

**GREATER NORTH FOUNDATION**

**Year Ended December 31, 2025**

**AUDITOR'S REPORT**

To the Board of Directors  
Greater North Foundation

**Opinion**

We have audited the accompanying financial statements of Greater North Foundation (the Foundation), which comprise the statement of financial position as at December 31, 2025 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Greater North Foundation as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Opinion**

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

**Responsibility 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatements in 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 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 Foundation'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 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 Foundation'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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Edmonton, Alberta  
March 23, 2026



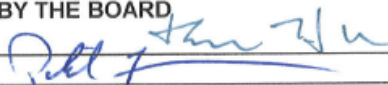
CHARTERED PROFESSIONAL ACCOUNTANTS

**GREATER NORTH FOUNDATION**  
**Statement of Financial Position**  
**December 31, 2025**

	2025				2024
	Foundation Administration Board	Special Housing Projects	Lodges	Total	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and term deposits	\$ 704,077	\$ 631,770	\$ 581,379	\$ 1,917,226	\$ 1,117,129
Trust account for security deposits (Note 3)	-	67,812	-	67,812	66,030
Accounts receivable (Note 4)	22,135	46,868	331,810	400,813	337,497
Inventory	-	-	48,968	48,968	52,008
Prepaid expenses	73,952	-	14,551	88,503	92,717
Interfund accounts	11,969	-	102,634	114,603	528,506
	812,133	746,450	1,079,342	2,637,925	2,193,887
<b>PROPERTY AND EQUIPMENT (Note 5)</b>	5,402	1,545,811	11,018,530	12,569,743	13,631,908
	<b>\$ 817,535</b>	<b>\$ 2,292,261</b>	<b>\$ 12,097,872</b>	<b>\$ 15,207,668</b>	<b>\$ 15,825,795</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Bank indebtedness	\$ 672,714	\$ -	\$ 22,234	\$ 694,948	\$ 327,409
Accounts payable and accrued liabilities (Note 7)	82,931	147,699	694,622	925,252	887,690
Security deposits	-	67,812	-	67,812	66,030
Deferred revenue	-	96,766	5,187	101,953	74,943
Deferred donations	-	-	1,935	1,935	5,934
Restricted reserve (Note 8)	-	319,570	-	319,570	76,950
Due to Alberta Seniors	-	-	-	-	80,376
Interfund accounts	-	114,603	-	114,603	528,506
	755,645	746,450	723,978	2,226,073	2,047,838
<b>CONTRIBUTED PROPERTIES (Note 9)</b>	-	1,545,810	-	1,545,810	1,545,810
<b>RESTRICTED CAPITAL RESERVE (Note 10)</b>	42,285	-	1,296,995	1,339,280	930,382
<b>RESTRICTED CAPITAL RESERVE RELATED TO EQUIPMENT (Note 11)</b>	-	-	26,666	26,666	44,443
<b>DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT (Note 12)</b>	-	-	5,207,295	5,207,295	5,755,431
	797,930	2,292,260	7,254,934	10,345,124	10,323,904
<b>NET ASSETS</b>					
Invested in property and equipment	5,402	1	5,784,569	5,789,972	6,286,224
Unrestricted	14,203	-	(941,631)	(927,428)	(784,333)
	19,605	1	4,842,938	4,862,544	5,501,891
	<b>\$ 817,535</b>	<b>\$ 2,292,261</b>	<b>\$ 12,097,872</b>	<b>\$ 15,207,668</b>	<b>\$ 15,825,795</b>

**LEASE COMMITMENT (Note 13)**

APPROVED BY THE BOARD

  
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Director  
 Director

**GREATER NORTH FOUNDATION**  
**Statement of Operations**  
**Year Ended December 31, 2025**

	Special Housing Projects		Lodges		Total	
	2025	2024	2025	2024	2025	2024
<b>REVENUE</b>						
Lodge Assistance Program grants	\$ -	\$ -	\$ 784,750	\$ 817,827	\$ 784,750	\$ 817,827
Other grants (Note 14)	-	4,819	43,118	41,877	43,118	46,696
Requisitions from Municipalities (Note 15)	-	-	1,347,513	1,347,863	1,347,513	1,347,863
Rental revenue	1,119,404	1,112,271	4,169,342	3,896,044	5,288,746	5,008,315
Other	32,560	27,177	-	-	32,560	27,177
Resident services	52,610	48,843	63,953	58,575	116,563	107,418
Non-resident services	21,078	8,790	139,809	100,788	160,887	109,578
	<u>1,225,652</u>	<u>1,201,900</u>	<u>6,548,485</u>	<u>6,262,974</u>	<u>7,774,137</u>	<u>7,464,874</u>
<b>OPERATING EXPENSES</b>						
Human resources	482,911	464,068	4,227,635	3,973,455	4,710,546	4,437,523
Food	-	-	798,844	737,313	798,844	737,313
Operating	33,776	48,406	285,395	245,958	319,171	294,364
Operating maintenance	507,216	470,160	469,268	359,256	976,484	829,416
Utilities	356,667	373,032	534,191	551,104	890,858	924,136
Taxes and land leases	232	232	95	95	327	327
Rent supplement	32,560	27,177	-	-	32,560	27,177
Administration (Note 16)	40,573	34,882	172,998	192,605	213,571	227,487
	<u>1,453,935</u>	<u>1,417,957</u>	<u>6,488,426</u>	<u>6,059,786</u>	<u>7,942,361</u>	<u>7,477,743</u>
<b>REVENUE (UNDER) OPERATING EXPENSES</b>	<b>(228,283)</b>	<b>(216,057)</b>	<b>60,059</b>	<b>203,188</b>	<b>(168,224)</b>	<b>(12,869)</b>
<b>OTHER REVENUE AND EXPENSES</b>						
Capital reserves (Note 10)	-	-	(142,502)	(175,579)	(142,502)	(175,579)
Operating grant	228,283	216,057	-	-	228,283	216,057
Amortization of restricted capital reserve related to equipment	-	-	17,777	17,777	17,777	17,777
Amortization of deferred contributions related to property and equipment	-	-	548,136	548,136	548,136	548,136
Amortization of property and equipment	-	-	(32,056)	(27,259)	(32,056)	(27,259)
Amortization of government funded property and equipment	-	-	(1,090,761)	(1,090,761)	(1,090,761)	(1,090,761)
	<u>228,283</u>	<u>216,057</u>	<u>(699,406)</u>	<u>(727,686)</u>	<u>(471,123)</u>	<u>(511,629)</u>
<b>REVENUE UNDER EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (639,347)</b>	<b>\$ (524,498)</b>	<b>\$ (639,347)</b>	<b>\$ (524,498)</b>

**GREATER NORTH FOUNDATION**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2025**

**INVESTED IN PROPERTY AND EQUIPMENT**

	<b>Foundation Administration Board</b>	<b>Special Housing Projects</b>	<b>Pleasant Valley Lodge</b>	<b>Wildrose Villa</b>	<b>Lacalta Lodge</b>	<b>Total 2025</b>	<b>Total 2024</b>
<b>BALANCE AT BEGINNING OF YEAR</b>	\$ 5,687	\$ 1	\$ 2,666,934	\$ 6,302	\$ 3,607,300	\$ 6,286,224	\$ 6,810,034
Property and equipment purchases	-	-	22,159	22,934	15,844	60,937	30,939
Transfers	(285)	-	-	-	-	(285)	(2,642)
Revenue under expenses	-	-	(242,276)	(4,940)	(309,688)	(556,904)	(552,107)
<b>BALANCE AT END OF YEAR</b>	<b>\$ 5,402</b>	<b>\$ 1</b>	<b>\$ 2,446,817</b>	<b>\$ 24,296</b>	<b>\$ 3,313,456</b>	<b>\$ 5,789,972</b>	<b>\$ 6,286,224</b>

**UNRESTRICTED**

	<b>Foundation Administration Board</b>	<b>Special Housing Projects</b>	<b>Pleasant Valley Lodge</b>	<b>Wildrose Villa</b>	<b>Lacalta Lodge</b>	<b>Total 2025</b>	<b>Total 2024</b>
<b>BALANCE AT BEGINNING OF YEAR</b>	\$ 13,918	\$ -	\$ (432,861)	\$ (323,599)	(41,791)	\$ (784,333)	(783,645)
Property and equipment purchases	-	-	(22,159)	(22,934)	(15,844)	(60,937)	(30,939)
Transfers	285	-	-	-	-	285	2,642
Revenue over expenses	-	-	(2,835)	(60,651)	(18,957)	(82,443)	27,609
<b>BALANCE AT END OF YEAR</b>	<b>\$ 14,203</b>	<b>\$ -</b>	<b>\$ (457,855)</b>	<b>\$ (407,184)</b>	<b>\$ (76,592)</b>	<b>\$ (927,428)</b>	<b>\$ (784,333)</b>

**GREATER NORTH FOUNDATION**  
**Statement of Cash Flows**  
**Year Ended December 31, 2025**

	<u>2025</u>	<u>2024</u>
<b>OPERATING ACTIVITIES</b>		
Revenue under expenses	\$ (639,347)	\$ (524,498)
Items not affecting cash:		
Amortization of restricted reserve related to equipment	(17,777)	(17,777)
Amortization of deferred contributions related to property and equipment	(548,136)	(548,136)
Amortization	1,123,102	1,120,662
	<u>(82,158)</u>	<u>30,251</u>
Changes in non-cash working capital items:		
Accounts receivable	(63,316)	(173,584)
Inventory	3,040	3,689
Prepaid expenses	4,214	(7,604)
Accounts payable and accrued liabilities	37,562	30,196
Security deposits	1,782	5,837
Deferred revenue	27,010	(6,973)
Deferred donations	(3,999)	1,760
Restricted reserve	242,620	-
Restricted capital reserve	408,898	454,171
Due to Alberta Seniors	(80,376)	75,559
	<u>577,435</u>	<u>383,051</u>
	<u>495,277</u>	<u>413,302</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property and equipment	(60,937)	(30,939)
<b>INCREASE IN CASH</b>		
	434,340	382,363
Cash - beginning of year	855,750	473,387
<b>CASH - END OF YEAR</b>	<b><u>\$ 1,290,090</u></b>	<b><u>\$ 855,750</u></b>
<b>CASH FLOW SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ 29,179	\$ 10,541
Interest paid	\$ 1,438	\$ 6,370
<b>CASH IS COMPRISED OF</b>		
Cash	\$ 717,226	\$ 517,129
Security deposit trust account	67,812	66,030
Term deposits	1,200,000	600,000
Bank indebtedness	(694,948)	(327,409)
	<b><u>\$ 1,290,090</u></b>	<b><u>\$ 855,750</u></b>

**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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1. NATURE OF OPERATIONS

Greater North Foundation (the Foundation) is a not-for-profit organization operating and managing social programs aimed at providing affordable housing to seniors and low-income Albertans who are the most in need. The Foundation operates lodges and social housing projects in Athabasca, Lac La Biche, Boyle, Plamondon and their surrounding areas. The Foundation is also authorized to administer rent supplement programs on behalf of the government. These financial statements include the social housing and lodge operations. The Foundation is established as a management body by the provincial ministerial order and is governed by the Alberta Housing Act and its regulations. It qualifies as a not-for-profit organization as defined in the Income Tax Act (Canada) and, as such, is exempt from income taxes.

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2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting dates.

Term deposits

Term deposits consist of redeemable and non-redeemable term deposits with maturity dates within twelve months.

Goods and Services Tax receivable

Goods and Services Tax receivable is recorded as receivable based on the rebate refundable at the time of the expenditure.

Inventory

Inventory is measured at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment

Property and equipment is recorded at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives on the straight-line method at the following rates:

Buildings	25 years
Paving	10 years
Furniture and fixtures	5 years
Computer equipment	3 years

Buildings and land owned by the provincial government are not shown in the accounting records of the Foundation.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception that contributions to fund a specific future period's expenses are included in revenue in that later period. Grants received for the acquisition of property and equipment are deferred and amortized to revenue on the same basis as the related property and equipment.

Requisitions from Municipalities are made to cover the prior year's operating deficit.

Lodge Assistance Program grants are provided by the Government of Alberta based on the number of eligible residents on an annual basis.

Housing project operating grants are based on the approved current year budget and any operating surplus is required to be repaid to Alberta Seniors.

Rental revenue is accrued at the most recent authorized rental rates.

Resident and non-resident services are recognized as the services are provided and collection is reasonably assured.

Bad debts

Bad debts are written off by Board motion if they have been outstanding for greater than one year and are determined to be uncollectible.

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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2. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Financial instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair value, other than financial instruments arising from related party transactions, which are measured using the cost method less any reduction for impairment. The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and term deposits, security deposits and accounts receivable.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities and security deposits.

Impairment

Financial assets measured at amortized cost or using the cost method are tested for impairment when there are indicators of impairment. The amount of the write-down is in net income. The previously recognized impairment loss may be reversed to the extent of any improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income in the period the reversal occurs

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Significant estimates include collectibility of receivables, useful life of property and equipment, accrued liabilities and deferred contributions related to property and equipment. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

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3. RESTRICTED CASH

The Foundation holds \$67,812 (2024--\$66,030) in a trust account as security deposits for current tenants.

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	<b>2025</b>	2024
Capital reserves	\$ 262,900	\$ 262,900
Goods and Services Tax rebate	80,149	32,049
Accounts receivable	<b>63,020</b>	52,398
	<b>406,069</b>	347,347
Allowance for doubtful accounts	<b>(5,256)</b>	(9,850)
	<b>\$ 400,813</b>	\$ 337,497

During the year, the Foundation recorded bad debts of \$9,881 (2024--\$11,447). This amount is included in operating expenses.

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5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	<b>2025 Net book value</b>	2024 Net book value
Land	\$ 845,000	\$ -	\$ 845,000	\$ 845,000
Buildings	28,227,019	16,641,083	<b>11,585,936</b>	12,659,983
Paving	186,878	186,878	-	-
Furniture and fixtures	1,657,902	1,526,437	<b>131,465</b>	124,276
Computer equipment	53,463	46,121	<b>7,342</b>	2,649
	<b>\$ 30,970,262</b>	<b>\$ 18,400,519</b>	<b>\$ 12,569,743</b>	<b>\$ 13,631,908</b>

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6. OPERATING LOAN

The Foundation has an authorized line of credit of \$1,000,000. The interest on the line of credit is at prime and is secured by a Province of Alberta order in Council. The line of credit balance at year end was \$83,093 (2024--\$325,535). Interest paid during the year \$1,438 (2024--\$6,370).

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	<u>2025</u>	<u>2024</u>
Accounts payable	\$ 399,817	\$ 417,569
Vacation payable	330,986	285,513
Salaries payable	172,776	162,536
Payroll deductions payable	14,254	13,449
Rents received in advance	7,419	8,623
	<u>\$ 925,252</u>	<u>\$ 887,690</u>

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8. RESTRICTED RESERVE

The restricted reserve requires approval from Alberta Seniors for any expenditures.

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9. CONTRIBUTED PROPERTIES

Greater North Foundation received 3 properties from the Government of Alberta for \$1. The properties include 2 single family dwellings with a present value of \$216,170 and \$161,160 respectively at title transfer and a 10 unit condominium with a present value of \$1,168,480 at title transfer. The properties are currently being used as rental units in the same manner as they were prior to the transfer of title. The Foundation does have the option to sell these properties and invest the proceeds into future housing projects. The properties have been included in property and equipment at their fair value.

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10. RESTRICTED CAPITAL RESERVE

The Foundation has funds to be set aside for capital repairs for the lodges. All expenditures must be approved by the Board. Capital reserves for administration \$42,285 (2024--\$38,785) and for Lodges \$1,296,995 (2024--\$891,597).

During the year, funds requisitioned were \$262,900 (2024--\$262,900). The Foundation has also transferred the increase received in 2025 from the Lodge Assistance program grant funding of \$142,502 (2024--\$175,579) to a reserve for capital expansion or future growth. The Lodge Assistance program is a grant paid to management bodies and is allocated based on the number of low-income residents living in the lodges. The Lodge Assistance program grant may be used for any purpose as per the Management Body Operational guidelines and Board approval.

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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11. RESTRICTED CAPITAL RESERVE RELATED TO EQUIPMENT

In 2022, The Foundation used \$88,886 to purchase a nurse call system from the Lacalta Lodge restricted capital reserve. The system was capitalized and is being amortized on the straight-line method over five years. The restricted reserve funds used to purchase the nurse call system have been recorded as restricted capital reserve related to equipment and are being amortized on the same basis as the related equipment.

	<u>2025</u>	<u>2024</u>
Balance at beginning of year	\$ 44,443	\$ 62,220
Amounts amortized	<u>(17,777)</u>	<u>(17,777)</u>
Balance at end of year	<u>\$ 26,666</u>	<u>\$ 44,443</u>

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12. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT

Deferred contributions related to property and equipment represents contributions received to fund the cost of property and equipment additions. The contributions are deferred and amortized to revenue on the same basis as the related property and equipment.

	<u>2025</u>	<u>2024</u>
Balance at beginning of year	\$ 5,755,431	\$ 6,303,567
Amounts amortized	<u>(548,136)</u>	<u>(548,136)</u>
Balance at end of year	<u>\$ 5,207,295</u>	<u>\$ 5,755,431</u>

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13. LEASE COMMITMENT

The Foundation leases office space expiring September 2028. Future minimum lease payments as at year end are as follows:

2026	\$ 28,800
2027	28,800
2028	<u>21,600</u>
	<u>\$ 79,200</u>

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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14. OTHER GRANTS

Other grants consists of the following:

	<u>2025</u>	<u>2024</u>
Alberta Health Services Grant	\$ 43,118	\$ 41,877
Government of Alberta - surplus carryforward	-	4,819
	<u>\$ 43,118</u>	<u>\$ 46,696</u>

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15. REQUISITIONS FROM MUNICIPALITIES

Municipal requisitions for the year are as follows:

	<u>2025</u>	<u>2024</u>
Lac La Biche County	\$ 717,341	\$ 660,530
Municipal District of Bonnyville	324,822	295,155
Athabasca County	360,754	303,062
Municipal District of Opportunity No. 17	79,707	68,223
Town of Athabasca	53,723	48,671
Summer Village of Island Lake	17,060	15,795
Village of Boyle	12,583	11,890
Summer Village of Bondiss	9,749	9,036
Summer Village of Mewatha Beach	8,704	7,828
Summer Village of Whispering Hills	7,187	6,761
Summer Village of West Baptiste	5,573	5,258
Summer Village of Sunset Beach	5,341	4,714
Summer Village of Island Lake South	4,689	3,843
Summer Village of South Baptiste	3,180	2,797
Less capital reserves	<u>(262,900)</u>	<u>(95,700)</u>
	<u>\$ 1,347,513</u>	<u>\$ 1,347,863</u>

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**GREATER NORTH FOUNDATION**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

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16. ADMINISTRATION EXPENSES

	<u>2025</u>	<u>2024</u>
Vehicle and travel	\$ 62,641	\$ 55,191
Professional fees	42,129	70,683
Office and sundry	34,441	29,015
Rent	28,800	28,800
Office equipment and repairs	19,541	18,794
Sundry	9,272	10,181
Board expenses	5,843	6,031
Association fees	5,624	5,721
IT services	5,280	3,071
	<u>\$ 213,571</u>	<u>\$ 227,487</u>

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17. FINANCIAL INSTRUMENTS

The Foundation is exposed to the following risks through its financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation or there is a concentration of transactions carried out with the same party. The Foundation's main credit risk relates to accounts receivable. Accounts receivable are generally rent receivable from tenants and amounts due from government agencies. The Foundation's tenants are numerous which reduces the concentration of credit risk. It is management's opinion that there is no significant credit risk as of December 31, 2025.

Liquidity risk

Liquidity risk arises from the possibility that the Foundation might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. It is management's opinion that there is no significant liquidity risk as of December 31, 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk arising on its interest bearing assets. The Foundation is also exposed to interest rate risk on its operating line of credit.

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