

**QUINT DEVELOPMENT CORPORATION**

**Financial Statements**

**For the Year Ended March 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Quint Development Corporation

### Opinion

We have audited the financial statements of Quint Development Corporation (the Corporation), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in fund balances 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 Corporation as at March 31, 2022, and the results of its operations and 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 Corporation in accordance with 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

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

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

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Independent Auditor's Report To the Members of Quint Development Corporation *(continued)*

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 Corporation'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 Corporation'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 Corporation 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.

*Lingard + Dreger*

Chartered Professional Accountants

Saskatoon, Saskatchewan  
June 23, 2022



QUINT DEVELOPMENT CORPORATION  
Statement of Financial Position  
As at March 31, 2022

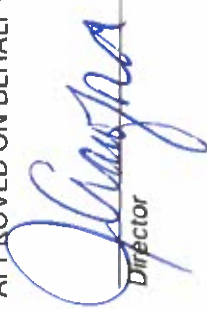
	Operating	Reserve	Capital	2022	2021
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash	\$ 364,425	\$ 249,397	\$ -	\$ 613,822	\$ 318,851
Short-term investments (Note 4)	-	426,167	-	426,167	170,941
Accounts receivable (Note 5)	47,189	-	-	47,189	51,093
Inventory	1,906	-	-	1,906	2,369
Work in progress	-	-	-	-	224,487
Prepaid expenses	42,992	-	-	42,992	42,258
Due to (from) individual related parties (Note 6)	15	-	-	15	-
Due from reserve fund	47,543	-	-	47,543	107,348
	504,070	675,564	-	1,179,634	917,347
<b>LONG-TERM INVESTMENTS (Note 4)</b>	-	201,163	-	201,163	627,331
<b>TANGIBLE CAPITAL ASSETS (Note 7)</b>	-	-	7,910,663	7,910,663	8,311,608
	\$ 504,070	\$ 876,727	\$ 7,910,663	\$ 9,291,460	\$ 9,856,286

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION  
Statement of Financial Position  
As at March 31, 2022

	Operating	Reserve	Capital	2022	2021
<b>LIABILITIES</b>					
<b>CURRENT</b>					
Bank indebtedness	\$ -	\$ -	\$ -	\$ -	\$ 189,443
Accounts payable (Note 8)	193,505	-	-	193,505	222,118
Current portion of long-term debt (Note 9)	-	-	101,891	101,891	68,647
Deferred contributions and revenue (Note 10)	140,288	-	-	140,288	46,133
Due to operating fund	-	47,543	-	47,543	107,348
	333,793	47,543	101,891	483,227	633,689
<b>LONG-TERM DEBT (Note 9)</b>	-	-	1,311,342	1,311,342	1,414,568
	333,793	47,543	1,413,233	1,794,569	2,048,257
<b>FUND BALANCES</b>					
External restrictions	-	347,930	-	347,930	327,608
Internal restrictions	-	481,254	6,497,430	6,978,684	7,510,560
Unrestricted	170,277	-	-	170,277	(30,139)
	170,277	829,184	6,497,430	7,496,891	7,808,029
	\$ 504,070	\$ 876,727	\$ 7,910,663	\$ 9,291,460	\$ 9,856,286

APPROVED ON BEHALF OF THE BOARD

  
Director

  
Director

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION  
Statement of Operations  
For the Year Ended March 31, 2022

	Operating	Reserve	Capital	2022	2021
<b>REVENUE</b>					
Grant funding (Note 12)	\$ 2,176,093	\$ 5,460	\$ -	\$ 2,181,553	\$ 1,897,927
Donations	1,400	-	-	1,400	145
Interest and investment income	15,318	-	-	15,318	20,541
Rental and property management	672,324	-	-	672,324	843,327
Build-Up Saskatoon revenue	434,678	-	-	434,678	74,613
Other	32,408	-	-	32,408	21,868
	<u>3,332,221</u>	<u>5,460</u>	<u>-</u>	<u>3,337,681</u>	<u>2,858,421</u>
<b>EXPENSES</b>					
Administration	399,172	-	-	399,172	480,024
Board of directors	2,040	-	-	2,040	2,550
Interest and loan fees	60,571	-	-	60,571	62,447
Program and participant costs	486,072	1,380	-	487,452	124,182
Property management	659,144	4,080	-	663,224	719,605
Vehicle and transportation	16,316	-	-	16,316	15,283
Wages and benefits	2,148,721	-	-	2,148,721	2,084,258
	<u>3,772,036</u>	<u>5,460</u>	<u>-</u>	<u>3,777,496</u>	<u>3,488,349</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES BEFORE AMORTIZATION AND ALLOCATIONS</b>	(439,815)	-	-	(439,815)	(629,928)
<b>Allocations</b>					
Revenue allocation of costs to other programs (Note 17)	598,019	-	-	598,019	656,642
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE THE UNDERNOTED</b>	158,204	-	-	158,204	26,714
Amortization	-	-	(445,945)	(445,945)	(502,196)
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<u>\$ 158,204</u>	<u>\$ -</u>	<u>\$ (445,945)</u>	<u>\$ (287,741)</u>	<u>\$ (475,482)</u>

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION  
Statement of Changes in Fund Balances  
For the Year Ended March 31, 2022

	2021 Balance	Excess of revenue over expenses	Contributions	Withdrawals	2022 Balance
Operating fund	\$ (30,139)	\$ 158,204	\$ 356,444	\$ (314,232)	\$ 170,277
Externally restricted reserve	327,608	-	81,312	(60,990)	347,930
Internally restricted reserve	682,167	-	14,445	(215,358)	481,254
Total reserve fund	1,009,775	-	95,757	(276,348)	829,184
Capital fund	6,828,393	(445,945)	214,982	(100,000)	6,497,430
	<b>\$ 7,808,029</b>	<b>\$ (287,741)</b>	<b>\$ 667,183</b>	<b>\$ (690,580)</b>	<b>\$ 7,496,891</b>

	2020 Balance	Deficiency of revenue over expenses	Contributions	Withdrawals	2021 Balance
Operating fund	\$ 88,003	\$ 26,714	\$ 10,362	\$ (155,218)	\$ (30,139)
Externally restricted reserve	298,562	-	48,991	(19,945)	327,608
Internally restricted reserve	682,120	-	19,793	(19,746)	682,167
Total reserve fund	980,682	-	68,784	(39,691)	1,009,775
Capital fund	7,218,950	(502,196)	111,639	-	6,828,393
	<b>\$ 8,287,635</b>	<b>\$ (475,482)</b>	<b>\$ 190,785</b>	<b>\$ (194,909)</b>	<b>\$ 7,808,029</b>

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION

Statement of Cash Flows

For the Year Ended March 31, 2022

	Operating	Reserve	Capital	2022	2021
<b>OPERATING ACTIVITIES</b>					
Excess (deficiency) of revenue over expenses for the year	\$ 158,204	\$ -	\$ (445,945)	\$ (287,741)	\$ (475,482)
Item not affecting cash:					
Amortization of tangible capital assets	-	-	445,945	445,945	502,196
	158,204	-	-	158,204	26,714
Changes in non-cash working capital (Note 15)	353,482	(59,805)	-	293,677	38,290
Cash flow from (used by) operating activities	511,686	(59,805)	-	451,881	65,004
<b>INVESTING ACTIVITIES</b>					
Purchase of tangible capital assets	-	-	(44,998)	(44,998)	(45,442)
Redemption of investment activities	-	410,358	-	410,358	100
Purchase of investments	-	(225,000)	-	(225,000)	(4,089)
Reinvested interest	-	(14,447)	-	(14,447)	-
Cash flow from (used by) investing activities	-	170,911	(44,998)	125,913	(49,431)
<b>FINANCING ACTIVITIES</b>					
Repayment of long term debt	-	-	(169,983)	(169,983)	(66,197)
Proceeds from long-term debt	-	-	100,000	100,000	-
Cash flow from (used by) financing activities	-	-	(69,983)	(69,983)	(66,197)
<b>INTERFUND TRANSFERS</b>					
RECOVERIES BY THE MINISTRY OF SOCIAL SERVICES	65,579	(180,560)	114,981	-	-
	(23,397)	-	-	(23,397)	-
	42,182	(180,560)	114,981	(23,397)	-
<b>INCREASE (DECREASE) IN CASH</b>	553,868	(69,454)	-	484,414	(50,624)
<b>CASH (DEFICIENCY) - BEGINNING OF YEAR</b>	(189,443)	318,851	-	129,408	180,032
<b>CASH - END OF YEAR</b>	\$ 364,425	\$ 249,397	\$ -	\$ 613,822	\$ 129,408
<b>CASH CONSISTS OF:</b>					
Cash	\$ 364,425	\$ 249,397	\$ -	\$ 613,822	\$ 129,408

See notes to the financial statements



## QUINT DEVELOPMENT CORPORATION

### Notes to the Financial Statements

For the Year Ended March 31, 2022

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#### 1. NATURE OF OPERATIONS

Quint Development Corporation's ("The Corporation") mission is to strengthen the social and economic well-being of Saskatoon's core neighbourhoods through a community economic development approach. The Corporation was incorporated under the *Non-Profit Corporations Act, 1995* of Saskatchewan. The Corporation is recognized by Canada Revenue Agency as a not-for-profit organization and qualifies as a tax exempt organization under section 149 of the *Income Tax Act*.

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and short-term investments with maturities of three months or less.

##### Short-term investments

Short-term investments are classified as available-for-sale and are recorded at market value.

##### Inventory

Inventory is measured at the lower of cost or net realizable value. Cost is determined on a specific item basis. The Corporation capitalizes the costs of holding real property inventory, net of any incidental revenues realized while holding the property. Capitalized costs include interest, property taxes, overhead allocation, and other costs incidental to holding the property until it is sold.

##### Long-term investments

Short term investments, which consist primarily of commercial paper with original maturities at date of purchase beyond three months and less than twelve months, are carried at amortized cost.

##### Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Buildings	25 years
Furniture, fixtures and equipment	5 years
Motor vehicles	3 years
Computer equipment	3 years
Leasehold improvements	60 months

The Corporation regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

##### Other investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

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## QUINT DEVELOPMENT CORPORATION

### Notes to the Financial Statements For the Year Ended March 31, 2022

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

##### Restricted fund accounting

The accounts of the Corporation are maintained in accordance with the principles of restricted fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating fund

The operating fund accounts for the Corporation's program delivery and administrative services. This fund reports unrestricted resources and restricted operating grants.

(ii) Reserve fund

The reserve fund is a restricted fund that reflects externally and internally restricted resources which are to be used for specified purposes.

(iii) Capital asset fund

The capital asset fund is a restricted fund that reports the assets, liabilities, revenues and expenses related to the Corporation's tangible capital assets. The capital fund includes revenues received designated for the acquisition of tangible capital assets. Expenses consist primarily of amortization of capital assets.

##### Financial instruments

The Corporation initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

Financial assets subsequently measured at amortized cost include cash, accounts receivable, due from related parties. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities and deferred contributions and revenue. The fair value of the cash, accounts receivable, and accounts payable and accrued liabilities approximates their carrying value due to their short-term nature.

##### Revenue recognition

The Corporation follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund and are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

##### Contributions in-kind

Contributions in-kind are recorded at fair market value for goods or services used in the normal course of operations that would otherwise have been purchased.

##### Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, any disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Significant estimates include, but are not limited to, the determination of the useful lives of long-lived assets, the valuation of deferred contributions and revenue, and accruals for certain revenues and expenses.

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QUINT DEVELOPMENT CORPORATION  
Notes to the Financial Statements  
For the Year Ended March 31, 2022

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

Allocation of expenses

The Corporation allocates certain overhead and administrative expenses to its programs. The costs of each program include the costs of administrative personnel and office overhead that are related to the program.

The Corporation allocates its costs of administrative personnel and office overhead to certain programs by identifying an appropriate basis of allocating each component expense and applying that basis consistently each year.

The amounts allocated to each program are an estimate of the administrative costs associated with the program, based on budgeted revenues, historical experience, and expectations in the current year.

3. ECONOMIC DEPENDENCE

The Corporation received a significant amount of its revenue from the Ministry of the Social Services 37.58% (2021 - 41.06%) and is therefore dependent on continued funding from the Ministry to fund its ongoing operations.

4. INVESTMENTS

	Maturity	2022	Yield	2021
Short-term investments				
Term deposits	<one year	\$ 426,167	0.65%-2.45%	\$ 170,941
Long-term Investments				
Term deposits	2-3 years	201,163	2.50%	627,331
		\$ 627,330		\$ 798,272

5. ACCOUNTS RECEIVABLE

	2022	2021
Trade accounts receivable	\$ 44,254	\$ 48,852
GST receivable	2,935	2,241
	\$ 47,189	\$ 51,093

**QUINT DEVELOPMENT CORPORATION**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

**6. DUE FROM RELATED PARTIES**

	2022	2021
Station 20 West	\$ 15	\$ -

These balances are payable on demand and have arisen from the provision of administrative and support services by the Corporation to the related entities, as well as amounts paid by the Corporation on behalf of the related entities.

**7. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 1,551,632	\$ -	\$ 1,551,632	\$ 1,551,632
Buildings	10,328,048	3,980,345	6,347,703	6,719,524
Motor vehicles	77,111	77,111	-	2,650
Computer equipment	16,553	12,112	4,441	3,300
Furniture and fixtures	121,071	114,184	6,887	8,306
Leasehold improvements	277,908	277,908	-	26,196
	\$ 12,372,323	\$ 4,461,660	\$ 7,910,663	\$ 8,311,608

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2022	2021
Trade payables	\$ 41,836	\$ 66,432
Rental deposits	28,275	27,945
Source deductions payable	-	-
GST payable	-	-
PST payable	351	6,425
Mastercard payables	969	3,062
Accrued vacation payable	95,213	96,271
Other accrued liabilities	26,861	21,983
	\$ 193,505	\$ 222,118

QUINT DEVELOPMENT CORPORATION  
Notes to the Financial Statements  
For the Year Ended March 31, 2022

9. LONG-TERM DEBT	2022	2021
Affinity Credit Union mortgage repayable in monthly instalments of \$255 including principal and interest at 3.19% per annum. The original amount of the mortgage is \$50,000. The mortgage is secured by related land and building at 522 Avenue J South with a net book value of \$820,074 (2021 - \$866,243). The mortgage matures on October 1, 2022.	\$ 31,712	\$ 33,727
Affinity Credit Union mortgage repayable in monthly instalments of \$2,975 including principal and interest at 3.19% per annum. The original amount of the mortgage is \$505,430. The mortgage is secured by related land and buildings at 315 Ave N South, 1505 19th Street West and 1507 19th Street West with a net book value of \$917,241 (2021 - \$981,758). The mortgage matures on January 1, 2026.	273,069	299,658
Affinity Credit Union mortgage repayable in monthly instalments of \$6,301 including principal and interest at 4.09% per annum. The mortgage is secured by related land and building at 204, 208, 212, 214 and 216 Avenue O South, Saskatoon with a net book value of \$4,601,919 (2021 - \$4,752,593). The mortgage matures on May 31, 2022.	1,084,173	1,115,122
Affinity Credit Union mortgage repayable in monthly instalments of \$973 including principal and interest at 4.19% per annum. The mortgage is secured by related land and building at 130 Avenue O South with a net book value of \$139,196 (2021 - \$109,281). The mortgage matures on May 1, 2023.	24,279	34,708
	1,413,233	1,483,215
Less: current portion	(101,891)	(68,647)
	\$ 1,311,342	\$ 1,414,568

Principal repayment terms are approximately:

2023	\$ 101,891
2024	74,878
2025	63,762
2026	224,144
2027	37,508
Thereafter	911,050
	<u>\$ 1,413,233</u>

QUINT DEVELOPMENT CORPORATION

Notes to the Financial Statements

For the Year Ended March 31, 2022

10. DEFERRED CONTRIBUTIONS AND REVENUE

The Corporation receives apartment rental revenue. Rental revenue received in advance is recorded as deferred revenue.

The Corporation receives funding from various funders to be held, administered and distributed in accordance with the related funding agreement. Deferred contributions related to expenses of future periods represent unspent externally restricted funding for purposes of paying operating expenditures of future periods.

	2022	2021
Deferred contributions and revenue, beginning of year	\$ 46,133	\$ 24,889
<i>Revenue received during the year</i>		
Prepaid apartment rents	17,788	29,466
Saskatoon Community Foundation - Cameco grant	-	20,000
Community First Development Fund	25,000	-
Blue Door, The Home Depot Canada Foundation - Tradeworx	42,500	-
Ministry of Immigration and Career Training	150,000	-
	281,421	74,355
<i>Less:</i>		
Amounts recognized as rental revenue	(29,466)	(24,889)
Amounts recognized as grant revenue	(111,667)	(3,333)
Deferred contributions and revenue, end of year	\$ 140,288	\$ 46,133

11. EXTERNALLY RESTRICTED NET ASSETS

In 2004, Saskatchewan Ministry of Social Services (MSS) imposed restrictions requiring any excess Youth Lodge funding to be set up as reserve and MSS approval is required before funds can be expended.

In 2008, Saskatchewan Ministry of Social Services (MSS) imposed restrictions requiring any excess Pleasant Hill Place funding to be set up as a reserve and MSS approval is required before funds can be expended.

In 2014, Saskatchewan Ministry of Social Services (MSS) imposed restrictions requiring any excess Leadership funding to be set up as a reserve and MSS approval is required before funds can be expended.

**QUINT DEVELOPMENT CORPORATION**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2022**

**12. GRANT FUNDING**

The grant funding is composed of the following:

	2022	2021
Ministry of Social Services	\$ 1,253,052	\$ 1,165,822
Ministry of Immigration and Career Training	572,148	608,824
Community First Foundation	110,833	9,400
Other	240,060	108,421
<b>Grant funding (Operating Fund)</b>	<b>2,176,093</b>	<b>1,892,467</b>
Ministry of Social Services	5,460	5,460
<b>Grant funding (Reserve Fund)</b>	<b>5,460</b>	<b>5,460</b>
<b>Grant funding (Capital Fund)</b>	<b>-</b>	<b>-</b>
<b>Total grant funding</b>	<b>\$ 2,181,553</b>	<b>\$ 1,897,927</b>

**13. LEASE COMMITMENTS**

The Corporation is committed under a lease agreement for its premises at 1120 20th Street West (Station 20 West), Saskatoon, Saskatchewan. The agreement expires on June 30, 2022. In addition, the Corporation has operating lease commitments for a photocopier. Future minimum lease payments as at March 31, 2022, are as follows:

	Building	Operating	Total
2023	\$ 18,765	\$ 632	\$ 19,397
2024	-	632	632
2025	-	632	632
2026	-	842	842
Thereafter	-	421	421
	<b>\$ 18,765</b>	<b>\$ 3,159</b>	<b>\$ 21,924</b>

**14. RELATED PARTY TRANSACTIONS**

Related party transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

During the year, the Corporation received \$1,065 (2021 - \$1,065) in management fees from Millennium Housing Cooperative Ltd. ("Millennium"), an organization under common management. These fees were used to pay administration and support costs associated with the operations of the co-operative. During the current year Millennium made payments of \$1,065 (2021 - \$1,868) to the Corporation.

QUINT DEVELOPMENT CORPORATION  
Notes to the Financial Statements  
For the Year Ended March 31, 2022

15. CHANGES IN NON-CASH WORKING CAPITAL

	2022	2021
Accounts receivable	\$ 3,904	\$ (13,342)
Work in progress	224,487	(29,338)
Inventory	463	(1,356)
Prepaid expenses	(734)	2,692
Due from related parties	15	995
Accounts payable	(28,613)	57,394
Deferred contributions and revenue	94,155	21,245
Due from reserve fund	59,805	38,898
Due to operating fund	(59,805)	(38,898)
	<b>\$ 293,677</b>	<b>\$ 38,290</b>

16. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2022.

Credit risk

The Corporation is exposed to credit risk from potential non-payment of accounts receivable. Most of the accounts receivable were collected shortly after year-end.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk on its investments and long-term debt.

Liquidity risk

Liquidity risk is that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation enters into transactions to purchase goods and services on credit and lease office equipment and office space from creditors, for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Corporation's future net cash flows for the possibility of a negative net cash flow. The Corporation manages liquidity risk resulting from accounts payable and accrued liabilities by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.



QUINT DEVELOPMENT CORPORATION  
Notes to the Financial Statements  
For the Year Ended March 31, 2022

17. COST ALLOCATIONS AND INTERNAL CHARGES

During the year, the affordable housing program charged \$163,633 (2021 - \$200,004) of management fees to the rental program. These fees are reflected as income in the affordable housing program and property management expense in the rental program.

During the year, the Corporation allocated certain administrative and overhead costs to various programs. The amounts allocated are as follows:

Program Name	Administrative salaries allocated	Direct costs allocated	Management fees	2022
Affordable housing	\$ -	\$ 25,295	\$ 163,633	\$ 188,928
Core Neighbourhoods at work	75,652	34,571	-	110,223
Pleasant Hill Place	58,315	9,296	-	67,611
Rentals	-	79,744	-	79,744
Youth Lodge	43,493	33,771	-	77,264
Leadership	64,443	-	-	64,443
Build up Saskatoon	-	9,806	-	9,806
<b>Total Cost Allocations and Internal Charges</b>	<b>\$ 241,903</b>	<b>\$ 192,483</b>	<b>\$ 163,633</b>	<b>\$ 598,019</b>

18. CONTINGENT LIABILITY

During the year ended March 31, 2006, Saskatchewan Housing Corporation granted the Corporation a forgivable loan in the amount of \$769,281 under the Centenary Affordable Housing Program for the purchase and renovation of an 18-unit apartment building located at 137 Avenue T South, Saskatoon, Saskatchewan. The loan is forgivable at the rate of \$3,750 per month for 120 months, commencing on the first day of the second month following the date that the apartment has achieved substantial completion, \$7,500 per month for 42 months, commencing on the first day of the month following expiration of the first 120-month forgiveness period, and \$4,500 on the first day of the first month following expiration of the second forgiveness period. The loan is secured by a second mortgage registered against the property and has a principal balance of \$116,967 as at March 31, 2022.

During the years ended March 31, 2010 and 2011, Saskatchewan Housing Corporation granted the Corporation a forgivable loan in the amount of \$1,242,223 under the Homefirst Rental Development Program for the purchase and renovation of an 18-unit apartment building located at 522 Avenue J South. The loan is forgivable at the rate of \$7,326 per month for 120 months, commencing on the first day of the second month following the date that the apartment has achieved substantial completion, and \$14,653 per month for 30 months, commencing on the first day of the month following expiration of the first 120-month forgiveness period. The loan is secured by a second mortgage registered against the property and has a principal balance of \$138,021 as at March 31, 2022.

During the year ended March 31, 2011, Saskatchewan Housing Corporation granted the Corporation a forgivable loan in the amount of \$1,208,592 under the Homefirst Rental Development Program for the purchase of 8 condominium rental units located in the Pleasant Hill Neighbourhood. The loan is forgivable at the rate of \$3,249 per month for 120 months, commencing on the first day of the second month following the date that the condominiums have achieved substantial completion, \$6,499 per month for 120 months, commencing on the first day of the month following expiration of the first 120-month forgiveness period, and the balance of \$8,376 commencing on the first day of the month following expiration of the second 120-month forgiveness period. The loan is secured by a second mortgage registered against the property and has a principal balance of \$695,259 as at March 31, 2022.

During the year ended March 31, 2017, Saskatchewan Housing Corporation granted the Corporation a forgivable loan in the amount of \$3,190,000 under the Homefirst Rental Development Program for the development of a 26 unit rental housing project located at 204, 208, 212, 214 and 216 Avenue O, Saskatoon, Saskatchewan. The loan is forgivable over seventeen years commencing on the first day of the second month following the date that the project has achieved substantial completion. The loan is secured by a second mortgage registered against the property and has a principal balance of \$3,064,902 as at March 31, 2022.

QUINT DEVELOPMENT CORPORATION

Notes to the Financial Statements

For the Year Ended March 31, 2022

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19. TRANSFERS TO EXTERNALLY RESTRICTED RESERVES (MSS)

During the current year the Corporation made the following transfers to (from) the externally restricted reserves:

	Pleasant Hill	Youth Lodge	Total
Approved purchases from restricted reserves	\$ 55,530	\$ -	\$ 55,530

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20. CREDIT FACILITY

The Corporation has a credit facility with Affinity Credit Union, which includes an approved operating line that can be drawn upon to a maximum of \$400,000, which bears interest at 3.70% and is secured by real property and a General Security Agreement. As at March 31, 2022, the amount owing, which is due on demand, was \$Nil (2021 - \$164,935).

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21. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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QUINT DEVELOPMENT CORPORATION

Externally Restricted Reserve Fund

For the Year Ended March 31, 2022

(Schedule 1)

	Balance, Beginning of the year	Annual Allocation (Provincial funding)	Expenditures and Withdrawals	Interfund transfers from operations	Interest allocation	Balance, end of the year
<b>Ministry of Social Services - Youth Lodge</b>						
Maintenance reserve	\$ -	\$ 1,320	\$ (1,320)	-	\$ -	\$ -
Equipment reserve	-	660	(660)	-	-	-
Furnishing reserve	-	720	(720)	-	-	-
Other	213,198	-	-	41,794	530	255,522
<b>Ministry of Social Services - Youth Lodge total</b>	<b>213,198</b>	<b>2,700</b>	<b>(2,700)</b>	<b>41,794</b>	<b>530</b>	<b>255,522</b>
<b>Ministry of Social Services - Pleasant Hill Place</b>						
Maintenance reserve	-	1,100	(1,100)	-	-	-
Equipment reserve	-	560	(560)	-	-	-
Furnishing reserve	-	1,100	(1,100)	-	-	-
Other	112,549	-	(55,530)	29,942	339	87,300
<b>Ministry of Social Services - Pleasant Hill Place total</b>	<b>112,549</b>	<b>2,760</b>	<b>(58,290)</b>	<b>29,942</b>	<b>339</b>	<b>87,300</b>
<b>Ministry of Social Services - Leadership Other</b>						
	1,861	-	-	3,242	5	5,108
<b>Total externally restricted reserve fund</b>	<b>\$ 327,608</b>	<b>\$ 5,460</b>	<b>\$ (60,990)</b>	<b>\$ 74,978</b>	<b>\$ 874</b>	<b>\$ 347,930</b>

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION

Internally Restricted Reserve Fund

For the Year Ended March 31, 2022

(Schedule 2)

	Balance, Beginning of the year	Transfers to the operating fund	Transfers from the operating fund	Interest allocation	Balance, end of the year	2021
Internally restricted reserve fund						
General reserve	\$ 135,166	\$ (42,671)	\$ -	\$ 2,861	\$ 95,356	\$ 135,166
Capital replacement reserve	368,175	(116,232)	-	7,797	259,740	368,175
Affordable Housing expansion reserve	178,826	(56,455)	-	3,787	126,158	178,826
Total internally restricted reserve fund	\$ 682,167	\$ (215,358)	\$ -	\$ 14,445	\$ 481,254	\$ 682,167

See notes to the financial statements

QUINT DEVELOPMENT CORPORATION  
Program Operations (Schedule 3)  
For the year ended March 31, 2022

	Affordable Housing Program	Leadership	Pleasant Hill Place	Pleasant Hill Place (income security)	Core Neighbourhoods at work
<b>REVENUE</b>					
Grant funding (Note 12)	35,834	146,371	502,943	-	585,449
Donations	1,200	-	-	-	-
Donations in kind	-	-	-	-	-
Interest and investment income	-	9	297	-	-
Rental and property management	940	-	-	23,888	-
Other	496	-	349	-	200
	38,470	146,380	503,589	23,888	585,649
<b>EXPENSES</b>					
Administration	28,454	241	14,626	-	56,257
Board of directors	-	-	-	-	-
Donations in-kind	-	-	-	-	-
Interest and loan fees	-	-	-	1,247	-
Program and participant fees	-	-	14,708	12,212	31,588
Property management	1,164	-	38,155	-	10,860
Vehicle and transportation	1,969	-	3,424	-	-
Wages and benefits	138,819	142,897	402,734	-	504,489
	170,406	143,138	473,647	13,459	603,194
<b>DEFICIENCY OF REVENUE OVER EXPENSES BEFORE ALLOCATIONS</b>					
Allocations	(131,936)	3,242	29,942	10,429	(17,545)
Revenue - allocation of costs to other programs (Note 17)	163,633	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	31,697	3,242	29,942	10,429	(17,545)
Externally restricted	-	-	-	-	-
Internally restricted	-	3,242	29,942	-	-
Unrestricted	31,697	-	-	10,429	(17,545)

Note - The excess of revenue over expenses for the year in the Pleasant Hill Place (income security) is intended to cover the principal repayments on the mortgage of Pleasant Hill Place. See Note 9

QUINT DEVELOPMENT CORPORATION  
Program Operations (Schedule 3)  
For the year ended March 31, 2022

	Youth Lodge	Rentals	Build Up Saskatoon	Quint Admin	2022 Total	2021 Total
<b>REVENUE</b>						
Grant funding (Note 12)	609,198	-	301,758	-	2,181,553	1,897,927
Donations	-	-	-	200	1,400	-
Donations in-kind	-	-	-	-	-	145
Interest and investment income	568	-	-	14,444	15,318	20,541
Rental and property management	-	715,209	(70,113)	2,400	672,324	843,327
Other	1,616	26,924	435,615	1,886	467,086	96,481
	611,382	742,133	667,260	18,930	3,337,681	2,858,421
<b>EXPENSES</b>						
Administration	37,920	82,164	11,396	168,114	399,172	480,024
Board of directors	-	-	-	2,040	2,040	2,550
Donations in-kind	-	-	-	-	-	-
Interest and loan fees	-	55,417	-	3,907	60,571	62,447
Program and participant fees	53,940	-	375,004	-	487,452	124,182
Property management	19,808	585,895	5,050	2,292	663,224	719,605
Vehicle and transportation	3,170	-	7,753	-	16,316	15,283
Wages and benefits	454,750	56,798	191,321	256,913	2,148,721	2,084,258
	569,588	780,274	590,524	433,266	3,777,496	3,488,349
<b>DEFICIENCY OF REVENUE OVER EXPENSES BEFORE ALLOCATIONS</b>	41,794	(38,141)	76,736	(414,336)	(439,815)	(629,928)
Allocations						
Revenue - allocation of costs to other programs (Note 17)	-	-	-	434,386	598,019	656,642
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	41,794	(38,141)	76,736	20,050	158,204	26,714
Externally restricted	41,794	-	-	-	74,978	42,783
Internally restricted	-	-	-	-	-	-
Unrestricted	-	(38,141)	76,736	20,050	83,226	(16,069)