

ANNUAL REPORT

2025 26

FOR THE APRIL 1, 2025 TO MARCH 31, 2026 FISCAL YEAR

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About PACE

WHO WE ARE

PACE is a non-profit community support service organization that provides specialized services to adults with physical disabilities and neurological conditions to thrive in their community.

PACE provides support services to more than 526 individuals who have a variety of disabilities, including multiple sclerosis, cerebral palsy, spinal cord injuries, acquired brain injuries (ABI), and muscular dystrophy. This includes 218 individuals who are able to live in the community in part due to the support received through PACE supportive housing or outreach programs.

VISION

Independence *with* dignity.

MISSION

PACE provides specialized services that support adults with physical disabilities and neurological conditions to thrive in their community.

Supportive Housing: Individuals living independently in PACE-designated supportive housing have access to personal support services 24 hours a day, seven days a week, including both planned daily supports and urgent assistance when needed.

Enhanced Supportive Housing – Attendant Services: Enhanced personal and life skills support to assist in making healthy and safe decisions about services and life skills assistance in such areas of focus as banking, shopping, nutrition, social/recreational, education/ volunteering.

Enhanced Supportive Housing – Acquired Brain Injury (ABI): 24-hour supportive housing for adults with an ABI, offering personalized cognitive, behavioural, wellness, and life skills support.

Attendant Outreach Services: Pre-scheduled personal support services delivered at home, school, or work to assist with daily living activities.

Acquired Brain Injury (ABI) Day Programs: Virtual and in-person learning, recreation, and social programs that help participants build or regain skills affected by an ABI.

To learn more visit pace-il.ca

VALUES*

RESPECT

We embrace all differences and treat every person with dignity and courtesy.

CLIENT CHOICE

We honour each client's right to direct their services to the extent that they can.

COURAGE

We make the choices needed to evolve and thrive.

INTEGRITY

We keep our promises and meet our commitments.

TEAMWORK

We work together and with partners to provide the best client experience.

* In 2025/26 we took an important step toward refreshing PACE's values, to ensure our work reflects the voices and experiences of the people connected to PACE. The new values will be approved by the Board in May 2026.

PACE Impact by the Numbers

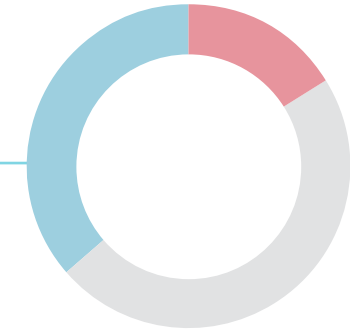
TOTAL NUMBER OF UNIQUE CLIENTS 526

Total Number of Clients Supported by Program

Attendant Outreach	107
Supportive Housing – Attendant Services	101
Supportive Housing – Acquired Brain Injury	10
Acquired Brain Injury Day Program	41
Client Resources	292

PRIMARY CLIENT DISABILITIES

Cerebral Palsy	21.29%	
Acquired Brain Injury	12.17%	
Spinal Cord Injury	11.41%	
Stroke	10.08%	
Spina Bifida	9.89%	
Aphasia	6.27%	
Multiple Sclerosis	5.32%	
Huntington Disease	2.28%	
OTHER (Parkinson's, ALS, Arthritis, Muscular Dystrophy, etc.)	21.29%	



AGES OF CLIENTS SUPPORTED

18-39	16.35%
40-64	47.54%
65 and over	36.50%

PACE SERVICE DELIVERY

65,162 Attendant Outreach Hours | 97.05% of performance target achieved

34,860 Supportive Housing Days | 104.17% of performance target achieved

3,619 Acquired Brain Injury Supportive Housing Days | 99.15% of performance target achieved

TOTAL PACE STAFF

Active	238
Inactive	23
Total	261

ANNUAL REVENUE

\$ 18,338,247

Joint Leadership Message

BOARD CHAIR AND CHIEF EXECUTIVE OFFICER REPORT

Following comprehensive engagement of clients, members of their support networks, PACE team members and partners, we proudly approved and launched a new strategic plan and implementation roadmap for the organization in 2025/26. As a result of the insights, ideas, and aspirations of all who contributed, these documents are more than just words on pages. Together, they articulate what the organization stands for and provides a blueprint for the future we are choosing to create in partnership with the PACE community.

Our new **vision** captures a shared commitment to a future where adults with physical disabilities and neurological conditions feel respected, valued, and supported to thrive in their chosen communities with as much independence, self-determination, choice and responsibility as they wish – and as is feasible given their support needs. For PACE, a focus on independence alone is not enough. We are committed to supporting clients to live with both independence *and* dignity.

Our renewed **mission** signals the organization's commitment to embracing and enhancing its focus and expertise to best support adults living with permanent physical disabilities and neurological conditions who require life-long assistance to perform activities of daily living. This includes working with each client to better understand what 'thriving in the community' looks like to them – and the support needed to pursue the community participation they desire.

To fulfill our mission and pursue our vision, four **strategic goals** that will now guide the organization's continued evolution in the coming years.

1. **Reimagining service delivery to provide whole person support to clients** by adapting the PACE service delivery model to be more inclusive; enhancing how PACE works with clients to understand their goals and support needs; offering services and programs that will facilitate client participation in the community; and strengthening how PACE supports clients to access and coordinate services from other health and social service providers.

Continued...



Jennifer Jones | *Board Chair*

Joint Leadership Message

BOARD CHAIR AND CHIEF EXECUTIVE OFFICER REPORT

2. **Nurturing a culture that empowers team member collaboration, wellbeing and growth** by improving processes to optimize how management and administrative team members can use their time and expertise; redesigning program staffing models to optimize team member schedules and service delivery; co-creating and implementing a strategy that reduces the potential for staff or clients to experience discrimination during service delivery, and co-designing and implementing a culture and teamwork strategy.
3. **Accelerating the use of technology and data to optimize organizational effectiveness** by strategically investing in the technology and infrastructure needed to modernize how PACE operates.
4. **Creating new accessible and affordable housing spaces for PACE clients** by building and nurturing relationships with partners that will enable the creation of dignified living spaces for existing clients and to increase access to specialized assisted living service options in Toronto.

While simply stated – the Vision, Mission, Strategic Goals and objectives commit PACE to a journey of significant ambition, evolution and change. The board-approved implementation roadmap will guide the organization's progress on this journey. It outlines specific initiatives that will be implemented to achieve the strategic plan objectives, the order that these initiatives will be completed and the timing for starting and completing each initiative. The roadmap recognizes that effective implementation of changes and initiatives requires organizational capacity and meaningful engagement of clients, team members and partners. For these reasons, it is expected that 8 to 10 years will be needed to achieve the ambition reflected in the new strategic plan.

We are committed to monitoring and sharing the organization's progress against the milestones and timelines in the roadmap over the next 10 years – starting with the work completed 2025/26 that strengthens the foundation needed for desired future transformation and change.

Continued...



Laura Visser | *Chief Executive Officer*

Joint Leadership Message

2025/26 CONTINUOUS QUALITY IMPROVEMENT ACHIEVEMENTS

In parallel to advancing foundational activities to support strategic plan execution, PACE focused on four quality-improvement initiatives in 2025/26:

- Strengthening processes related to supporting clients before, during and after hospitalization;
- Distributing handheld technology to all frontline team members to enable real-time collection of hours-of-service data collection;
- Continuing to build relationships with housing development and property management partners to facilitate the required relocation of the ABI Supportive Housing program; and
- Preparing for the organization's Accreditation Canada Survey in May 2026.

It is relevant to note that some of the initiatives included in the organization's 2025/26 annual goals were deferred to the next fiscal year. This decision was made to ensure capacity for team members, clients and others to be meaningfully engaged to inform and actively participate in advancing strategic initiatives and operational priorities.

LOOKING FORWARD

In 1981, the organization opened its first supportive housing program. In the 45 years since this milestone, PACE has continuously evolved, grown and innovated how it delivers support services to adults with disabilities. We are proud to mark this anniversary year with the launch of a new strategic plan that provides a clear, robust and exciting path forward for PACE. We are confident in the vision for the future that was established through comprehensive contributions of PACE community members – and thank team members, clients and partners for continuing to make a difference by helping PACE achieve its vision of Independence *with* Dignity.

PACE Strategic Plan

We are committed to monitoring and sharing the organization's progress against the milestones and timelines in the roadmap over the next 10 years – starting with the work completed 2025/26 that strengthens the foundation needed for desired future transformation and change.

PACE

STRATEGIC PLAN

VISION

- **Independence** *with* dignity

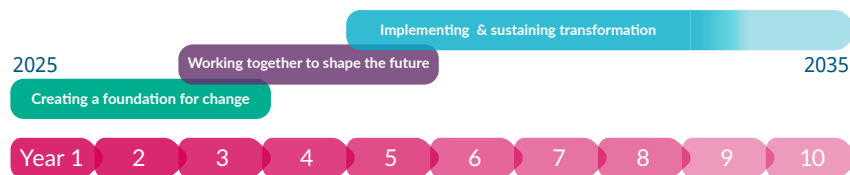
MISSION

- **PACE provides specialized services that support adults with physical disabilities and neurological conditions to thrive in their community.**

GOALS

- Reimagine service delivery to provide whole person support to clients
- Accelerate the use of technology and data to optimize organizational effectiveness
- Nurture a culture that empowers team member collaboration, wellbeing and growth
- Create new accessible and affordable housing spaces for PACE clients

A 10-YEAR VISION OF CHANGE



PACE Strategic Plan

STRATEGY EXECUTION - FOUNDATIONAL ACTIVITIES

The following activities were completed in 2025/26, year one of PACE's 10-year Strategic Plan.

1. Capacity Building & Tools to Support Collaboration and Meaningful

Engagement: To be successful, each initiative included in the Strategic Plan Implementation Roadmap will require meaningful engagement of those who are impacted by the changes presented by the strategic initiatives – and those whose participation is integral to the success of the initiatives. To support strengthened collaboration and engagement going forward, during the past year PACE:

- Updated its Client, Caregiver and Staff Engagement Framework;
- Facilitated team discussions and joint planning exercises to develop a shared understanding of what 'meaningful' engagement looks like;
- Invested in a Leadership Development Training Program for all non-unionized PACE team members that included 6 tailored sessions delivered by an external trainer;

- Completed a review of key administrative functions and began implementing role and structure changes, including recruitment for three new roles designed to support strategy execution: an Engagement & Communications Specialist, Information Systems & Solutions Specialist and a Strategy Execution Specialist.

2. Engagement to Inform Updated PACE

Values: Given their important role in guiding the decisions and actions of the organization and its team members, PACE created dedicated opportunities throughout the year for team members, clients and members of their support networks to meaningfully inform refreshed PACE values and to define observable behaviours for each value. The values will be presented to the Board for approval in May 2026 and further engagement of the PACE community will be completed in 2026/27 to finalize the expected behaviours.

Continued...

PACE Strategic Plan

STRATEGY EXECUTION - FOUNDATIONAL ACTIVITIES

3. New and Updated Integrated Organizational Frameworks & Annual Planning

- *PACE Diversity, Inclusion, Equity and Accessibility (DIEA) Framework:* The *PACE DIEA Framework* is a living document created in 2025/26 to capture the organization's commitment to strengthen the culture at PACE by respecting the differing experiences, identities and characteristics of our clients, team members and volunteers (diversity) and striving for fair treatment (equity), a sense of belonging (inclusion), and the removal of barriers (accessibility). It highlights how these commitments are integrated into the new strategic plan and the strategic initiatives outlined in the implementation roadmap.
- *PACE Integrated Quality Framework:* Following the approval of the new strategic plan, the PACE Integrated Quality Framework was updated. This living document is designed to guide and support the organization's commitment to continuous quality and safety improvement and to adapt the goals, objectives and desired outcomes outlined in the *Canadian Quality & Patient Safety Framework for Health Services* to reflect

PACE's independent living service delivery context. It also illustrates how these client quality and safety goals and objectives that are integrated into the new PACE Strategic Plan and Integration Roadmap – and the connection between quality indicators and strategic plan performance metrics and monitoring.

- *Refined Approach for Annual Planning Approach:* The Board and Senior Leadership Team implemented a new *Enterprise Risk Management (ERM) Framework* and approach to establish the ERM action plan priorities for the upcoming year (2026/27). To ensure commitments reflect organizational capacity, Senior Leadership leveraged the outcomes of the process to support integrated assessment of the relative priority of the Year 1 Strategic Plan implementation plan deliverables compared to proposed operational quality improvement and risk management priorities. This led to the development of a new approach for how the organization will consider and balance annual strategic goals with operational priorities going forward.

Celebrating Staff

YEARS OF SERVICE, WITH ANNIVERSARIES

35 YEARS

James Clemens *Bathurst Prince Charles*
Henry Munroe *Bathurst Prince Charles*

30 YEARS

Carl Ellis *Bathurst Prince Charles*
Terrance Lyder *Attendant Outreach*
Estelle Penny *Bathurst Prince Charles*
Cecil Providence *Caboto*

25 YEARS

Sue Cockburn *Head Office*
Marjorie Mullings *Attendant Outreach*
Dawn Nembhard *Attendant Outreach*
Ryan Price *Attendant Outreach*
Hindia Yusuf *Caboto*
Karen Williams *Bathurst Prince Charles*

20 YEARS

Lai Soon (Freddy) Ang *Henry Lane*
Salve Cortez *Yonge Street*
Toyin Kabowei *Broadway*
Carol Robinson *Henry Lane*

15 YEARS

Olufunmilayo Adetula *Henry Lane*
Bernadette Gapuz *Edwards Manor*
Helen Marques *Attendant Outreach*
Lanie Pablo *Edwards Manor*
Radka Poliaková *Head Office*

10 YEARS

Cristina Agudo *Broadway*
Sharon Colwell *Head Office*
Judy Ilcio *Head Office*
Olubunmi Odedoyin *Broadway*
Gilbert Pereda *Bathurst Prince Charles*
Luis Pereira *Attendant Outreach*
Jennifer Scott *Edwards Manor*

5 YEARS

Eniola Abubakar *Caboto*
Curtis Aghedo *Broadway*
Rosemarie Dickinson *Attendant Outreach*
Denise Donko *Attendant Outreach*
Enia Rose Mpofu *Windward*
Gloria Nagy *Bathurst Prince Charles*
Sarah Obour *Joanne Wilson*
Christina Onakpobero *Henry Lane*
Julie Santoro *Head Office*

RETIRED

Maunda Williams *Head Office*



2025/26 Board of Directors

June 2026 marked the conclusion of Laura Tamblyn Watt’s third and final board term (nine years of service), during which she served six years as Board Secretary, four years on the Partnerships and Innovation Committee, two years as Chair, two years as a member of the committee, and three years as a member of the Nominating and Board Affairs Committee.

2026 also marked the departure of Marcia McLean, following four years of service that included two years as Board Secretary, one year as Chair of the Quality, Safety and Risk Committee, and one year as a committee member, as well as Glen Padassery, who concluded two years of service, both as a member of the Quality, Safety and Risk Committee.

We sincerely thank all members of the Board for their contributions of time, skill, and leadership towards advancing the PACE vision, mission, values and mandate.

- Jennifer Jones | *Chair*
- Joe Mayer | *Vice-Chair*
- Lawrence Davis | *Treasurer*
- Marcia McLean | *Secretary*

- Monica Bienefeld | *Director*
- Amy Coupal | *Director*
- George Nikolov | *Director*
- Glen Padassery | *Director*
- Laura Tamblyn Watts | *Director*

Financial Statements

FOR THE YEAR ENDED MARCH 31, 2026



To the Board of Directors of PACE Independent Living

OPINION

We have audited the financial statements of PACE Independent Living (the “Organization”), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets (deficiency) 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 the Organization 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 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Organization’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Continued...

Financial Statements

FOR THE YEAR ENDED MARCH 31, 2026

RSM

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to

the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

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

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

RSM Canada LLP

Chartered Professional Accountants

Licensed Public Accountants

June 29, 2026

Toronto, Ontario

Statement of Financial Position

AS AT MARCH 31, 2026

	2026	2025
Assets		
Current		
Cash	\$ 3,525,086	\$ 4,236,397
Accounts receivable	227,341	268,109
Prepaid expenses	45,956	112,312
	\$ 3,798,383	\$ 4,616,818
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 3,347,013	\$ 3,102,183
Due to Ministry of Health — Ontario Health	598,469	1,671,236
	3,945,482	4,773,419
Deferred contributions	68,824	59,322
	4,014,306	4,832,741
Net Assets (Deficiency)		
Unrestricted	(215,923)	(215,923)
	\$ 3,798,383	\$ 4,616,818

APPROVED BY THE BOARD

Jennifer Jones

Chair

Lawrence Davis

Treasurer

Statement of Operations

YEAR ENDED MARCH 31, 2026

	2026	2025
Revenue		
Ministry of Health - Ontario Health - annual funding	\$ 18,137,329	\$ 17,801,843
Other	101,600	93,833
Investment income	99,318	126,866
	\$ 18,338,247	\$ 18,022,542
Expenses		
Employee salaries and wages (Note 4)	\$ 13,624,309	\$ 13,300,122
Employee benefits (Note 5)	2,696,635	2,450,494
Supplies and sundry	1,163,803	1,226,574
Building and grounds	465,660	403,621
Equipment	387,840	641,731
	18,338,247	18,022,542
Excess of revenue over expenses	\$ –	\$ –

Statement of Changes in Net Assets (Deficiency)

YEAR ENDED MARCH 31, 2026

	2026	2025
Unrestricted net assets (deficiency), beginning of year	\$ (215,923)	\$ (215,923)
Excess of revenue over expenses	–	–
Unrestricted net assets (deficiency), end of year	\$ (215,923)	\$ (215,923)

Statement of Cash Flows

YEAR ENDED MARCH 31, 2026

	2026	2025
Cash provided by (used in)		
Operations		
Excess of revenue over expenses	\$ –	\$ –
Items not affecting cash		
Net changes in non-cash working capital		
Accounts receivable	40,768	(43,076)
Prepaid expenses	66,356	(59,365)
Accounts payable and accrued liabilities	244,830	518,163
Due to Ministry of Health - Ontario Health	(1,072,767)	271,471
Deferred contributions	9,502	(8,587)
Net change in cash	(711,311)	678,606
Cash, beginning of year	4,236,397	3,557,791
Cash, end of year	\$ 3,525,086	\$ 4,236,397

Notes to Financial Statements

MARCH 31, 2026

1. Organization and Nature of Operations

PACE Independent Living (“PACE” or the “Organization”) is a charity incorporated as a corporation without share capital in the Province of Ontario. The Organization provides support services to adults with permanent physical disabilities and neurological conditions.

On an annual basis, PACE enters into a Multi-Sector Accountability Agreement (“MSAA”) with Ontario Health (“OH”) pursuant to the *Connecting Care Act, 2019*. PACE holds a single consolidated funding agreement with Ontario Health Toronto Region. The agreement establishes a commitment for PACE and the funder to work together, and with others, to achieve evolving provincial health system priorities on behalf of patients, their families and their caregivers.

2. Economic Dependence

The Organization’s principal funder is Ontario Health. The funding is subject to budget review. In management’s opinion, the Organization’s ability to continue its programs is dependent on this funding.

3. Significant Accounting Policies

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

(a) Revenue recognition

The Organization follows the deferral method of accounting for grants and contributions.

The Organization’s programs are principally funded through OH under program budgets subject to annual review. Grants are received on a monthly basis from OH and are recognized as revenue in the period the expenditure relating to the grant is incurred. Grants relating to expenditures to be incurred in periods subsequent to year end are recorded as deferred contributions. Grants are provided for each program of the Organization (Supportive Housing, Attendant Outreach and Acquired Brain Injury). Any expenses incurred by a program in excess of the approved grant are borne by the Organization.

Contributions related to the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Annually, OH performs a reconciliation between the Organization’s allowable expenditures and funds paid during the previous year. The balance due to or from OH for the year ended will not be determined until OH has reviewed the Organization’s financial and statistical returns. The management of the Organization considers the amounts reported to include all proper adjustments for non-allowable costs.

Continued...

Notes to Financial Statements

MARCH 31, 2026

3. Significant Accounting Policies *(Continued)*

(b) Financial instruments

Financial instruments are recorded at fair value on initial recognition and subsequently recorded at cost or amortized cost.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and due to Ontario Health.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of a write-down, if any, is recorded in the excess of revenues over expenses. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been previously recognized. The amount of the reversal is recognized in the statement of operations in excess of revenue over expenses.

(c) Donated capital assets, materials and services

Donated capital assets are recorded at fair value at the time of receipt when fair value can be reasonably estimated. Donated materials and services are not recorded.

(d) Multi-employer pension plans

The Organization participates in a multi-employer, target benefit pension plans for certain unionized employees. The plans are administered by a board of trustees representing participating employers and unions, and the plans are responsible for the determination and funding of pension benefits, including any related actuarial gains and losses.

The Organization accounts for the plans as a defined contribution plan or registered retirement savings plan and the pension expense is equal to the required contributions for the year.

(e) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant estimates include accounts payable and accrued liabilities. Actual results could differ from those estimates.

Continued...

Notes to Financial Statements

MARCH 31, 2026

4. Accounts Payable And Accrued Liabilities

Included in accounts payable and accrued liabilities is an amount related to ongoing union negotiations. The amounts accrued are based on management's best estimate.

Included in accounts payable and accrued liabilities is \$Nil (2025 - \$Nil) relating to payroll withholdings and other amounts due to the government.

5. Employee Future Benefits

Included in employee benefits expense are employee future benefits as described below.

- (a) The Organization has a defined contribution pension plan which began in May 1997. The plan is for the employees of the UNIFOR, Local 40 and is administered by the Canada-Wide Industrial Pension Plan. Benefit levels can change depending on a change in the collective agreement or on the performance of the pension fund. The current year contributions made by the Organization were \$122,932 (2025 - \$101,038).
- (b) The Organization has joined a defined contribution multi-employer pension plan for employees who are members of the Local 1 Service Employees International Union commencing December 1998. It is administered by the Nursing Home and Related Industries Pension Plan. The cost of the plan is recognized based on contributions made during the year. The current year contributions made by the Organization were \$129,335 (2025 - \$121,267).

- (c) The Organization has a Registered Retirement Savings Plan for certain employees of the Ontario Public Service Employees Union Local 593. Employees transferred as part of the new services on September 1, 2015 from Clarendon Foundation are enrolled in this plan. The current year contributions made by the Organization were \$62,179 (2025 - \$54,742).
- (d) The Organization has a defined contribution plan providing pension benefits to eligible management and administrative employees, which began on August 1, 2004. The cost of the plan is recognized based on contributions made during the year. The current year contributions made by the Organization were \$109,265 (2025 - \$131,007).

6. Commitments

The Organization is committed to minimum payments under operating leases for premises and office equipment as follows:

2027	\$ 327,375
2028	313,061
2029	302,117
2030	292,234
2031	238,843
Thereafter	95,069
	<u>\$ 1,568,699</u>

Continued...

Notes to Financial Statements

MARCH 31, 2026

7. Contingent Liability

Due to the nature of its operations, the Organization is periodically subject to lawsuits in which it is a defendant. With respect to claims and possible claims at March 31, 2026 management believes valid defences and/or appropriate insurance coverage is in place. In the event any claims are successful, management believes that such claims are not expected to have a material adverse effect on financial position and results of operations.

Management has identified possible liabilities resulting from union grievances. As the amount of the loss cannot be reasonably estimated, no accrual has been made for potential payouts.

8. Financial Risks

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to cash and accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There has been no change to the risk exposure from 2025.

Liquidity Risk

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risks by monitoring its operating requirements. There has been no change to the risk exposure from 2025.

PACE Independent Living

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