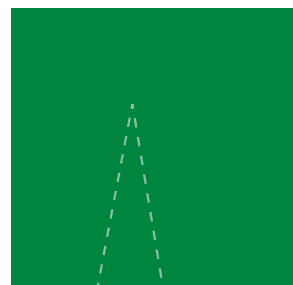




2015 Annual Report



It's Our
Privilege to
Serve You





Brian McFarlane, FCPA, FCGA
*Chief Executive Officer,
Kensington Health Centre*



Jim Nelles
*Chair,
Kensington Health Centre*

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER AND THE BOARD CHAIR

As Toronto's aging population continues to grow, it is crucial to develop innovative health care solutions to better serve that community.

At Kensington Health Centre, we're at the forefront of this shift, and our goal is to be a model of integration and collaboration in the city.

Over the past year, we've continued to strive toward achieving our vision by expanding our scope and breadth of services. We've integrated with The Eye Bank of Canada (Ontario Division), Ontario's largest eye and tissue donation bank for sight-saving transplants, and The Second Mile Club, which provides community support services to enhance the quality of life for seniors and disabled adults. We're so pleased that both high-profile, high-impact health care organizations are now part of the Kensington Health family.

We continue to foster relationships with major health service providers in the city. Kensington Health Centre collaborates with Princess Margaret Cancer Centre and the Toronto Western Hospital to treat residents in our Hospice. We also work with outreach teams from Baycrest, an academic health sciences centre that provides care for older adults, and University Health Network to help residents with a number of medical conditions who live in our long-term care home called Kensington Gardens. All parties benefit from the opportunity to share knowledge, best practices, and expertise that working together provides.

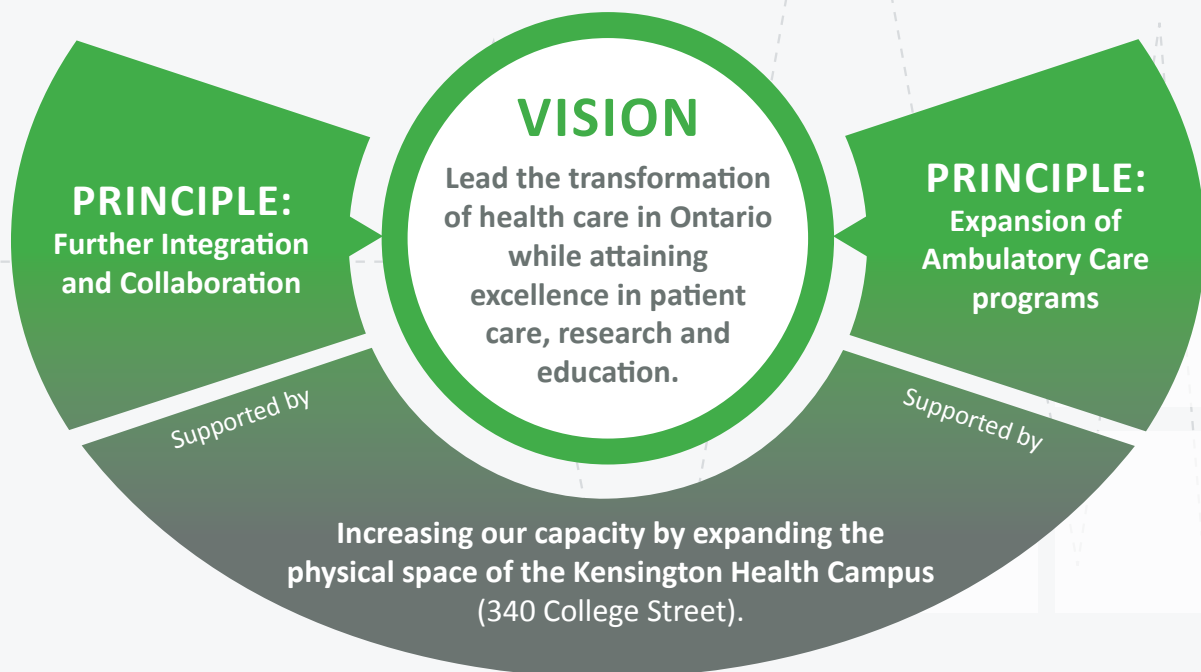
The Second Mile Club also offers unique strengths. Kensington Health Centre has leveraged the group's multiple campuses to treat seniors and disabled adults across Toronto, and its well-deserved reputation for

excellence in providing in-home visits and day programs. These services are critical for people who choose to age at home, as well as for those who are waiting for an opportunity to move into long-term care. Kensington Gardens alone has more than 600 people on our wait list, and The Second Mile Club will help us support them while they're waiting.

We're proud to say Kensington Health Centre has and will continue to be an industry leader in providing innovative solutions for community health care services. By focusing on unmet needs, underserved areas and opportunities for growth, we've developed the first and only residential hospice for end-of-life care in downtown Toronto.

We've also set the standard in long-term care by appointing a nurse practitioner at Kensington Gardens. And this year, thanks to integrating The Second Mile Club,

KENSINGTON HEALTH'S VISION FOR THE FUTURE IS GUIDED BY THE FOLLOWING PRINCIPLES



we will be providing even more cohesive community services.

These moves are in alignment with the priorities of The Ministry of Health and Long-Term Care and of the Toronto Central Local Health Integration Network (LHIN), which have focused on transforming primary health and community care, and promoting an approach that will reduce inequity and benefit the entire population.

We can't do it alone. Kensington Health Centre is a non-profit organization, and although we receive funding from the government, it only covers a proportion of our operating costs. As a result, we rely wholly on donations to fund our many programs and services.

This year, the importance of philanthropy was highlighted as we fundraised for a large investment in refurbishing

Kensington Gardens, home to over 350 residents in Toronto. Thanks to a grant of more than \$1 million from the Kensington Foundation, our residence has benefited from a modern renovation. We are indebted to those donors, as well as our many volunteers and family members.

In December, we welcomed John Yip as President of Kensington Health with the responsibility for providing strategic and operational leadership. John brings 17 years of experience in the health care industry and was most recently the Vice-President, Corporate Services at Health Quality Ontario. We look forward to his contributions to Kensington Health.

By working with our community and with Toronto's cutting-edge health care providers, we are continually finding ways to improve the quality of care and promote a high quality of

life for our residents, clients, caregivers and families. With the great contributions from our tremendous staff and outstanding leadership from our passionate volunteer Board of Directors, we look forward to continuing to grow our success in the years to come.

Brian McFarlane, FCPA, FCGA
Chief Executive Officer,
Kensington Health Centre

Jim Nelles
Chair,
Kensington Health Centre

YEAR IN REVIEW: CREATING AND GROWING OUR COMMUNITY

Kensington Health Centre is a leader in promoting quality of life, wherever people choose to live. Whether they're in long-term or palliative care, or they're in the community, using The Second Mile Club's day programs, in-home visits and support groups, seniors benefit from the innovative services and high-quality care that we offer.

Quality of life is also greatly enhanced through the services of The Eye Bank of Canada (Ontario Division). As the centre for donated eyes in the province of Ontario, The Eye Bank gives people the gift of sight. This partnership also strengthens the ties between the Kensington Health Centre services and those of our sister entity, the Kensington Eye Institute.

No matter where we reach our clients, Kensington Health Centre puts creating a sense of community at the heart of everything we do.

At Kensington Gardens, quality of life is our priority for each resident. There are a variety of

activities offered seven days a week for our residents - from tea and cocktails to pet therapy and outings in the city. This year, our life enhancement programs were expanded by adding evening events, which encourage family members, caregivers and friends to attend as well. Our first event was a jazz night, complete with live music. It got an overwhelmingly positive reaction - so much so



Kensington Health partners with
The Eye Bank of Canada

that we began doing themed events every month, from Hawaiian night that warmed our spirits in the middle of the winter to a 1950s bowling

night. Through these events, residents have a chance to make memories with their friends and families, and staff also get to connect with residents and families on a deeper level.

Another important component in creating a home-like atmosphere is our food. Kensington Health Centre takes pride in our wholesome, home-cooked meals. Some of our favourite recipes have come from a new initiative to incorporate our residents' home recipes into our menus. We know that food represents an emotional connection to residents' culture and personal history. So we're proud to have recipes like Nora's Coleslaw or Sheila's Caramel Custard in our repertoire.

Kensington Health Centre also submitted its first Quality Improvement Plan to Health Quality Ontario this past year. It addresses two of the Ministry's priority areas of falls prevention and emergency department visits - both of which are particularly high risk for elderly people.



503
staff

360
residents

1,500
community
clients

315
volunteers

360
cultural
events

20
languages
spoken

Our nurses and our Nurse Practitioner have taken additional training to help them recognize changes in residents' condition and do in depth geriatric assessments in-house, reducing the need for emergency department visits. We also revamped our process around falls, encouraging the team to pinpoint the root causes of falls to prevent falls in the future. We have seen progress on both fronts already.

Clinical programs at the Kensington Gardens and Hospice are often seen as best practice programs in our industry. This is reflected in the fact that we have been asked to do local, national,

and international presentations on various topics, including our continence program, our music therapy program, our use of CADD pumps (a pump that can deliver medication when person is mobile) and our integration of a Nurse Practitioner into the long-term care model.

At Kensington Health Centre, we are proud to be leaders in the fields of community, long-term, and palliative care. Our success comes from the unique

combination of providing excellent clinical care while never wavering on our dedication to provide the utmost quality of life possible. It's been an exciting year, and we're committed to continuing to grow our unique, caring community in the years ahead.



COMMUNITY CARE FOR EVERY PHASE OF LIFE: THE SECOND MILE CLUB COMES TO KENSINGTON

More than two million seniors live in Ontario - and over the next two decades, that number will more than double as our population ages. An increasing proportion of this population will choose to age at home. By integrating with The Second Mile Club, Kensington Health Centre will be able to provide a full continuum of care to seniors, from in-home visits to hospice care, in a cohesive, cost-effective manner.

home psychosocial support and homemaking assistance - as well as culturally specific services like tai chi. Over 1,000 people benefit from its services every year.

One of the most valued services it provides is a caregiver support group. Caregivers are a significant resource in our health-care system, offering vast amounts of their time and energy to loved ones living at home, in long-term care or in

the reach of The Second Mile Club's support groups because we recognize that they are such a critical service to our community.

With this partnership, The Second Mile Club will benefit from Kensington Health Centre's knowledge and resources and will increase the capacity to provide services in the community. Most importantly, this partnership will benefit seniors, who will gain access to a seamless, high-quality community care experience.

We want to be able to support people in our community, whatever their needs are. If they want to stay at home, if they want to come to long-term care, we're able to help them," says Nadine Persaud, Director of Client Services at Kensington Health Centre

Since it began in 1935, The Second Mile Club has been helping seniors and adults with disabilities thrive in the community. Its services span five sites across the city, and include day programs, in-

hospice care. But they're also at high risk of fatigue, strain and even burnout - especially those who are seniors themselves. Kensington Health Centre has worked to promote the visibility and expand

A HOLISTIC APPROACH TO HEALTH: ART AT KENSINGTON

Kensington Health Centre strives to offer our residents the best quality of life - which extends far beyond simply health care. That's one of the reasons why we embrace the arts, through music therapy and fine art.

Music therapy

Our music therapist, Sarah Rose Black, also works with the Princess Margaret Cancer Centre and lectures through the University Health Network and the University of Toronto. Black is well aware of the proven health benefits of music therapy, including reducing pain and anxiety and helping promote relaxation and connection.

At Kensington Health Centre, we've seen the effects of music therapy first hand. Some residents have composed songs for their families. Others, like

Lisa, have a musical background. The professional singer was inspired to join Black as she sang one of her favourite songs. After slowly joining in, she said, "That's the first time I've sung in years. It sounded terrible. But that ... that felt amazing."

are documentary photographs of Toronto taken by the award-winning photographer Vincenzo Pietropaolo. With themes of community, multiculturalism, and family at the heart of his work, his pieces perfectly suit the atmosphere and culture of Kensington Health Centre.

"Residents who move into long-term care may sometimes feel isolated, and art can be another way of making them feel at home, by bringing the community in," says Mélaïne Wistuba, the Quality Coordinator at Kensington Health Centre

Visual art and photography

Residents at Kensington Health Centre are surrounded by art, in the 180 pieces of art that line the walls of the Gardens, including paintings, mosaics, photographs and stained glass. More than 100

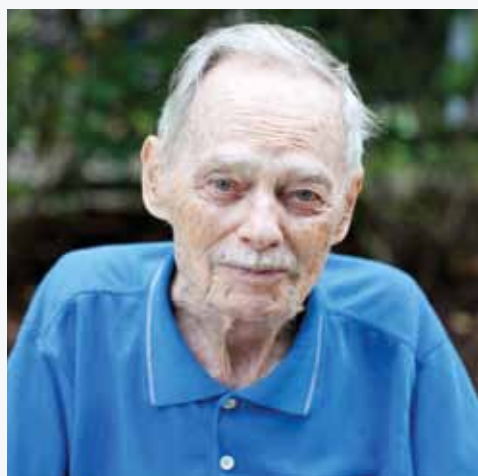
Many residents are artists themselves and we are proud to showcase their talents in an annual art show.





VOLUNTEER SPOTLIGHT

Volunteers are an essential part of life at Kensington Health Centre and are valued members of our circle of care. We depend on volunteers for help with a wide range of services that are offered at the Gardens, the Hospice and The Second Mile Club. Here are just a few of the many important volunteers who contributed to our community.



In memory of Hugh Jackson

Hugh Jackson was one of the first residents who moved into Kensington Gardens. Described by the staff as a man with passion and unwavering integrity, he was highly respected in his role as president of the North Resident Council, which he held for about 10 years. The council meets once a month to allow residents to share concerns and

advocate for their needs within the Gardens - as well as to coordinate more pleasant tasks, such as organizing the Christmas bazaar, the proceeds of which covered the costs of outings around town.

“The decade Hugh spent at Kensington was the best 10 years of his life,” says Alan, Hugh’s brother.



PARTNERING WITH TORONTO'S HOSPITALS, UNIVERSITIES AND COLLEGES

In our quest to provide the best possible care, Kensington Health Centre is always looking for ways to work with other world-class health care providers in Toronto.

We're pleased to work with some of the best universities and hospitals in the city, including the University of Toronto, Ryerson University, Princess

Margaret Cancer Centre, Toronto Western Hospital and Baycrest, an academic health sciences centre that provides care for older adults.

The Kensington Hospice is a partnership between Kensington Health Centre and Princess Margaret Cancer Centre. Dr. Gary Rodin, head of the

Princess Margaret's department of psychosocial oncology and palliative care, acts as the hospice's medical director, and we work with a team of palliative care physicians based out of Toronto Western Hospital.

Kensington Gardens also works with the outreach groups from hospitals to help us better serve



Judy Johnston

Judy Johnston has been volunteering with Kensington Hospice since it opened in 2011. As a facilitator for volunteer training, she now helps create a fun, reflective learning environment. Her trainees benefit from the wealth of knowledge she brings from her background in community health nursing management, as well as her deep passion for hospice care. Thanks to her compassionate and caring nature, she's a role model for other volunteers and a great ambassador for the Hospice.



Margaret Thatcher

Margaret's Thatcher's mother, Nettie, came to Kensington Gardens in 2014 and sadly passed away in February 2016. In those years, Thatcher became a treasured part of Kensington Health Centre as well. She worked enthusiastically to ensure her mother and all the residents had their share of special moments, from decorating the dining room for Valentine's Day to wrapping all 360 residents' doors like presents for Christmas. Every week, she scoured garage sales and flea markets, looking for treasures to hand out as prizes when she hosted bingo - ensuring, as she always did, that every resident felt like a winner.

our residents with dementia. Leslie Giddens-Zuker, a social worker with University Health Network's Geriatric Mental Health Outreach team, and registered nurse Melissa Turzanski, from The Baycrest Behavioural Support Outreach Team, are among those who offer consults and recommendations around self-protective behaviours from specific residents. The staff also receives general education from Mario Tsokas, a social worker

from University Health Network who specializes in geriatrics. He helps educate staff around the latest research and best practices for our patients with dementia and Alzheimer's.

Students also play a key role in our success. Residents, nurses and social workers from schools such as the University of Toronto and Ryerson University, train here, as they do in the best health care centres in the city. This year marks

the first year we had a nurse practitioner student training on-site at Kensington Gardens.

Kensington Health Centre is fortunate that it has the ability to form partnerships like these within the health care community found in Toronto. Together, we ensure our residents and clients get the best possible care.



HIKE FOR HOSPICE: COMING TOGETHER TO SUPPORT KENSINGTON HEALTH CENTRE

197
hikers

On May 3, 2015, Kensington Hospice held our 5th annual Hike for Hospice. We raised a total of \$55,295 and one hundred and ninety-seven hikers and 35 volunteers came together for the event.

This year marked the first year that teams from Kensington Gardens participated in the 2- and 5-km hike. Together, two Kensington Gardens teams raised over \$6,900 to improve quality of life for those entering end-of-life care. Mathew Ezard, who works at Sodexo (our food service provider at Kensington Health Centre) raised over \$2000. It was a true demonstration of the cross-organization community we have created at the Kensington Health Centre.

Over the past five years, this event has now raised over \$160,000 in support of the hospice and palliative care.

\$55,295
raised in 2015

\$160,000
raised to support the
hospice and palliative care



DONATIONS

WORKING TOGETHER TO ACHIEVE THE HIGHEST STANDARDS OF CARE

Working together to achieve the highest standards of care, Kensington Health Centre helps our residents and clients get the most out of every day. Our number one priority is ensuring our residents and clients have the highest possible quality of life.

Kensington Gardens offers all the comforts of home while making sure residents feel a sense of community. Kensington Hospice addresses the emotional, social

and spiritual needs of those at the end of their lives. The Second Mile Club provides support to those in the community so that they can maintain a happy independent life in their homes.

We work hard to create a feeling of community for our 360 residents and nearly 1,500 community clients. A feeling of home. A feeling of independence. But to achieve this, we rely on the generosity of

people like you, whose donations support our programs and make sure our residents and clients have the best possible care.

With the help of those donations, Kensington Gardens has kicked off its Refresh Project. These renovations will update the design of the residence in a way that's both beautiful and backed by science to help support independence, movement, and social interaction among seniors. Donations also allow us to continue to provide exceptional holistic care for our Hospice residents and their families.

The well-being of those who rely on Kensington Health Centre's services depends on the passion of individuals like you who share our vision to build a caring, engaged community.

Thank you for everything you all did to make my dad's last weeks a pain free and comfy one. We were treated with respect and dignity. We went home at night and slept better because we knew he was in good hands,"

says family member, Kensington Hospice

THE KENSINGTON HEALTH CENTRE OFFERS A RANGE OF GIVING OPPORTUNITIES:

Kensington Health is a non-profit group of charitable organizations. We're always looking for support from the community to help continue the important work we do. Here's how you can help Kensington Health:

Participate in special events to support Kensington Gardens, Kensington Hospice and Kensington Foundation

Make a Donation in Memory to honour a cherished individual

Say thank you to a staff member who has made a difference in the care you or your loved one has received through our Champions of Care program

Provide a One-Time Donation directed to specific programs and services or a Monthly Pre-Approved Gift to provide support on an ongoing basis

Offer a lasting legacy in honour of a loved one by naming Kensington Health Centre in your will, or gain significant tax benefits through a gift of Shares and Securities or a Paid Life Insurance Policy

Kensington Foundation Charitable Registration #119230092 RR0001

For more information about making a donation, visit our website at www.kensingtonhealth.org

SUMMARY OF OPERATIONS

SUMMARY STATEMENT OF OPERATIONS

	Dec. 31, 2015	Dec. 31, 2014
REVENUE		
Ministry of Health operational funding	\$15,751,948	\$15,858,262
Resident co-payment revenue	7,819,187	7,583,789
Ministry of Health capital funding	1,322,184	1,322,184
Kensington Hospice operational funding	1,288,215	1,447,960
The Eye Bank of Canada (Ontario Division)	1,161,807	-
Donations	348,026	321,269
Other services and interest	262,209	284,861
Gain on sale of real estate	-	103,812
	27,953,576	26,922,137
EXPENSE		
Kensington Gardens	23,999,485	24,610,945
Kensington Hospice	1,635,391	1,463,268
The Eye Bank of Canada (Ontario Division)	1,158,607	-
	26,793,483	26,074,213
EXCESS OF REVENUE OVER EXPENSE FOR THE YEAR BEFORE AMORTIZATION	1,160,093	847,924
Add: Amortization of deferred capital contributions	717,815	711,443
Less: Amortization of capital assets	(1,452,497)	(1,411,808)
EXCESS OF REVENUE OVER EXPENSE FOR THE YEAR	\$425,411	\$147,559

AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS

To the Members of Kensington Health Centre

The accompanying summary financial statements, which comprise the summary balance sheet as at December 31, 2015, and the summary statement of operations for the year then ended are derived from the audited financial statements of The Kensington Health Centre for the year ended December 31, 2015. We expressed an unqualified audit opinion on those financial statements in our report dated June 14, 2016.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Kensington Health Centre.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described below.

The summary financial statements include all information contained in the complete audited financial statements except for a statement of cash flows, notes and other explanatory information.

SUMMARY BALANCE SHEET

	Dec. 31, 2015	Dec. 31, 2014
ASSETS		
Current		
Cash and cash equivalents	\$2,525,447	\$2,741,765
Accounts receivable	876,576	2,176,968
Prepaid expenses	257,421	296,599
	3,659,444	5,215,332
Capital	40,574,412	41,228,348
	\$44,233,856	\$46,443,680
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities	\$3,196,693	\$3,515,521
Resident deposits and trusts	25,648	38,255
Deferred Revenue	80,728	80,728
	3,303,069	3,634,504
Mortgage Loans	20,036,540	22,139,617
Deferred capital contributions	10,644,265	10,844,988
	33,983,874	36,619,109
NET ASSETS	10,249,982	9,824,571
	\$44,233,856	\$46,443,680

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of The Kensington Health Centre for the year ended December 31, 2015 are a fair summary of those financial statements on the basis described above.

Tinkham & Associates LLP
 CHARTERED ACCOUNTANTS
 Licensed Public Accountants

Toronto, Ontario
 June 14, 2016

Excellence

Kensington Health Centre Board

Officers

Jim Nelles
Chair

R.J. Brian McFarlane, FCPA, FCGA
Chief Executive Officer & Secretary

Mark Richardson
Vice Chair

Warren Seyffert
Vice Chair

Howard Tanenbaum
Vice Chair

Wendy Beckles, CPA, CGA
Treasurer

Directors

Carmen Di Paolo
Theresa Ferracuti
Murray Herst, MD
Jeannine Girard-Pearlman, PhD
Jaimie Grossman
Edward McQuillan
Natasha Sharpe
Lilly Wong

Respect

Leadership Team

R.J. Brian McFarlane, FCPA, FCGA
Chief Executive Officer & Secretary

John Yip
President

William O'Neill
Executive Director

Wendy Beckles, CPA, CGA
Chief Financial Officer

Hector Algaranaz
Chief Information Officer

Debbie Emmerson
Director of Hospice Care

Mark Goldstein
Medical Director

Tharsy Karunakaran
Human Resources Manager

Darla Matheson
Director of Quality and Risk

Maria McManus
Supervisor of Staff Development

Nicoleta Paraschiv
Director of Resident Care, South

Nadine Persaud
Director of Client Services

Anna Slawski
Director of Resident Care, North

Daisy Wong
Supervisor of Life Enhancement

Teamwork

The Corporation of Kensington Health Centre 2015

Joanne Campbell
Jean Conn
Gordon Cressy
Robert Hall
Kai Ming Kan
John Lind
Lenny Lombardi
Barbara McKay
Abraham Saltzman, MD
Victor Sousa
Glenn Watchorn
All current Board members

Life Members

Arthur C. Downes
Antonio Vaz

Honourary Members

R.J. Brian McFarlane, FCPA, FCGA
Russell McKay, FCPA, FCA
Nick Torchetti
Marie Rounding

