

**Heritage Foundation of
Newfoundland and Labrador**
Annual Report 2025-26



Heritage NL

Message from the Chairperson

This report outlines the work and accomplishments of the Heritage Foundation of Newfoundland and Labrador for the period of April 1, 2025, to March 31, 2026. This report is submitted in accordance with the obligation as a category 3 entity under the **Transparency and Accountability Act** and was prepared under the direction of the Board, which is accountable for the actual results reported.

The Heritage Foundation had a productive year for 2025-26 and was particularly proud to commemorate the 100th anniversary of women achieving the right to vote and hold public office. The Heritage Foundation was also active in municipal outreach activities including: travelling across the province to teach seniors how to braid rugs; teaching window restoration workshops in Fogo Island and Cartwright, Labrador; and documenting and sharing stories of our distinct historic places.

The Registered Heritage Structure designation program recognized key historic places, including the Gander International Airport Lounge. Throughout the reporting period, Heritage NL funded six major restoration projects and a variety of maintenance grants to support owners of heritage structures across the province. As we move forward, the Heritage Foundation is focused on public outreach, programming, and elevating marginalized voices from our past, including Indigenous, multi-ethnic, and women's heritage.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Reynolds', written in a cursive style.

Matt C. Reynolds
Chairperson

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Entity Overview

Organizational Structure

The Heritage Foundation of Newfoundland and Labrador (Heritage NL) is a Crown Agency established by the Government of Newfoundland and Labrador in 1984 to stimulate an understanding of and an appreciation for the architectural heritage of the province. Heritage NL is the sole organization in the province mandated by the Provincial Government to preserve one of the most visible dimensions of Newfoundland and Labrador culture - its architectural heritage.

Heritage NL supports and contributes to the preservation and restoration of buildings of architectural or historical significance. It designates buildings and other structures as Registered Heritage Structures and may provide grants for the purpose of preservation and/or maintenance of such structures. Heritage NL also has an educational role and undertakes or sponsors events, publications and other projects designed to promote the value of our built environment. In 2008, Heritage NL was chosen to lead and implement the province's Intangible Cultural Heritage Strategy. This strategy's goals are achieved through initiatives that celebrate, record, disseminate, and promote our living heritage and help to build bridges between diverse cultural groups within and outside Newfoundland and Labrador. Additional information about Heritage NL, include its mandate, vision and lines of business, can be found in its [2023-26 Activity Plan](#).

Staff and Budget

As of 31 March 2026, Heritage NL employed three full-time staff, one part-time staff, and three full-time contract employees. In fiscal 2025-26, Heritage NL's actual revenue was \$847,727.

Board of Directors

As of March 31, 2026, the members of Heritage NL's Board of Directors are as follows:

Chairperson: Matt C. Reynolds (Corner Brook)

Vice Chair: Pamela Gill (Corner Brook)

Treasurer: Lorna Sargent (Lewisporte)

Past Chair: Dr. Lisa Daly (St. John's)

Members: Dr. Roza Tchoukaleyska (London, ON)

Philip Wood (Bay Roberts)

Marilyn Coles-Hayley (Elliston)

Duane Collins (Hare Bay)

Kyla Miranda (St. John's)

Kerri Abbott (Carbonear)

Christina Harrington, Assistant Deputy Minister, Department of Tourism,
Culture, Arts and Recreation (ex-officio)

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Highlights and Partnerships

Highlights

In the fiscal year 2025-26, Heritage NL:

- disbursed \$142,703 in grants for the restoration of historic places;
- designated two historic places as Registered Heritage Structures, including the iconic mid-century-modern Gander Airport International Lounge;
- coordinated the fifth Newfoundland and Labrador Youth Heritage Forum, drawing in 75 students, youth, and emerging professionals from across the province;
- received artwork from seven hundred and forty entrants in the annual student Heritage Poster Contest;
- unveiled 11 new heritage plaques for Registered Heritage Structures;
- created Wooden Window Restoration Workshops in St. John's, Fogo Island, and Cartwright; and
- hosted over 1400 participants in various community workshops, sessions, and training opportunities.

Partnerships

In a new partnership with The Rooms, a series of hands-on Craft at Risk workshops were delivered in the fall of 2025. These workshops featured instruction by a tradition-bearer, and included:

- Sharpening and Care for Heritage Tools
- How to Make a Birch Broom
- Historic Wood Windows
- Using Natural Dyes
- Loom Weaving

In February 2026, Heritage NL celebrated National Heritage Week with the unveiling of the winners of our 21st annual Heritage Places Poster Contest. Seven hundred and forty entries were received from 40 schools across the province. This included students from

NL Schools, Le Conseil scolaire francophone provincial de Terre-Neuve-et-Labrador, Indigenous schools, private schools, and home-schooled students.

During National Heritage Week, also in February 2026, Heritage NL challenged municipalities around the province to highlight their own unique heritage on their social media platforms. Many municipalities took up the challenge by highlighting local heritage designations, museums, heritage groups, heritage champions, tradition bearers, and digital heritage collections, and by signing Heritage Day/Week proclamations.

In May 2025, Heritage NL partnered with the Sheep Producers Association of Newfoundland and Labrador (SPANL), NONIA, and the O'Brien Farm Foundation on the second Sheep to Sock fibre festival. Hundreds of people came through O'Brien Farm including Thimble Cottage Registered Heritage Structure to see the entire process of producing socks from sheep's wool. It included several sheep shearing demonstrations by SPANL as well as craftspeople showcasing knitting, carding, spinning, felting, tanning, and darning. It continues to be an incredibly popular event, particularly with young families.

Report on Performance

Strategic Issue: Support Historic Places and Living Heritage of the Province

Support for the cultural heritage of the province by Heritage NL has several different facets, all of which are intertwined and build on one another. These include: 1) plaquing historic places and commemorating the people, events, and unique cultural traditions important to Newfoundlanders and Labradorians; 2) documenting and celebrating cultural heritage and the intangible values of historic places; and 3) safeguarding skills and traditional knowledge required for the conservation of crafts at risk and trades knowledge required for the maintenance and repair of historic places.

2025-26 Objective

By March 31, 2026, Heritage NL will have supported and promoted heritage; safeguarded and developed the province's built and intangible heritage assets; and educated the public on the subject of cultural heritage.

Indicator 1: Heritage NL will have funded initiatives to support the cultural heritage of the province.

In 2025-26, six heritage properties in Newfoundland and Labrador were awarded revitalization grants to assist with larger-scale restoration projects. A total of \$100K was approved for properties including:

- [Drake House Museum](#) in Arnold's Cove for exterior work repairing and repainting clapboard and trim;
- The [Butler Property](#) in Cupids and the [Our Lady of Mercy Museum](#) in Port au Port West for heritage window repair and storm window fabrication;
- [St. Paul's Anglican Church](#) in Trinity for much-needed roof repair;
- The iconic [Devon House](#) on Duckworth Street, St. John's, and the [Sexton/Wilansky](#) House in Trinity, to have trim, detailing, and exterior materials repaired and restored.

Also in 2025-26, an additional \$50K was approved for maintenance grants for the following properties:

- Avondale - [Avondale Railway Station](#)
- Bonavista - [Henry Tremblett House](#) and [Jubilee](#) House
- Burin - [Ross Property](#)
- Brigus - [Fowler House](#)
- Deer Lake - [Aitken Property](#)
- Dildo- [Lloyd George House](#)
- Fogo Island - [Fogo Roman Catholic School](#)
- Greenspond - [Greenspond Courthouse](#)
- Harbour Grace - [Payne House](#) and the [Parsons-Collis Building](#)
- Newtown - [Emma and Philip Templeman](#) Property

- Pouch Cove - [Clifton Lodge SUF #46](#)
- St. John's - [Retreat Cottage](#), [St. Joseph's Chapel](#) (Blackhead), [St. Thomas' Anglican Church](#), and [Yellow Belly Corner](#).

Heritage NL also designated two historic places as Registered Heritage Structures, the [Thomas and Mary Jane Wells House](#), Little Bay, and the [Gander Airport International Lounge](#).

Indicator 2: Heritage NL will have undertaken research projects on Registered Heritage Structures, Districts, and historic places, and shared these with the public;

Heritage NL undertook research projects on the following and made them freely accessible online:

- [Three Families of Limeville](#), The Battery, St. John's
- [Architectural History of Bleak House, Fogo](#), Fogo Island
- [The Butler Family Collection](#), Cupids
- [St. Michael's Convent, Belvedere](#), St. John's
- [Bank of British North America/Anna Templeton Centre](#), St. John's
- [Ocean Sciences Centre Fieldnote](#), Logy Bay

Heritage NL also completed three technical and historic reports on wooden windows:

- [Benefits of Wooden Windows](#)
- [Measuring Muntins](#)
- [A Brief History of Windows](#)

Indicator 3: Heritage NL will have added to its plaquing program for Registered Heritage Structures across the province;

Since April 2025, 11 plaques were installed for the following properties:

- [Sunnyside Lodge](#) in St. John's
- [Surgeon Cove Head Light Station](#) in Surgeon Cove Head
- [St. Peter's Anglican Church](#) in Twillingate

- [Bank of British North America](#) (now Anna Templeton Centre) in St. John's
- [Hodge Brothers Premises](#) in Twillingate
- [Aitken Property](#) in Deer Lake
- [Sunny Cottage](#) in Harbour Breton
- [Our Lady of Mercy Museum](#) in Port au Port West
- [Butler Property](#) in Cupids
- [St. Andrew's Presbyterian Church](#) (The Kirk) in St. John's
- [Newman's Fish Store](#) in Gaultois

Several in-person plaque presentations were made in 2025-26 including to the Bank of British North America, the Hodge Brothers Premises, the Butler Property, and the Newman's Fish Store.

Indicator 4: Heritage NL will have celebrated and documented important aspects of the Province's Intangible Cultural Heritage, Crafts at Risk; and the 100th anniversary of women achieving the right to vote and hold public office.

Heritage NL sees the protection and safeguarding of its tangible and intangible heritage assets as not only a means of supporting pride and identity but as a tool for community, social, and economic well-being. The Supporting Healthy Aging through Rug Making project created 12 braided rug workshops, offered in rural communities across the province. The workshops used upcycled materials, and showed seniors how to create beautiful braided rugs. These workshops were organized by seniors in each community. Heritage NL partnered with seniors involved with local museums, cultural organizations, and 50+ clubs to bring together local seniors, create partnerships, and plan each event. As a result of the workshop seniors noted the meditative aspect of the craft citing the braiding or sewing as their favourite part of the braided rug. The camaraderie and the social aspect were also highlighted by participants.

Heritage NL facilitated a four-week oral history class, giving a background on conducting research interviews in the field. It provided an overview of the methodology and explored the practical matters of creating, designing, and executing effective oral history research projects, project planning, interview questions, ethical issues, and

recording equipment. Heritage NL's scanning event focusing on women's labour was featured by CBC NL. Held at the Torbay History House, keepsakes ranging from family photographs and film negatives to journal entries and newspaper clippings, were collected and documented so they could take their place in the history books. The Women's Suffrage Movement in Newfoundland and Labrador was [designated in 2025](#) as an Outstanding Historic Event by Heritage NL. Through its commitment to imagining a better future for all, the women's suffrage movement brought about remarkable change and left a profound legacy.

Indicator 5: Heritage NL will have facilitated training opportunities around the conservation of built heritage and traditional architectural skills, particularly concerning wooden windows and doors.

Heritage NL was approved for funding under the Labour Market Partnerships program of the Department of Immigration, Population Growth and Skills for the project Wood Window Repair and Fabrication Training. Under this two-year project, Heritage NL encouraged the restoration and repair of wooden windows, addressing a labour shortage in the sector, the shortage of year round job opportunities for heritage carpentry, and the lack of community and organizational capacity around proper heritage conservation.

In April 2025, Heritage NL, the Newfoundland and Labrador Historic Trust, and the O'Brien Farm Foundation co-hosted a booth at the Home Show at the Glacier in Mount Pearl, showcasing the importance of window restoration, and giving demonstrations on reglazing to a new and curious audience. In May 2025, heritage carpentry trainer and Heritage NL trainee travelled to Fogo Island to deliver a training session on the restoration and repair of historic windows, in partnership with the Town of Fogo Island and including carpenters from the Shorefast foundation. A series of wooden window restoration workshops were held in St. John's throughout June 2025, and in October 2025, heritage carpenter travelled to Cartwright, Labrador, to deliver two heritage window restoration workshops in partnership with NunatuKavut Community Council, in preparation for their proposed restoration of the historic Dove Brook Church.

Opportunities & Challenges

Opportunities

In 2025-26, Heritage NL visited communities across the province to host photo “scanning parties” to document, preserve, and share old photographs for the communities. Community members came out to share images of their families, friends, and other members of the community, along with the many places and buildings that played an important role in growing up in rural Newfoundland and Labrador. The public events provided locals with the opportunity to meet with each other and share memories that were evoked by seeing each other's images. Events were held in Old Perlican, Mount Pearl, Torbay, Logy Bay - Middle Cove - Outer Cove, and Cow Head, with an online training session held in partnership with the Association of Newfoundland and Labrador Archives (ANLA) to train community members on how to run similar sessions themselves.

Over the past year, there has been much discussion about the need to re-establish heritage carpentry programs as components of skilled trades training at the college level. There seems to be a desire for regular offerings of professional development courses or micro-credential opportunities for those currently working in the industry. Enhanced financial support for heritage conservation internships would allow students to work on ongoing restoration projects and gain valuable experience on-site.

Challenges

Insurance for Historic Places

In response to the struggle of heritage property owners in Atlantic Canada with increasing insurance rates and coverage cancellations, Heritage NL hosted an online informational webinar, co-sponsored by the Heritage Trust of Nova Scotia, Association Heritage New Brunswick, and the Newfoundland and Labrador Historic Trust. The webinar, which drew participants from across the country, included a discussion on the

issues and a presentation from the Consumer and Industry Relations Manager for Atlantic Canada with the Insurance Bureau of Canada (IBC), the national industry association. The webinar included information for property owners on what makes heritage properties different from other types of properties, strategies for enhancing coverage and comparing premiums, claims, and resources available through the IBC.

Threats to Heritage Buildings

Historic buildings and structures across the province continue to be at risk from a variety of factors:

- demolition in order to redevelop the land on which they are situated (e.g., historic houses on large properties);
- failure to appreciate or understand their historic value and potential for redevelopment (e.g., historic industrial buildings);
- oceanside fisheries heritage structure such as stages and stores are at risk to damage due to increasing storm surge as a result of climate change; and,
- under-utilization or impending redundancy (particularly with regards to historic church buildings and institutional structures).

Other challenges include the continual cost rise in materials and labour related to the conservation of historic properties.

Gender-Based Analysis Plus (GBA+)

Gender-Based Analysis Plus (GBA+) is an analytical tool used to support the development of responsive and inclusive policies, programs, and other initiatives. Heritage NL recognizes the importance of taking a gender- and diversity-sensitive approach to our work, reflecting the Province's commitment to an "all of government" approach to GBA+ and is committed to exploring a diverse range of factors in the development of programs and projects.

As part of Heritage NL's Provincial **Historic Commemorations** Program, **Louise Saunders** was [officially commemorated](#) as the first female lawyer to be called to the bar and bestowed the honor of being named Queen's Counsel (QC) in Newfoundland and Labrador. Saunders was a prolific lawyer, reader, and student of the law. Originally from Greenspond, Saunders completed her education and began her working life in St. John's. Following her education, she became employed by Sir Richard Squires in his law practice as a legal secretary. Saunder's later worked as a secretary as Squires was Prime Minister of Newfoundland and later campaigned for his wife, Lady Helena Squires.

Saunders was also deeply involved in women's organizations in St. John's such as acting as a founding member of what became the YWCA locally. Saunders was also a painter, with her paintings appearing in private collections and the Arts and Letters Show in St. John's. Saunders was commemorated for her trailblazing contributions to women's political, legal, and social life in Newfoundland and Labrador.

Financial Information



Financial Statements

Heritage Foundation of Newfoundland and
Labrador

March 31, 2026

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Independent Auditor's Report

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To the Chairperson and Members
Heritage Foundation of Newfoundland and Labrador

Opinion

We have audited the financial statements of the Heritage Foundation of Newfoundland and Labrador ("the Foundation"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, change in net financial assets and cash flow 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 Heritage Foundation of Newfoundland and Labrador as at March 31, 2026, and its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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 related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to 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.

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 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 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 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.

St. John's, Canada
October 5, 2026

Doane Grant Thornton LLP

Chartered Professional Accountants

Heritage Foundation of Newfoundland and Labrador

Statement of Financial Position

Year Ended March 31

2026

2025

Financial assets

Cash	\$ 93,945	\$ -
Portfolio investments (Note 3)	700,122	800,122
Accounts receivable (Note 4)	<u>33,182</u>	<u>41,414</u>
	<u>\$ 827,249</u>	<u>\$ 841,536</u>

Liabilities

Bank overdraft	\$ -	\$ 9,371
Accounts payable and accrued liabilities	3,502	-
Accrued salaries and employee benefits	41,213	22,586
Deferred revenue (Note 6)	<u>718,827</u>	<u>718,091</u>
	<u>\$ 763,542</u>	<u>\$ 750,048</u>

Net financial assets	<u>\$ 63,707</u>	<u>\$ 91,488</u>
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Non-financial assets

Tangible capital assets (Note 7)	\$ -	\$ -
Prepaid expenses	<u>923</u>	<u>217</u>
	<u>923</u>	<u>217</u>

Accumulated surplus	<u>\$ 64,630</u>	<u>\$ 91,705</u>
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Contractual obligations (Note 12)

On behalf of the Foundation

 Chairperson
 Member

See accompanying notes to the compiled financial information.

Heritage Foundation of Newfoundland and Labrador

Statement of Operations

Year Ended March 31	Budget 2026 (Note 14)	2026	2025
Revenue			
Province of Newfoundland and Labrador (Note 14)	\$ 524,100	\$ 733,807	\$ 622,907
Government of Canada	20,309	72,228	25,315
Conference and event fees	1,700	5,951	50
Income from portfolio investments	40,000	30,004	38,717
Interest revenue	-	239	378
Miscellaneous	-	5,498	6,089
	<u>586,109</u>	<u>847,727</u>	<u>693,456</u>
Expenses			
Heritage grants	150,000	142,703	134,423
Fisheries Heritage Preservation	-	1,364	-
Registered Heritage Districts	-	-	1,226
Other initiatives	-	615	752
Administration	250,860	438,002	323,219
Labour Market Partnership Program (Note 10)	100,000	108,347	99,678
Intangible Cultural Heritage Strategy (Note 11)	87,000	183,771	127,369
	<u>\$ 587,860</u>	<u>\$ 874,802</u>	<u>\$ 686,667</u>
Annual (deficit) surplus	\$ (1,751)	\$ (27,075)	\$ 6,789
Accumulated surplus, beginning of year	<u>74,934</u>	<u>91,705</u>	<u>84,916</u>
Accumulated surplus, end of year	<u>\$ 73,183</u>	<u>\$ 64,630</u>	<u>\$ 91,705</u>

See accompanying notes to the compiled financial information.

Heritage Foundation of Newfoundland and Labrador Statement of Change in Net Financial Assets

Year Ended March 31	Budget 2026	2026	2025
Annual (deficit) surplus	<u>\$ (1,751)</u>	<u>\$ (27,075)</u>	<u>\$ 6,789</u>
Prepaid expenses			
Acquisition of prepaid expenses	-	(923)	(217)
Use of prepaid expenses	<u>-</u>	<u>217</u>	<u>1,026</u>
	<u>\$ -</u>	<u>\$ (706)</u>	<u>\$ 809</u>
(Decrease) increase in net financial assets	(1,751)	(27,781)	7,598
Net financial assets, beginning of year	<u>91,488</u>	<u>91,488</u>	<u>83,890</u>
Net financial assets, end of year	<u>\$ 89,737</u>	<u>\$ 63,707</u>	<u>\$ 91,488</u>

See accompanying notes to the compiled financial information.

Heritage Foundation of Newfoundland and Labrador

Statement of Cash Flows

Year Ended March 31	2026	2025
Operating transactions		
Annual (deficit) surplus	<u>\$ (27,075)</u>	<u>\$ 6,789</u>
Change in non-cash operating items		
Accounts receivable	8,232	(6,762)
Accounts payable and accrued liabilities	3,502	-
Accrued salaries and employee benefits	18,627	(2,310)
Deferred revenue	736	(44,902)
Prepaid expenses	<u>(706)</u>	<u>809</u>
Cash provided from (applied to) operating transactions	<u>\$ 3,316</u>	<u>\$ (46,376)</u>
Investing transactions		
Purchase of portfolio investments	(900,000)	(800,000)
Redemption of portfolio investments	<u>1,000,000</u>	<u>700,000</u>
Cash provided from (applied to) investing transactions	100,000	(100,000)
Increase (decrease) in cash	103,316	(146,376)
(Bank overdraft) cash, beginning of year	<u>(9,371)</u>	<u>137,005</u>
Cash (bank overdraft), end of year	<u>\$ 93,945</u>	<u>\$ (9,371)</u>

See accompanying notes to the compiled financial information.

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

March 31, 2026

1. Nature of operations

The Heritage Foundation of Newfoundland and Labrador ("the Foundation") operates under the authority of the Historic Resources Act. Its affairs are managed by members of the Foundation appointed by the Lieutenant-Governor in Council.

The objectives of the Foundation are:

- (a) to stimulate an understanding of and appreciation for the architectural heritage of the Province;
- (b) to support and contribute to the preservation, maintenance and restoration of buildings and other structures of architectural or historical significance in the Province; and
- (c) to contribute to the increase and diffusion of knowledge about the architectural heritage of the Province.

The Foundation is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

Basis of accounting

The Foundation is classified as an Other Government Organization as defined by Canadian Public Sector Accounting Standards ("CPSAS"). These financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Canadian Public Sector Accounting Board ("PSAB"). The Foundation does not prepare a statement of remeasurement gains and losses as the Foundation does not enter into relevant transactions or circumstances that are being addressed by the statement.

Financial instruments

The Foundation's financial instruments recognized on the statement of financial position consist of cash, portfolio investments, accounts receivable, accounts payable and accrued liabilities, and accrued employee benefits. The Foundation generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition. The Foundation subsequently measures all of its financial assets and financial liabilities at cost.

The carrying values of cash, portfolio investments, accounts receivable, accounts payable and accrued liabilities, and accrued employee benefits approximate fair value due to their nature and/or the short-term maturity associated with these instruments.

Interest attributable to financial instruments is reported on the statement of operations.

Cash

Cash includes balances with banks that fluctuate from positive to negative.

Heritage Foundation of Newfoundland and Labrador Notes to the Financial Statements

March 31, 2026

2. Summary of significant accounting policies (cont'd.)

Employee future benefits

The employees of the Foundation are covered by the Public Service Pensions Act, 2019, or a self-directed RRSP. For employees covered by the self-directed RRSP, the Foundation will contribute at the same rates as the Public Service Pension Plan based on the employee's salary to the self-directed RRSP but there is no requirement for the employee to match the contributions.

For employees covered by the Public Service Pensions Act, 2019, employee contributions are matched by the Foundation and then remitted to Provident¹⁰ from which pensions will be paid to employees when they retire. This plan is a multi-employer, defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best six years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best five years of earnings up to January 1, 2015, or the average of the best six years of earnings for all service.

The contributions of the Foundation to both the self-directed RRSPs and Provident¹⁰ are recorded as an expense for the year.

Tangible capital assets

Tangible capital assets are recorded at cost, including amounts that are directly related to the acquisition of the assets.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

System development	5 years
Office and Computer equipment	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Minor tangible capital asset purchases are charged to operations in the year of acquisition.

Prepaid expenses

Prepaid expenses are charged to the expense over the periods expected to benefit from it.

Revenues

Revenues are recognized in the periods in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

March 31, 2026

2. Summary of significant accounting policies (cont'd.)

The Foundation recognizes government transfers as revenues when the transfer is authorized, any eligibility criteria are met, except when and to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability for the Foundation.

Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenues are recognized in the statement of operations as the stipulations related to the liabilities are settled. Government transfers consist of funding from the Province of Newfoundland and Labrador and the Government of Canada.

Income from portfolio investments is recorded as earned.

Revenue from conference and event fees is recorded when the performance obligation of hosting the event has been satisfied.

There is no revenue from non-recurring activities presented in these financial statements.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is recorded as an expense.

Government transfers are recognized as expenses in the period in which the transfer is authorized, and all eligibility criteria have been met. Government transfers include grants and subsidies under the Foundation's Registered Heritage Structures grant program and other projects as directed by the Province.

Measurement uncertainty

The preparation of financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

3. Portfolio investments	<u>2026</u>	<u>2025</u>
Portfolio investments, at cost	<u>\$ 700,122</u>	<u>\$ 800,122</u>
Portfolio investments, at market	<u>\$ 700,122</u>	<u>\$ 800,122</u>

Investments consist of Guaranteed Investment Certificates, with maturity dates ranging from May 15, 2025, to May 15, 2026, and interest rates ranging from 2.75% to 4.30%.

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

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4. Accounts receivable	<u>2026</u>	<u>2025</u>
Investment income receivable	\$ 20,676	\$ 27,846
Harmonized sales tax receivable	<u>12,506</u>	<u>13,568</u>
	<u>\$ 33,182</u>	<u>\$ 41,414</u>

There is no allowance for doubtful accounts since all amounts are considered collectible.

5. Retirement benefits

The Foundation and certain of its employees are subject to the Public Service Pensions Act, 2019. The plan is administered by Provident10, including payment of pension benefits to employees to whom the Act applies.

The plan provides a pension to employees based on their age at retirement, length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2025 - 11.85%). The Foundation's contributions equal the employee contributions to the plan. Total pension expense for the Foundation for the year ended March 31, 2026, was \$27,838 (2025 - \$22,059).

For those employees not covered by the Public Service Pension Plan, the Foundation will make an annual contribution equal to the rate provided under the Public Service Pension Plan (maximum of 11.85% of the employee's salary) to a self-directed RRSP. There is no requirement that the employee make a matching contribution. Contributions to self-directed RRSPs for the year ended March 31, 2026, were \$4,042 (2025 - \$3,981).

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

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6. Deferred revenue

Deferred revenue includes contributions received from the Province of Newfoundland and Labrador and Government of Canada. The contributions received from the Province of Newfoundland and Labrador are to be used for the payment of heritage grants and other heritage initiatives as directed by the Province. The contributions received from the Government of Canada are to be used for the New Horizons for Seniors Program and the Virtual Museum.

	<u>Balance Beginning of year</u>	<u>Receipts during year</u>	<u>Transferred to revenue</u>	<u>Balance end of year</u>
Registered Heritage Structures	\$ 376,925	\$ 150,000	\$ 146,288	\$ 380,637
Fisheries Heritage Preservation Program	<u>49,559</u>	<u>-</u>	<u>1,365</u>	<u>48,194</u>
Sub-total Heritage Grants	426,484	150,000	147,653	428,831
Ecclesiastical	77,986	-	-	77,986
Commemorations	41,241	-	24,374	16,867
Government of Newfoundland and Labrador	-	131,400	-	131,400
Registered Heritage Districts	34,738	-	-	34,738
New Horizons for Seniors Program	29,458	44,950	49,766	24,642
Multiculturalism	-	1,500	-	1,500
JCP Project	-	3,570	707	2,863
Labour Market Partnership Program (Note 10)	<u>108,184</u>	<u>-</u>	<u>108,184</u>	<u>-</u>
	<u>\$ 718,091</u>	<u>\$ 331,420</u>	<u>\$ 330,684</u>	<u>\$ 718,827</u>

Heritage Foundation of Newfoundland and Labrador Notes to the Financial Statements

March 31, 2026

7. Tangible capital assets

	<u>Office and Computer Equipment</u>	<u>Total</u>
Cost		
Balance, March 31, 2025	\$ 78,224	\$ 78,224
Acquisition of tangible capital assets	<u>-</u>	<u>-</u>
Balance, March 31, 2026	78,224	78,224
Accumulated amortization		
Balance, March 31, 2025	78,224	78,224
Amortization expense	<u>-</u>	<u>-</u>
Balance, March 31, 2026	78,224	78,224
Net book value, March 31, 2025	\$ -	\$ -
Net book value, March 31, 2026	\$ -	\$ -

8. Accumulated surplus

Section 25 of the Historic Resources Act requires the Foundation to maintain a Fund of monies voted to it by the Legislature and of other monies received by way of gift, bequest, donation or otherwise. Disbursements from the Fund may be made by the Foundation for the purposes set out in the Legislation. The Fund consists of the accumulated surplus of the Foundation. As at March 31, 2026, the Fund balance was \$64,630 (2025 - \$91,705).

Heritage Foundation of Newfoundland and Labrador Notes to the Financial Statements

March 31, 2026

9. Expenses by object

The following is a summary of expenses by object:

	<u>2026</u>	<u>2025</u>
Communications	\$ 14,119	\$ 7,693
Grants	340,069	174,744
Professional services	3,526	8,969
Property, furnishings, and equipment	-	7,686
Purchased services	15,002	79,134
Salaries and benefits	495,764	395,617
Travel	6,322	12,824
	<u>\$ 874,802</u>	<u>\$ 686,667</u>

10. Labour Market Partnership Program

On March 1, 2024, an Agreement ("the Agreement") respecting a project called "Labour Market Partnerships" was signed between the Foundation and the Province. The Agreement provides funding for training to address a labour shortage in the building restoration sector related to the restoration and repair of wooden windows. The maximum amount to be contributed is \$207,862.

The Foundation received funds totalling \$207,862, up to March 31, 2026. Expenses incurred during the year were \$108,184, resulting in revenue of \$108,184 being recognized.

11. Intangible Cultural Heritage Strategy

In 2008, the Province appointed the Foundation to lead and implement the Province's Intangible Cultural Heritage Strategy ("the Strategy"). The mission of the Strategy is to safeguard and sustain the Intangible Cultural Heritage of Newfoundland and Labrador for present and future generations, as a vital part of the identities of Newfoundlanders and Labradorians, and as a valuable collection of unique knowledge and customs. During the year ended March 31, 2026, the Foundation recognized \$169,928 (2025 - \$114,962) in revenue and incurred expenses of \$183,771 (2025 - \$127,369) related to the Strategy.

12. Contractual obligations

As at March 31, 2026, the Foundation had committed \$243,018 (2025 - 206,910) in the form of heritage grants approved but not yet disbursed or rescinded. Future disbursements related to these heritage grants will be recorded as reductions to deferred revenue. The Foundation adopted a policy with respect to heritage grant commitments requiring that all grants approved be available for a period of two years from the date of grant approval. Clients not utilizing the heritage grants within this timeframe will forfeit their right to these heritage grants, unless an extension is granted.

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

March 31, 2026

13. Financial risk management

The Foundation recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The risks that the Foundation is exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Foundation's exposure to these risks or its processes for managing these risks from the prior year.

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. The Foundation's main credit risk relates to cash, portfolio investments and accounts receivable. The Foundation's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Foundation is not exposed to significant credit risk with its cash or portfolio investments because these financial instruments are held with a Credit Union. The Foundation is not exposed to significant credit risk related to its accounts receivable as these amounts are due primarily from a Credit Union or the Government of Canada. Accordingly, there is no allowance for doubtful accounts as all amounts are considered collectible.

Liquidity risk

Liquidity risk is the risk that the Foundation will be unable to meet its financial liabilities and contractual obligations. The Foundation's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, accrued employee benefits, and its contractual obligations as disclosed in Note 12. The Foundation manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities and contractual obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk, and other price risk. The Foundation is not exposed to significant foreign exchange or other price risk. The Foundation is not exposed to significant interest rate risk related to its portfolio investments because these investments have fixed interest rates and fixed values at maturity.

14. Budgeted figures

Budgeted figures, which have been prepared on a cash basis, are provided for comparison purposes and have been derived from the estimates approved by the Board of Directors of the Foundation.

Heritage Foundation of Newfoundland and Labrador

Notes to the Financial Statements

March 31, 2026

15. Related party transactions

The Foundation receives grant funding from the Province of Newfoundland and Labrador. During the year, the Foundation received grants totaling \$698,281 (2025 - \$588,320). The Foundation recognized \$733,807 (2025 - \$622,907) in revenue from the Province of Newfoundland and Labrador, including deferred revenue recognized in the fiscal year in which it is spent.

The Foundation leases office space from the Province of Newfoundland and Labrador at an annual rate of \$1.

16. Non-financial assets

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Foundation. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Foundation's objectives.