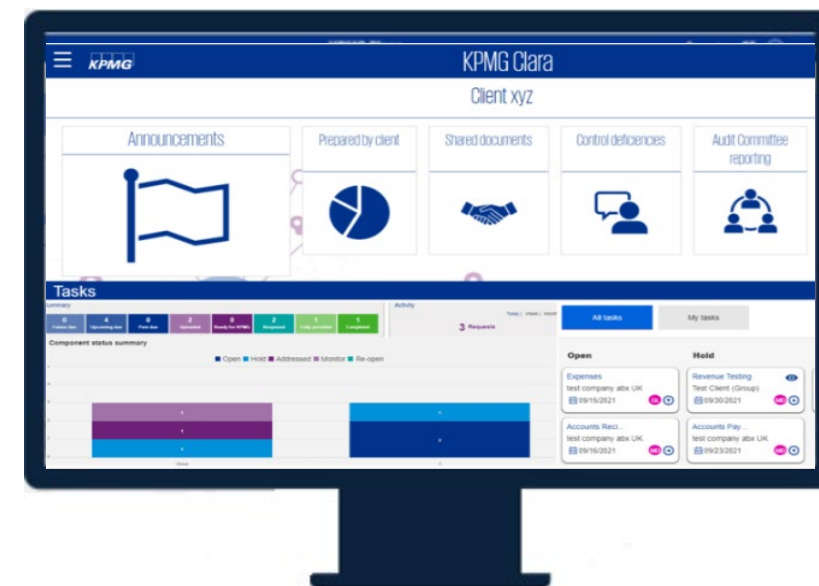
As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Final quality control procedures and review;
- Completing our discussions with the Finance & Audit 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](#).

## KPMG Clara for Clients (KCC)



### Real-time collaboration and transparency

We leveraged **KCC** to facilitate real-time collaboration with management and provide visual insights into the status of the audit!











On our audit we used KCC to coordinate requests with management.





# Significant changes

We have not made any significant changes to our audit strategy which was communicated to you in the audit planning report, and note that:

 <b>Management and the KPMG audit team</b>	 <p>There were no key Management team member changes from the Audit Plan. Management were consistently available as needed to assist the Audit Team. The senior audit team remained consistent from the team presented in the Audit Plan.</p>
 <b>Materiality</b>	 <p>Materiality was set at \$125,000 in our audit planning report, which represented approximately 1.9% of prior year total expenses. Current year actual expenses increased to \$6.9 million, therefore, materiality represented 1.8% of current year revenues. This falls within the acceptable range of our required benchmark of between 0.5% -3.0%.</p>
 <b>Fraud risk</b>	 <p>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 employee expense reimbursements to ensure the proper approvals are in place. We noted physical approvals were not in place throughout fiscal 2026. This was implemented in Q4 2026. We will monitor in fiscal 2027.</p>
 <b>Other areas of audit focus</b>	 <p>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.</p>
 <b>Key milestones and deliverables</b>	 <p>There were no changes to key milestones and deliverable timing from our previous communications.</p>



# Significant risks and results

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



Presumed Risk of Fraud from 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

- We tested the design and implementation of controls surrounding the review of journal entries and significant unusual transactions.
- 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.
- There were no significant changes to management's process for making the critical accounting estimates and there were no indicators of possible management bias.

## Results

We have no findings to report.



# Significant accounting policies and practices



## Initial selection of significant accounting policies and practices

No matters to report.



## Description of new or revised significant accounting policies and practices

No matters to report.



## 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**



No matters to report



**Concerns regarding application of new accounting pronouncements**



No matters to report



**Significant qualitative aspects of financial statement presentation and disclosure**



No matters to report



**Other financial reporting matters**



No matters to report



# Specific topics

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

Matter	Finding
<b>Significant matters subject to correspondence with management</b>	No matters to report
<b>Issues with sending external confirmation requests</b>	No matters to report
<b>Concerns about the quality of a component auditor's work</b>	No matters to report
<b>Illegal acts, including noncompliance with laws and regulations, or fraud (identified or suspected)</b>	No matters to report
<b>Other information in documents containing the audited financial statements</b>	No matters to report
<b>Significant difficulties encountered during the audit</b>	No matters to report
<b>Difficult or contentious matters for which the auditor consulted</b>	No matters to report
<b>Management's consultation with other accountants</b>	No matters to report
<b>Disagreements with management</b>	No matters to report
<b>Related parties</b>	No matters to report
<b>Significant issues in connection with our appointment or retention</b>	No matters to report
<b>Other matters that are relevant matters of governance interest</b>	No matters to report



# Audit misstatements

As stated in our audit planning report, materiality for fiscal 2026 was set at \$125,000 (2025 - \$125,000) which translated into an audit misstatement posting threshold of \$6,250 (2025 - \$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 Committee that all identified adjustments or differences be corrected, if any.



## Impact of corrected misstatements

- We did not identify any misstatements.



## Uncorrected misstatements

- We did not identify any misstatements which remain uncorrected.



# Control deficiencies

## Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to 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.**



# Other control observation



## Bank Reconciliation

- KPMG notes that, in the prior year, we reviewed bank reconciliations to ensure they were being completed accurately, on a timely basis and were being approved by a secondary reviewer to ensure segregation of duties. As a result of this procedure, we noted that there was no evidence of approval on the bank reconciliation.
- During the current year's audit, we reviewed a sample of bank reconciliations from throughout the year. We noted the bank reconciliations were reviewed and had evidence of approval.
- **KPMG considers this matter closed.**



## Vacation Accrual

- 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.
- During the current year's audit, we noted the vacation balance report and the general ledger reconcile. We continue to note there are employees with vacation balances that are in excess of the allowable carry forward, however we note these balances are not significant (approx. \$10k).
- KPMG will continue to monitor in fiscal 2027.



# Independence

As a firm, we are committed to being and being seen to be independent. We apply the following ethical requirements, including independence requirements, in:

- the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies in Canada (“CPA code”) that are relevant to audits of financial statements of reporting issuers or listed entities; and
- the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA independence rules”) that are relevant to audits of financial statements of public interest entities.

The following processes and procedures have been established by the firm to ensure independence is maintained:



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 in compliance** with relevant ethical requirements regarding independence in Canada.

# Appendices

1

Required communications

4

Audit quality

2

Current developments

5

Technology

3

Audit and assurance insights





# Appendix 1: Other required communications



## Engagement terms

A copy of the engagement letter and any subsequent amendments was provided to the Audit Committee as part of our Audit Planning Report.



## Report

A draft report is provided in [Appendix 1a](#).



## Representations of management

We will obtain from management certain representations at the completion of the audit engagement. Refer to [Appendix 1b](#).



## CPAB communication protocol

### CPAB Communications Protocol

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

- [CPAB Audit Quality Insights Report: 2024 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2024 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2025 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2025 Annual Inspections Results](#)

### CPAB Public Inspection Report

The report available through the following link was published by CPAB and includes firm specific inspection results:

- [2025 Public Inspection Report - KPMG LLP](#)



# 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, 2026
- 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, 2026, 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, 2026, and March 31, 2025
- the fundraising and donations revenues and deficiency of revenue over expenses reported in the statements of operations for the years ended March 31, 2026, and March 31, 2025
- 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, 2026, and March 31, 2025
- the deficiency of revenue over expenses reported in the statements of cash flows for the years ended March 31, 2026, and March 31, 2025.



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

Our auditor's opinion on the financial statements for the year ended March 31, 2025, 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  
863 Princess Street, Suite 400  
Kingston, Ontario K7L 5N4  
Canada

## 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, 2026.

## 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 January 22, 2026, 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, or others.
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, 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.



# Appendix 1b: Management representation letter (continued)

- 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.

*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.

*Non-SEC registrants or non-reporting issuers:*

- 11) 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).
- 12) 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: Mr. Jordan Prosper, 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 2: Current developments

## Accounting standards

### ASNPO Section 4411: Contributions Received by Not-for-Profit Organizations

- AcSB initially issued an exposure draft in the spring of 2023 on proposed new Section 4411 *Contributions Received by Not-for-Profit Organizations* (Section 4411).
- Section 4411 initially proposed removing the option to use the restricted fund method of accounting for contributions and having the deferral method of accounting for contributions as the single approach to revenue recognition.
- Section 4411 was subject to comments from stakeholders with the response period closing September 30, 2023.
- Based on the AcSB's deliberations over the feedback received, they have now concluded that the single recognition model (deferral method) may not meet the diverse needs of the not-for-profit sector and instead propose to continue to allow an accounting policy choice for the recognition of contributions.
- AcSB will develop a new exposure draft that proposes improvements to the two existing methods for recognizing restricted contributions, including the quality and understandability of the financial statements through improved consistency in the application of the accounting standards. The new exposure draft will incorporate the relevant proposals from the first exposure draft, the feedback received, and topics such as, definitions, recognition of restricted contributions using the deferral method, disclosure and presentation.
- AcSB has issued a feedback statement, which can be found here: [AcSB Feedback Statement](#). This statement summarizes the views on the proposals, additional outreach activities and an overview of the proposed direction and next steps.





# Appendix 3: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, board of directors 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.

## [Accelerate - The key issues driving the audit committee agenda](#)

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

## [Sustainability Reporting](#)

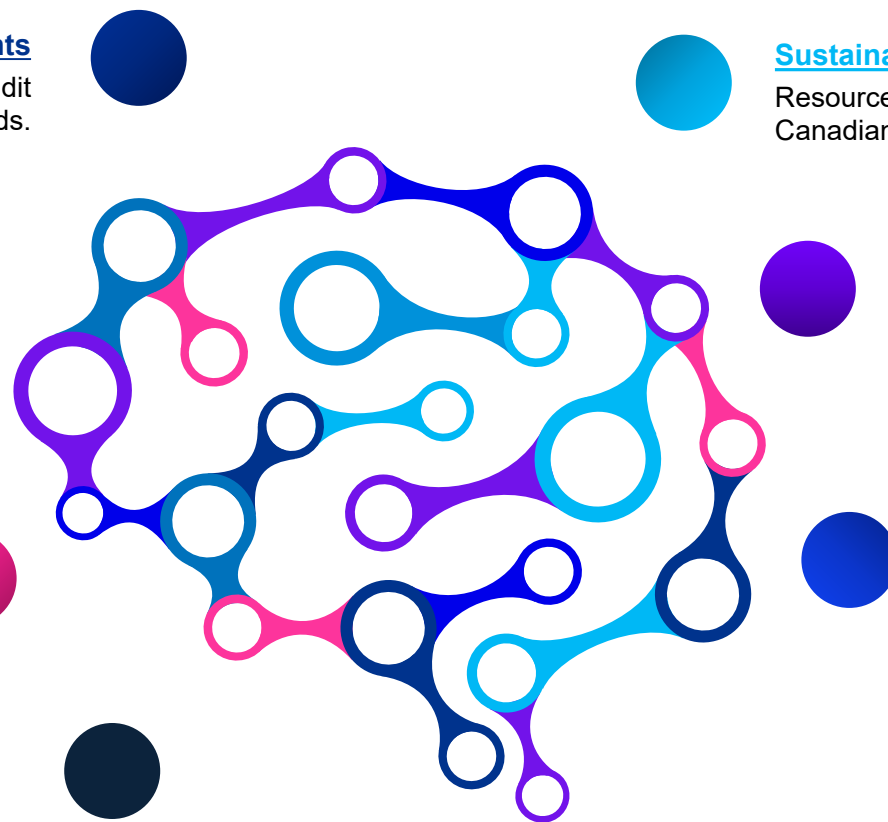
Resource centre on implementing the new Canadian reporting standards

## [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 audit committee effectiveness in Canada.



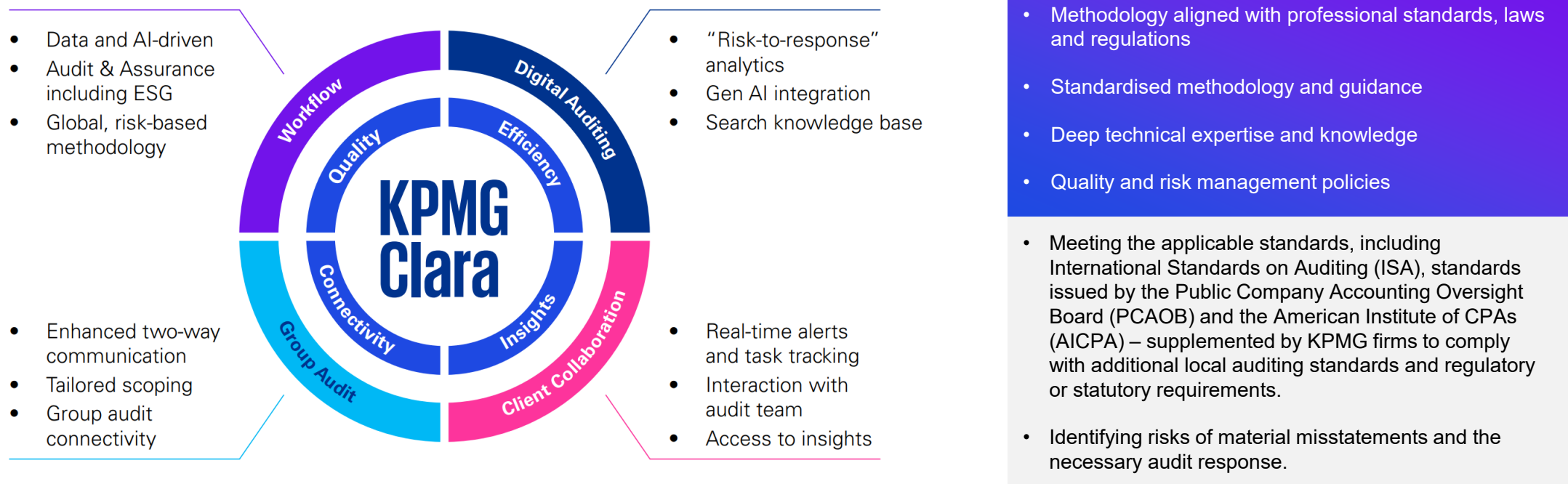


# Appendix 4: Audit quality

## The KPMG Audit

### Globally consistent audit and assurance methodology and tools

As a scalable, intuitive cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which align with the applicable audit and assurance standards and provide an improved experience to audit and assurance professionals.





# Appendix 4: Audit quality (continued)

## Indicators of audit quality (AQIs)

The objective of these measures is to provide the 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.



### 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.



### Timing of prepared by client (PBC) items



- Management had all working papers prepared for the start of audit fieldwork.
- Management was available throughout the audit process.




### 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 5: Technology

## Continuous evolution

### Our investment:

We are in the midst of a five-year investment to develop our people, digital capabilities, and advanced technology.

### Responsive delivery model

Tailored to you to drive impactful outcomes around the quality and effectiveness of our audits.

### Result: A better experience

Enhanced quality, reduced disruption, increased focus on areas of higher risk, and deeper insights into your business.

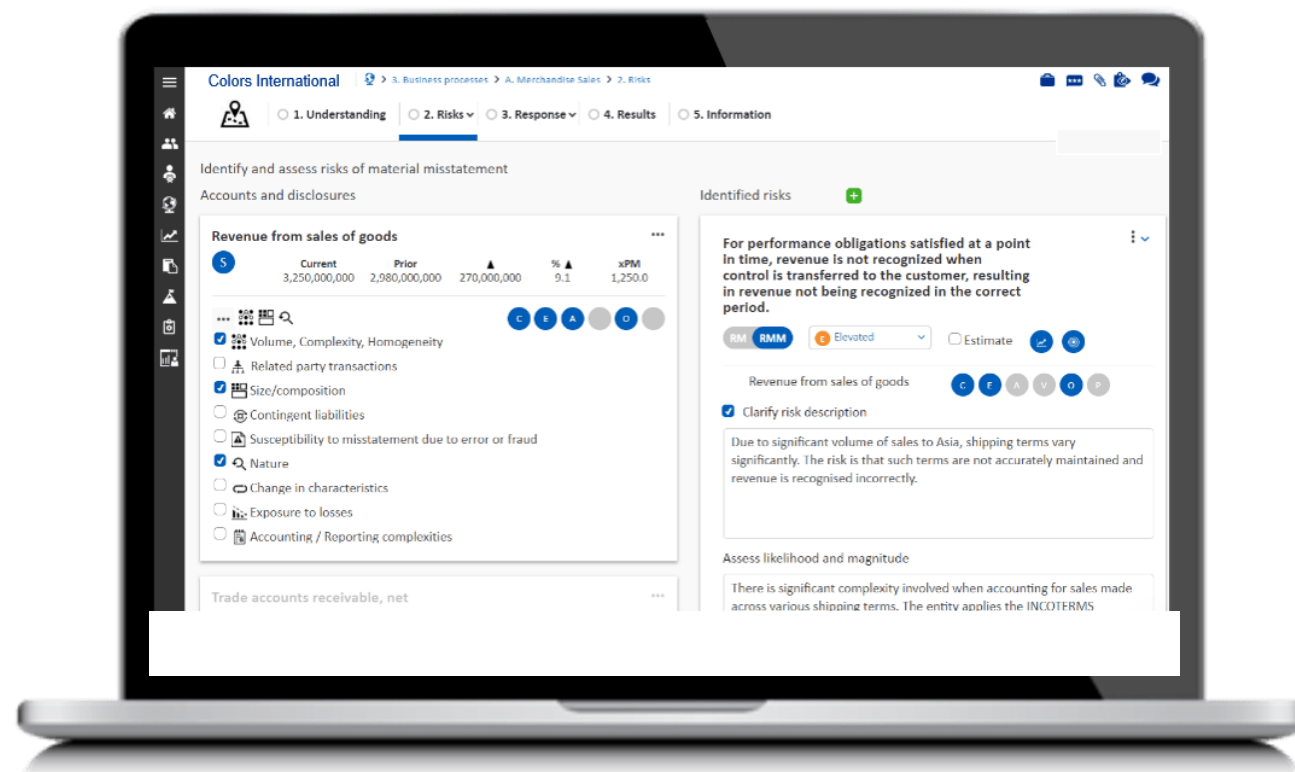




# Appendix 5: Technology (continued)

## KPMG Clara Generative AI

With our global alliance partner Microsoft, we have embarked on a journey to embed Generative AI into our smart audit platform—KPMG Clara. This will make our auditors more productive and give them the tools to provide quicker feedback, make more insightful connections, and deliver a better audit experience.



### AI done right

Although early adoption is key, we are focused on avoiding reliance on a 'black box' so we're building 'explainability' and 'traceability' at the core.



### Bolstered productivity

Focused on removing time-consuming low value tasks, we'll apply our skills in other, more judgmental areas or in order to give insights to you.



### Quality at our fingertips

We are teaching our model with our knowledge databases to capture our vast experience. This means quality information accessible in seconds.



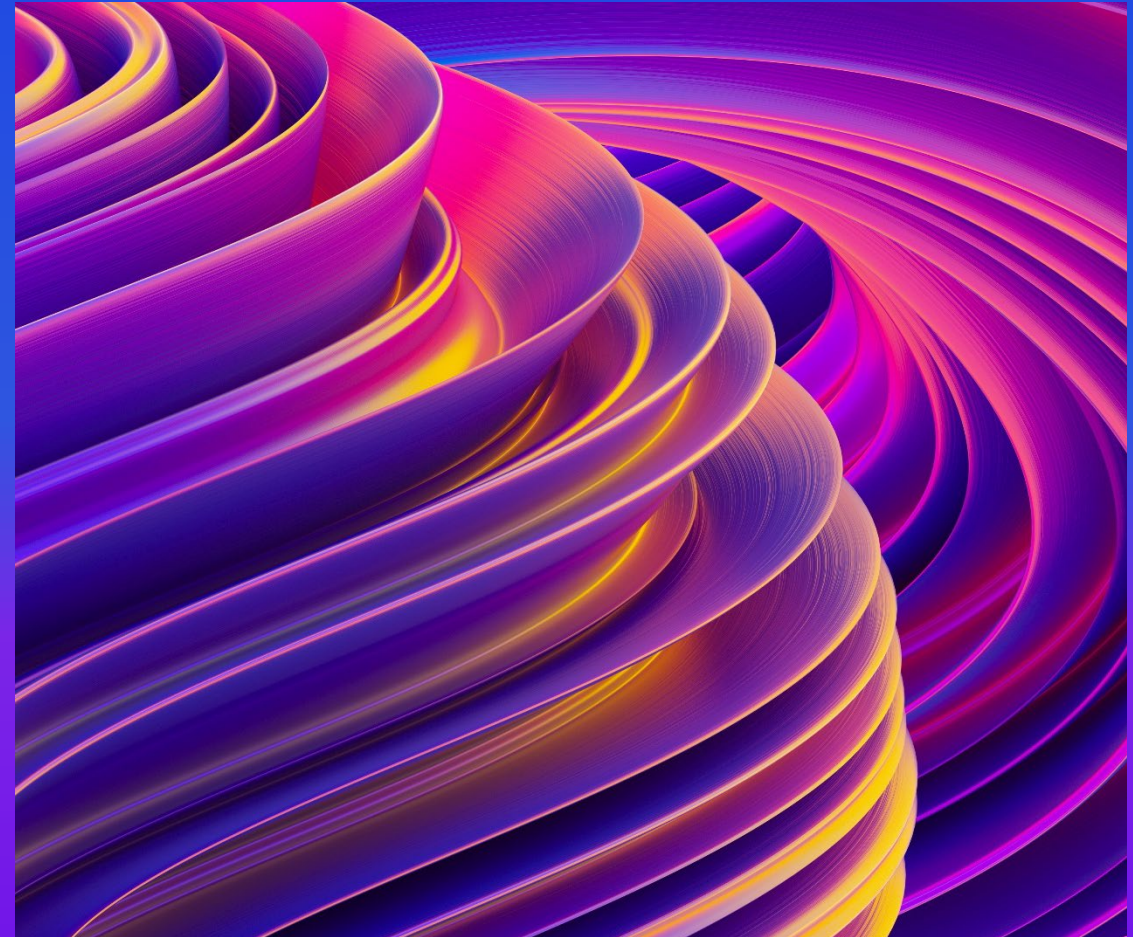
### Secure integration

KPMG Clara has been built on a solid and secure Azure Cloud backbone, allowing us to easily integrate Generative AI in partnership with Microsoft.



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

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## INTERNAL CONTROLS/RISK MANAGEMENT

### Quarterly Reporting of Remittances Jan. 1, 2026 – March 31, 2026

Community Care Northumberland's compliance with the financial and reporting obligations as set out by the following Government Ministries is as follows:

**Canada Revenue Agency:** All employee payroll deductions and employer contributions including Income Tax, Canada Pension Plan, Employer Health Tax and Employment Insurance premiums have been remitted.

**Workplace Safety & Insurance Board:** All Workplace Safety & Insurance Board premiums and assessments have been remitted in accordance with requirements.

**Ontario Ministry of Health:** All required reporting to Ontario Health East and Ministry of Health and Long-Term Care have been remitted in accordance with requirements.

#### Completed by:

Jordyn Boivin  
Jordyn Boivin (Jun 2, 2026 15:38:43 EDT)

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Jordyn Boivin  
Financial Analyst  
Campbellford Memorial Hospital

Jordan Prosper  
Jordan Prosper (Jun 2, 2026 21:11:31 EDT)

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Jordan Prosper  
Chief Executive Officer  
Community Care Northumberland