RHRA Retirement Homes Regulatory Authority

Annual Report

Fiscal Year 2025/2026

April 1, 2025 to March 31, 2026

Vision

Seniors living with dignity, choice and confidence in licensed retirement homes.

Mission

The RHRA works collaboratively with the sector and stakeholders to protect Ontario retirement home residents through effective right-touch regulation.

To fulfill its mission, the RHRA:

- Uses data, evidence and analysis to support a risk-based approach to decision-making
- Informs, educates and engages current and prospective residents, families, partners and other stakeholders
- Informs, guides, licenses, inspects and educates retirement homes to help them comply with the regulations
- Uses all available tools to protect residents, including enforcement

Values

Excellence
Efficient, effective and continuously improving

Integrity
Principled, honest and respectful

Adaptability
Responsive, proactive and innovative

Accountability
Transparent and responsible actions

The Retirement Homes Regulatory Authority

Mandate and relationship to the Government of Ontario

The Retirement Homes Regulatory Authority (RHRA) is mandated by the Ontario Government (the Government) to administer Ontario's *Retirement Homes Act, 2010*, (the Act) in the public interest. The RHRA's core responsibility is to enhance resident safety and protection in Ontario's licensed retirement homes.

The RHRA is a not-for-profit corporation established as an administrative authority of the Government through the Act and its regulations.

The Government retains responsibility for the Act and regulations. The RHRA is responsible for ensuring the legislation and regulations are implemented and enforced.

Memorandum of Understanding

A *Memorandum of Understanding* (MOU), including its attached schedules, clarifies the roles, duties and responsibilities of the RHRA and the Government in relation to the administration of the Act.

Scope

The RHRA fulfills its mandate by:

- Licensing Ontario's nearly 780 retirement homes and maintaining a searchable Retirement Home Database of licensed retirement homes, available on the RHRA website.
- Inspecting retirement homes, overseeing and enforcing compliance with the regulations and the Act for the protection of residents.
- Informing and educating the retirement home sector, residents and the public about the Act, regulation and the role of the RHRA.
- Advising the Minister/Ministry for Seniors and Accessibility (MSAA) on emerging trends and matters related to retirement homes.

Core services

- Licensing
- Inquiries, Complaints and Client Services
- Inspections
- Licensee Engagement, Education and Support
- Compliance Support and Monitoring
- Investigations
- Enforcement and Prosecution
- Data Analytics and Risk Evaluation
- Public Education and Resource Development

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Message from the Chair of the Board

On behalf of the Board of Directors, I am pleased to present the RHRA's Annual Report for Fiscal Year (FY) 2025/26.

Focusing on RHRA's resident protection mandate

This was a year of change and transition. On August 12, 2026, our previous Board Chair Alex Yuan took a leave of absence, and the Minister for Seniors and Accessibility, the Honourable Raymond Cho, designated me as the new Chair. Earlier in the year, in October, the Board appointed a new Interim Chief Executive Officer and Registrar with a mandate to ensure that the regulator could effectively deliver on its core resident protection mandate, prioritize improving service level standards and enhance accountability and responsiveness.

During this transition, the Board focused its efforts on strengthening governance practices, overseeing financial and risk management and supporting leadership in realigning priorities.

Prudent fiscal and risk oversight

RHRA's operating expenses reflected disciplined financial management, with resources aligned to areas of greatest regulatory demand and impact, reducing a forecasted operating deficit to a modest surplus. The RHRA ended the year with reserves increasing to six months, in line with financial policies and controls.

The Board also enhanced its risk oversight role by significantly strengthening its Enterprise Risk Management (ERM) Policy and the organization's overall risk register to ensure alignment around high priorities and tolerance levels. These enhancements are aligned with industry best practices and enable the Board to monitor progress in management's reduction of risk levels through appropriate mitigation strategies.

A transitional year

This past year also marked the final year of our 2023-2026 Strategic Plan. Significant progress was made during the year to engage with a diverse range of stakeholders and gather input to inform our refreshed multi-year Strategic Plan. Work continues to ensure that the next Strategic Plan prioritizes enhancing service delivery to residents, increasing awareness and transparency, risk-based resident protection and fostering stakeholder collaboration and engagement. Performance metrics will also be reviewed and developed for all regulatory operations, from licensing to enforcement.

To support this transition, the FY 2026/27 Business Plan was developed to guide the organization and support the Board's commitment to timely, proportionate regulation and collaboration with the sector to foster a culture of compliance.

Appreciation and gratitude

Over the course of the past year, we also continued to have strong continuity and stability on our Board, and I am grateful to the exceptionally talented directors with whom I serve. During this time, we did have one departure from the Board, and I want to acknowledge and thank Barbara Kieley for her contributions and commitment to strong governance and public service.

I also want to express my gratitude to all RHRA staff for their professionalism and commitment to our core values and core resident protection mandate. As RHRA undergoes transformation, we recognize the strong leadership and depth of talent throughout the organization and remain clearly focused on our mission to safeguard resident safety and well-being.

The RHRA Stakeholder Advisory Council (SAC) also plays an important role in ensuring that all stakeholders have an opportunity to share their unique perspectives and provide unfettered input to the Board. I and other directors have had the chance to observe SAC meetings and to have its Chair attend and engage with the Board at the September meeting. I want to thank SAC's Chair Rose Lamb, a licensee representative, and Vice Chair Florene Shuber, a resident of a licensed retirement home, for their leadership and meaningful input.

I would also be remiss if I did not acknowledge and thank the licensees who volunteer their time on the RHRA's Licensee Engagement Forum and the residents who contribute to the Resident Network. Both forums have representatives that are also on the SAC, thereby ensuring that their views and input are shared with the Board. I cannot underscore how much the Board values your contributions.

Finally, I want to thank the Honourable Raymond Cho, Ontario's Minister for Seniors and Accessibility. The Minister has been steadfast in his support of our work to enhance resident protection and to work collaboratively with the retirement homes sector to create and maintain a proactive culture of compliance.

As the population of Ontario continues to age and seniors consider various housing options, I and the RHRA Board look forward to continuing to work with all our stakeholders, staff and government partners to keep the interests of more than 70,000 residents living in the nearly 780 licensed retirement homes at the forefront of everything we do.

Sincerely,
Carmine Domanico

Chair, RHRA Board of Directors

Message from the Interim CEO & Registrar

After nearly five months as the Interim CEO and Registrar of the RHRA, it is my privilege to present this Annual Report.

Transition and renewed focus

This year marked a period of transition and a renewed focus on our efforts to safeguard resident safety and well-being in licensed retirement homes. Our focus remained clear: strengthening resident protection while supporting compliance across Ontario's retirement home sector.

We responded to continued regulatory demand and complexity, with increased licensing activity driven by sector consolidation and similar volumes of inspections, complaints and reports of harm/risk of harm. Using a risk-based approach, staff focused on issues with greater potential impact on resident safety and well-being while meeting or exceeding service standards in most core regulatory functions. At the same time, we recognize that we can do better in delivering on the public interest mandate with which the Ontario Government has entrusted us.

We reviewed and adjusted our organizational structure and resource allocation to better support front-line service delivery, strengthen core regulatory functions and improve timeliness and transparency in alignment with directions from the Minister. These changes were intended to align staff capacity with areas of highest demand and address capacity issues, supporting greater confidence in our ability to respond effectively and efficiently. While we significantly improved service level standards for inspections, we began and continue to explore ways to improve our handling of complaints and overall performance. Residents, their families and licensees need to be able to hold us accountable for carrying out this work in a timely, consistent and transparent manner.

We continued to explore ways to work smarter and leverage new and emerging technology so that our front-line staff can focus on their core work of licensing, investigating complaints, conducting inspections and proactively supporting licensed retirement homes in compliance. We made it easier and more secure for licensees to interact with us by continuing to enhance our self-service portal for licensing applications, notices of ownership changes and the Annual Information Return. We are pleased to report that more than 80 per cent of retirement homes now have a portal account, and we are looking to expand the services available through this secure and streamlined channel.

Enhancing resident safety through partnership and collaboration

As a modern and responsive regulator, we see tremendous value in working with and supporting retirement home operators committed to protecting their residents. Our Licensee Engagement and Support team will continue to have a growing role in strengthening compliance and preventing harm. Through growing direct engagement and accompanying guidance and education resources, the team helped licensees better understand regulatory requirements and address areas of risk to resident safety and well-being.

Effective regulators understand that partnerships matter and that preventing harm must be a priority. The RHRA cannot accomplish its mission without the goodwill, expertise and support of partnerships with health, community and seniors' organizations. We also need to have trusted partnerships with those we regulate so they know they can count on us to provide support, interpretation and guidance in complying with the *Retirement Homes Act, 2010*. Just as importantly, residents and their loved ones need to know that we are here to help, whether they are choosing a home that suits their care needs or seeking to understand their rights.

FY 2025/26 marked the completion of the first full year of the newly constituted Licensee Engagement Forum. I want to acknowledge and thank the licensees that volunteer their time, energy and perspectives to raise and address issues of importance to them and the residents that live in their homes. Since my appointment, I have attended and participated in each of their meetings and intend to continue hearing from them directly.

I am also grateful to the SAC, capably led by Rose Lamb and Florene Shuber. The SAC has continued to evolve as a meaningful channel for engagement and dialogue around trends and issues that fall within our regulatory scope.

I am also grateful to each of the residents and residents' councils that participate in our Resident Network. This forum enables residents to connect with others across the province and helps RHRA expand awareness of the benefits of regulation and the standards to which licensees are held.

Public education and awareness of resident rights advanced significantly. We expanded outreach across communities, introduced new bilingual and multilingual consumer resources, and refreshed plain-language materials to better support residents, families and caregivers at different stages of the retirement home journey. Significant progress was also made on the website redevelopment, with foundational work advancing during the year to support a planned launch in late 2026 of a more intuitive, user-friendly site. These efforts focused on helping people understand their rights, navigate concerns and make informed decisions with confidence.

A community of support

I am grateful to my RHRA colleagues, who carry out our mission with care, compassion and commitment. I thank you for your unwavering support and dedication to the people we serve, and for your adaptability during this transition. I also want to thank Minister Raymond Cho, his staff and their colleagues at the Ministry for Seniors and Accessibility for their patience, support and guidance as we address capacity issues and improve our overall performance so that we can continue to carry out our resident protection mandate effectively and efficiently.

Finally, I express my gratitude to Alex Yuan for his leadership as Board Chair during the reporting period, and to Carmine Domanico for his continued leadership as current Board Chair, along with Vice Chair Christine Ozimek and their fellow directors. Their continued support in this transitional role has been invaluable as I focus on strengthening our operations and improving our overall performance and finances.

I thank everyone for supporting the changes we are making to restructure and realign the organization so that we focus on our priority – fulfilling our mandate while returning the organization to a strong and sound fiscal position.

Sincerely,

Lucy Becker

Lucy Becker
Interim CEO and Registrar

About the Sector

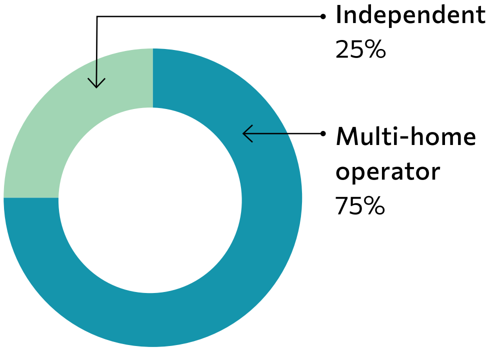
Licensed homes	As of March 31, 2026	
	Homes	Suites
Total	**776**	**73,828**

Breakdown by home size as of March 31, 2026:

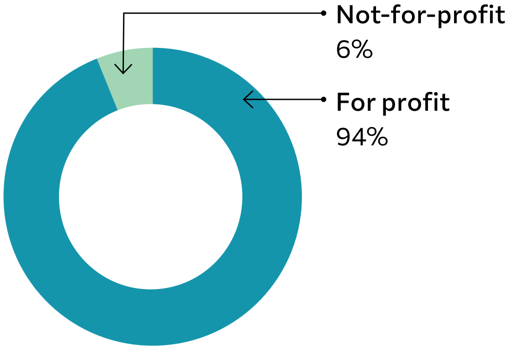
Category	Homes	Suites
Small (25 suites or less)	72	1,185
Medium (26 to 99 suites)	381	24,563
Large (100+ suites)	323	48,080

Breakdown by multi-home operator vs independent ownership as of March 31, 2026:

Category	Homes	Suites
Multi-home operator	580	61,037
Independent	196	12,791



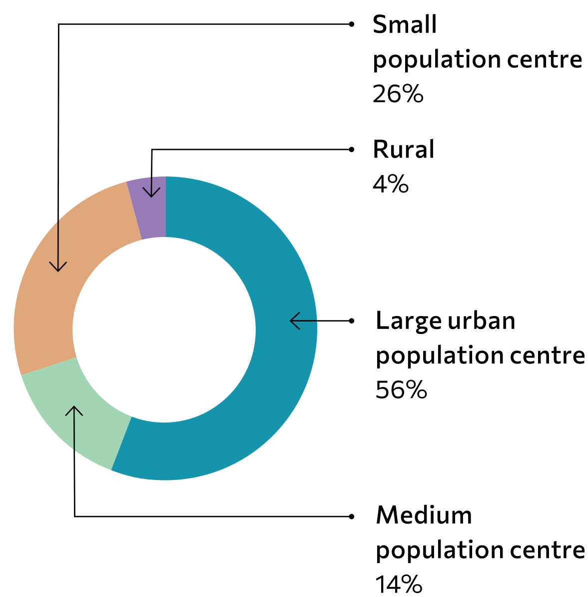
Category	Homes	Suites
For profit	732	70,399
Not-for-profit	44	3,429



Breakdown by urban/rural population centres as of March 31, 2026:

Category	Homes	Suites
Large urban population centre	435	48,328
Medium population centre	110	10,415
Small population centre	203	14,033
Rural	28	1,052
Total	**776**	**73,828**

Note: Based on Statistic Canada's definition of rural, small, medium and large urban population centres.



Overview of Regulatory Operations

Licensing

Increased activity in Ontario's retirement homes sector

Over the past year, the RHRA saw an increase in licensing related administration and inquires from licensees and prospective applicants. This work primarily relates to the application process, timelines for approvals and/or fees.

Licensing	FY 2025/26	FY 2024/25	FY 2023/24
Inquiries	255	176	275
Administration	314	206	229
Total	**569**	**382**	**504**

The RHRA received 78 new licence applications during the year, up from 49 received in the previous fiscal year. This increase is largely attributed to further ownership consolidation in the Ontario retirement homes sector, with larger organizations acquiring additional homes across the province.

Including the 12 applications carried over from FY 2024/25, the RHRA's total active licensing caseload was 90 applications.

Of these, 50 were processed during the fiscal year and 40 remained open at year-end. Among the applications processed, 36 resulted in the issuance of a licence, 12 related to changes in controlling interest and two were withdrawn. Most licences issued (78 per cent) were associated with acquisitions of existing retirement homes, while the remainder related to new operations.

Licences issued	FY 2025/26	FY 2024/25	FY 2023/24
New Operation	8	13	18
Acquisition	28	34	19
Total	**36**	**47**	**37**

Of the 40 applications that remained open at the end of the year, seven were in process and 33 had decisions rendered by the RHRA (work complete), with licence issuance pending a closing date from the applicants.

As transactions have grown more structurally complex, the RHRA allocated additional resources to the licensing process to ensure a thorough assessment of applicants. For example, the RHRA enhanced its processes to identify and monitor homes where there is an indication that the financial stability of a retirement home may impact the ability to comply with the Act and regulations.

Despite the notable increase in standard and expedited applications received this year, the RHRA processed applications within the requested timeframe 100 per cent of the time once the applicants submitted complete documentation.

Further, the RHRA continues to receive applications from parties with limited or no prior experience in the retirement home sector. As a result, two licences were issued with conditions during this fiscal year. The conditions require the licensees to retain a person(s) acceptable to the RHRA to support the home to operate in a compliant manner. At year end, there were a total of 741 retirement homes operating without conditions and 35 retirement homes operating with conditions.

Licensed retirement homes	As of March 31, 2026		As of March 31, 2025		As of March 31, 2024	
	Homes	Suites	Homes	Suites	Homes	Suites
Licences without conditions	741	71,903	744	71,264	736	69,416
Licences with conditions	35	1,925	37	1,812	40	2,102
Total	**776**	**73,828**	**781**	**73,076**	**776**	**71,518**

Reporting changes to retirement home operations

All licensed retirement homes are required to submit a notice of change when information available on the RHRA's Retirement Home Database requires updating, such as suite count, care services, operational manager, contact information, etc. Processing notices of change may require further engagement between retirement homes and the RHRA to verify information and to ensure compliance requirements continue to be met.

Notices of change	
FY 2025/26	493
FY 2024/25	531
FY 2023/24	537

Licence surrenders

In FY 2025/26, a total of 13 licences were surrendered, representing 471 suites. 62 per cent of surrenders were due to unsustainable financial operations in small and medium-sized homes, primarily owned by independent operators. The remaining 38 per cent involved the facility being redeveloped or repurposed, or in a state of non-repair.

Factoring in the surrendered licences, there was still a net increase of 1.2 per cent in overall suite growth in FY 2025/26.

General inquiries to the RHRA

Intake occasionally receives general inquiries about the Act and regulations, the RHRA's role, and retirement home requirements from residents, families, senior-serving organizations and the public. Retirement home operators and staff may also contact the RHRA with questions about legislative requirements or available information and guidance to help them understand their responsibilities and determine appropriate next steps.

General inquiries about the Act / regulations, RHRA or retirement homes	
FY 2025/26	2,661
FY 2024/25	2,715
FY 2023/24	2,002

Duty of retirement homes to report to the RHRA

Under the Act, all retirement home operators and staff are obligated to report situations of harm or risk of harm to residents to the RHRA. Reports of harm/risk of harm can also be made anonymously.

The *RHRA's process related to reporting of harm/risk of harm* is available on its website.

The RHRA prioritizes its response to reports of harm/risk of harm, as they typically pose greater risk to resident safety and well-being.

Reports range from urgent issues requiring immediate onsite inspection to less serious concerns addressed through remote review (see Inspections section). The RHRA conducts onsite inspections where there is the greater risk of harm.

In FY 2025/26, the RHRA received 1,866 reports (80 per cent of total received) from retirement home staff, which represents a slight decrease compared to the previous fiscal year. Of these reports of harm/risk of harm that resulted in inspections, 41 per cent had findings of non-compliance.

The Act provides the RHRA the ability to conduct a risk assessment of each concern to determine whether it would be appropriate to conduct an inspection or undertake remote inquiries to determine compliance. Remote inquiries involve reviewing compliance history, asking questions, and requesting documents to assess the scope of the concern, determine if it is recurring, and ensure the home has taken steps to mitigate future risk to residents.

Remote inquiries enable the RHRA to use resources most efficiently without impairing its ability to address risk of harm to residents and bring closure to the files sooner.

Trends in reporting from retirement homes

The following chart breaks down the issues or concerns reported by retirement homes through reports of harm/risk of harm.

There were 2,069 concerns associated within 1,866 reports of harm/risk of harm closed in FY 2025/26.

Reports of harm / risk of harm* from retirement home staff	Total	Closed by inquiry	Referred for inspection
FY 2025/26	1,866	1,289	577
FY 2024/25	1,940	1,329	611
FY 2023/24	1,192	767	425

**Reports of harm/risk of harm received by residents and the public are included on page 19, bringing the total reports of harm/risk of harm in FY 2025/26 to 2,333.*

The number of reports categorized as neglect decreased significantly in FY 2025/26 compared to the previous year. This change primarily reflects an update to our internal processes. Reports that may not fully meet the definition of neglect are now initially classified as improper or incompetent treatment or care until they can be assessed during an inspection.

Allegation type	FY 2025/26	FY 2024/25	FY 2023/24
Abuse	1,327	1,338	756
Improper or incompetent treatment or care	468	422	212
Misuse or misappropriation of a resident's money	1	15	19
Neglect	18	118	154
Unlawful conduct	11	41	20
Other*	244	231	133
Total	2,069	2,165	1294

**Captures concerns that are raised along with the report of harm/risk of harm. These concerns are not linked to a form of abuse or neglect, but are addressed by the RHRA.*

The following table breaks down the abuse category into specific types of alleged abuse.

Type of alleged abuse	FY 2025/26	FY 2024/25	FY 2023/24
Physical abuse	355	528	277
Financial abuse	317	307	208
Emotional abuse	438	218	93
Verbal abuse	95	178	98
Sexual abuse	122	107	80
Total	1,327	1,338	756

In FY 2025/26, the allegation of emotional abuse was the most reported type of alleged abuse by retirement homes. Emotional abuse allegations include concerns related to threats, insults, intimidating or humiliating gestures, infantilization, among other concerns. Changes in the number of reports across abuse types from last year to this fiscal year reflect improvements to internal processes and enhanced staff training. These efforts have strengthened the accuracy of how allegations are classified according to the appropriate abuse type definitions.

Reporting other concerns

Retirement home operators and staff often contact the RHRA about an incident or operational concerns that may not meet the threshold for a report of harm/risk of harm requiring an immediate inspection or inquiry. In these instances, guidance may be provided to the home relating to compliance requirements or the concern may be flagged for an inspector for follow-up at a future inspection.

These concerns may include but are not limited to compliance inquiries related to an issue in the home that do not meet the threshold for a report of harm, unlicensed retirement home tips, or concerns beyond the RHRA's mandate.

Concerns raised by retirement home staff	
FY 2025/26	969
FY 2024/25	848
FY 2023/24	1,117

Reporting outbreaks

All licensed retirement homes are required to submit a report to Public Health and the RHRA.

Notices of outbreak	
FY 2025/26	1,005
FY 2024/25	1,514
FY 2023/24	1,510

Addressing concerns from residents and the public

The RHRA is committed to safeguarding licensed retirement home residents and acting diligently to address concerns related to their safety and well-being. When the RHRA receives concerns from residents, these concerns can be triaged through one of three main processes: early intervention, written complaints or reports of harm.

A *plain-language walkthrough and visual map* of how residents, family and members of the public can raise concerns with the RHRA is available on its website. The following table outlines which pathways concerns were addressed by the RHRA.

Concern pathway	FY 2025/26	FY 2024/25	FY 2023/24
Early intervention	106	103	101
Written complaint	155	108	225
Report of harm / risk of harm	467	435	439

Early intervention for low-risk concern

The RHRA recognizes that those with concerns want them addressed quickly and effectively. The RHRA's early intervention helps residents, families and retirement homes resolve concerns efficiently and effectively. This helps to avoid more time-consuming processes associated with written complaints by finding resolutions acceptable to all parties involved, where possible and appropriate.

Concerns addressed through early intervention do not require the submission of a written complaint form by a complainant, and depending on the circumstances, can be processed anonymously. Concerns addressed through early intervention do not result in formal Registrar decisions but can produce faster outcomes such as improved communication and/or process changes at the retirement home.

Early interventions remained consistent in FY 2025/26 with the previous year, with a total of 106 successfully resolved cases. This work continues to achieve satisfactory resolutions in a timely manner for both parties.

File a written complaint

The RHRA addressed 42 per cent more written complaints in FY 2025/26 compared to the previous year, reflecting a concerted effort to address resident concerns in a timely manner.

Early complaint resolution is a way for RHRA to work with residents and retirement homes with an aim to address concerns quickly and informally. It is used for lower risk issues where there is no serious harm or immediate risk of harm, and where both the complainant and the home agree to work together to resolve the issue.

Written complaints that cannot be addressed through early resolution or are more serious in nature are addressed through inquiries with the retirement home or inspection. The Registrar/Deputy Registrar considers the information provided, determines whether the concerns indicate non-compliance with the Act or regulation, collects information from retirement homes, and issues a decision on the complaint. Where the Registrar/Deputy Registrar decides to take no further action, the complainant may request an independent review by the Complaints Review Officer (CRO), who assesses the reasonableness of the Registrar/Deputy Registrar's consideration and decision and may refer the matter back to the RHRA with a recommendation for further action.

Summary of written complaints process

Process	Summary	Closed in FY 2025/26	Service level standard achievement
Early Resolution	1 Complaints received and acknowledged; 2 Home notified of complaint and request for information sent to home; 3 Debrief with complainant; 4 Registrar decision; 5 Registrar decision letter to complainant and retirement home	5	100% Standard 50 days
Inquiry	1 Complaints received and acknowledged; 2 Home notified of complaint and request for information sent to home; 3 Debrief with complainant; 4 Registrar decision; 5 Registrar decision letter to complainant and retirement home	21	48% Standard 70 days
Inspection	1 Complaints received and acknowledged; 2 Home notified of complaint and request for information sent to home; 3 Final inspection report; 4 Debrief with complainant; 5 Registrar decision; 6 Registrar decision letter to complainant and retirement home	119	57% Standard 70 days
Out of Scope	1 Complainants with concerns beyond the scope of RHRA's mandate are referred to the appropriate regulatory, government or health/community body.	10	N/A

Note: Delays causing the RHRA to miss service level targets is during the drafting of the Registrar decision letter to complainant.

Complaints trends

The RHRA has continued to see the following trends:

- The integration of care between the retirement home and external care providers, resulting in uncertainty around responsibilities and perceived gaps in care.
- Cost of living increases, cost of rent/care services, and required payments following a resident's move from the home or passing, which is not a part of the RHRA's mandate.
- Dementia related care concerns, including behaviour management concerns such as wandering and elopements.
- Prevention of and response to resident falls.
- Disputes between multiple substitute decision makers about a resident's care needs.

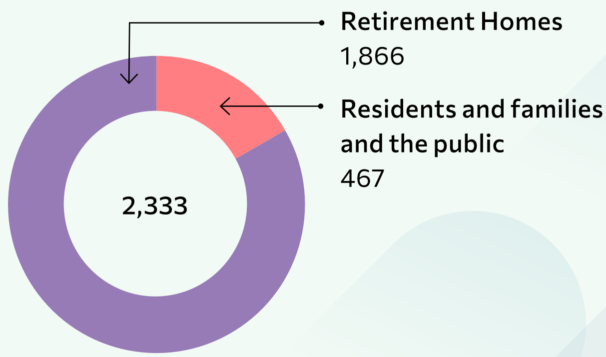
Reporting harm/risk of harm

Family members and the public who see or suspect a situation that harms or puts a resident at risk of harm, must report it to the RHRA. A *summary on how to submit a report of harm/ risk of harm*, including through the accessible webforms, is available on the RHRA's website.

In FY 2025/26, the RHRA received 467 reports (20 per cent of total received), representing a slight increase compared to the previous fiscal year. Of these reports of harm/risk of harm that resulted in inspections, 48 per cent had findings of non-compliance.

Reports of harm / risk of harm from residents, family and the public	Total	Closed by inquiry	Referred for inspection
FY 2025/26	467	128	339
FY 2024/25	435	141	294
FY 2023/24	439	161	278

Total Reports in FY 2025/26



Trends in resident / public reporting

Concern type	Early intervention	Written complaints	Reports of harm/ risk of harm
Abuse	6	44	207
Improper or incompetent treatment or care	2	168	258
Misuse or misappropriation of a resident's money	2	2	1
Neglect	0	26	11
Unlawful conduct	0	11	15
Other*	90	210	317
Total	100	461	809

** Captures concerns that are raised along with the report of harm/risk of harm. These concerns are not linked to a form of abuse or neglect (food, activities, suite maintenance, elevator outages, etc.) but are addressed by the RHRA.*

Inspections

Routine inspections assess compliance using a risk-based approach and are conducted at least once every three years for lower risk homes and more than once a year for some of the higher-risk homes. Our risk-based approach leverages our data and analytics to determine the frequency of our follow-up inspection schedule, with a greater focus and resources on higher-risk homes. The RHRA conducted 570 routine inspections of homes this past fiscal year.

Responsive inspections are conducted when the RHRA receives information that there may have been non-compliance with the Act or regulations, typically received through a report of harm/risk of harm or a complaint. Responsive inspections are prioritized in cases of harm/risk of harm to a resident. Responsive inspections may also be used to gather or verify information.

In FY 2025/26, the RHRA conducted a total of 1,514 inspections across 638 facilities. Of the total inspections conducted, 52 per cent resulted in findings of non-compliance with the Act and regulation. 7.5 per cent included findings identified as critical to resident health, safety or well-being, and were escalated for enforcement consideration. Fewer inspections were conducted this year as the RHRA heightened its focus on the quality and thoroughness of evidence collection, along with strengthened expectations for clear, increased and effective communication with all parties involved in the inspection process. It also allows the 24 inspectors to seek guidance and support from one of RHRA's two inspection managers. At the same time, the increasing complexity of cases, particularly those involving multiple care concerns, has affected the number of files each inspector can manage as retirement homes continue to provide higher levels of care.

Inspections	FY 2025/26	FY 2024/25	FY 2023/24
Routine	570	635	612
Responsive			
Report of harm/risk of harm (s. 75)	856	927	651
Written complaint (s. 84)	67	74	59
Other			
Compliance (s. 77(1))	3	5	16
Unlicensed home (s. 77(2))	16	16	15
Licensing (s. 37)	2	1	1
Total	**1,514**	**1,658**	**1,354**

Regulatory intervention where it is most needed

Taking action to support compliance

The RHRA has a process for escalating inspections to enforcement for consideration of further regulatory action.

Based on factors including the seriousness and scope of the contravention, the licensee's history of non-compliance, and any corrective measures that have been taken, enforcement may recommend that the Registrar/Deputy Registrar issue an Order. The purpose of an Order is to encourage and support sustained compliance and also serves as a deterrence.

Enforcement orders addressed non-compliance in areas such as plans of care, staff training, behaviour management, and abuse and neglect.

Enforcement order overview

Enforcement Order	FY 2025/26	FY 2024/25	FY 2023/24
Impose conditions on a licence (s.39)	10	8	16
Refuse licence (s.36)	0	0	1
Order to apply or cease to operate (s.89)	4	4	1
Compliance order (s.90; s.92.1)	24	24	27
Management order (s.91)	1	2	3
Administrative penalty (s.93)	9	21	21
Order to revoke (s.95)	0	0	1
Total Orders/Decisions	**48**	**59**	**70**

Monitoring compliance

Compliance monitoring gives the public confidence that retirement homes are taking required action in support of resident protection, as set out in RHRA Orders or licence conditions. Once issued, compliance monitoring works with licensees to implement requirements, connect with third-party consultants or educators, and review mandatory information submissions for compliance.

At the end of FY 2025/26, RHRA staff were monitoring 51 individual orders/conditions.

Supporting residents in emergencies

The Emergency Fund (the Fund) is held in trust by the RHRA for the benefit of residents and former residents of retirement homes, as required by the Act.

All administrative penalties collected by the RHRA must be placed into the Fund, with interest income earned on the balance. It is a legislatively restricted reserve reported in the net assets section in the RHRA Statement of Financial Position and cannot be used for operations under any circumstances, but its growth is reported as income for the organization. It is managed by the RHRA and is payable to individuals who may have been affected by emergency circumstances in a retirement home, such as a fire or an abrupt closure.

The RHRA is committed to meeting its requirements for the Fund with the provisions for eligible claims and payments. The Fund balance experienced continued growth (7.2 per cent), with no claims submitted to the RHRA in FY 2025/26.

Informing the retirement home sector, residents and public

We are here to help: Enhancing efforts to support homes

The RHRA recognizes the value of working collaboratively with retirement homes, where appropriate, to address non-compliance and strengthen resident protection through proactive support. Licensee Engagement and Support (LES) helps licensees and operators comply with requirements by developing practical resources, providing guidance on areas of concern and direct engagement to proactively support understanding of regulatory requirements and promote safer operations.

The *Interdisciplinary Care Conference Guidance* was developed in response to sector feedback. The guidance clarifies when conferences are required, who must be involved, and how they should be documented, helping licensees and operators support residents and comply with legislative requirements.

To address an area of the legislation where non-compliance can greatly impact residents, LES developed the *Insight Series – Medication Administration*. This resource focuses on key medication administration requirements, including staff training, documentation and policy implementation. Drawing on inspection findings, it shares data, provides real examples and actionable guidance to help licensees and operators strengthen medication management practices, reduce the risk of harm to residents and demonstrate compliance.

Building on an Orientation Package developed in the previous fiscal year, LES offered orientation sessions to all new licensees. The sessions focused on legislative areas commonly identified for non-compliance during first inspections, supporting resident protection in collaboration with licensees.

> *"The program and resources you have offered us have improved our processes and policies and allowed us to better understand the RHRA's expectations and our duties to maintain the regulations. You have been an absolute pleasure to work with..."*
>
> **RETIREMENT HOME OPERATOR**

LES engaged with the following organizations and partners through a range of activities, including meetings, presentations, and other forms of collaboration:

- Licensed Retirement Homes
- Ministry of Long-term Care – Inspections Branch
- Bruyère Group
- ORCA Road Shows
- Joint MSAA and ORCA Fall Preparedness Webinar
- Behavioural Supports Ontario
- St. Joseph's Health Centre
- Thunder Bay Infection Prevention and Control Hub
- Ontario Society of Senior Citizens' Organization
- Ministry of Labour, Immigration, Training and Skills Development
- Durham Region Infection Prevention and Control Education Day
- York Region Paramedic Community Support
- Thunder Bay Public Health
- Quinte Health
- Halton Region Public Health
- Ontario Health atHome
- KW4 and CND Infection Prevention and Control Hub
- Public Health Sudbury and Districts
- Ontario Caregivers Organization
- Ontario Health West
- Conestoga College
- Wellington-Dufferin-Guelph Public Health
- Alzheimer Society of Ontario
- Alzheimer Society Peel
- St. Peter's and West Lincoln Hospitals

Compliance Support

LES administers RHRA's Compliance Support Program, a voluntary program that provides one-on-one support to licensees, operators and retirement home staff to address identified areas of non-compliance or where additional guidance may be beneficial. Participation may be self-initiated by licensees and operators or recommended by RHRA staff, including the Inspections team.

The results of the Compliance Support Program demonstrate its effectiveness in helping participating homes address identified issues and strengthen compliance. Following their follow-up inspections, 27 of the 50 participating retirement homes completed Compliance Support, with the remaining homes continuing in the program. Across these homes, 181 of the 246 areas of identified non-compliance (74 per cent) were addressed at follow-up inspections.

> *"All sessions we had were extremely helpful and gave much deeper understanding of the compliance requirements."*
>
> RETIREMENT HOME OPERATOR

Survey Results:

- 100 per cent of respondents indicated they would recommend Compliance Support to other licensees and operators
- 100 per cent strongly agreed or agreed Compliance Support helped them better understand their responsibilities, including regulatory requirements and practices to support ongoing compliance

Supporting a Home to Achieve Full Compliance

A mid-sized retirement home in northern Ontario was referred to the Compliance Support Program following a routine inspection that identified multiple areas of non-compliance, including several repeat findings. Working collaboratively with the home over a six-month period, RHRA staff provided targeted support across 36 citations, which is higher than the typical scope, covering key areas such as staff training, emergency planning, care assessments and complaint processes.

The home demonstrated strong engagement throughout the program, actively participating in meetings and applying the guidance provided. At a follow-up inspection conducted six months after the program concluded, the home achieved full compliance, with no areas of non-compliance identified. This outcome illustrates the program's effectiveness in helping retirement homes implement sustainable improvements and strengthen their overall compliance.

Understanding rights. Making informed decisions. Protecting residents.

The RHRA strengthened public awareness and consumer education to help residents, families, caregivers and the public better understand their rights and make informed decisions with confidence. A central focus of this work was expanding and improving consumer education resources, alongside broader community outreach and partnerships across the province.

These efforts emphasized listening to community needs, meeting people where they are, and sharing practical information and consumer tips for different stages of the retirement home journey. Through a combination of in person and virtual engagement, practical consumer resources, and collaboration with community and seniors' organizations, industry associations, municipalities, libraries and elected officials, the RHRA broadened its reach across Ontario.

The RHRA engaged communities and partners across the province, from large urban centres where many of Ontario's retirement homes are located to smaller and rural communities. Outreach took place through seniors' fairs, conferences, seniors' organizations, municipal partners, multicultural organizations, public libraries and constituency offices of elected officials.

The RHRA launched its *Consumer Support Hub*, providing a one stop destination for consumer resources. The following resources were created to raise awareness of resident rights and provide practical tips to assist residents and families in making informed decisions with confidence:

- Revamped community outreach presentation *Exploring Licensed Retirement Homes – Know Your Rights*
- New bilingual consumer booklets launched for *prospective residents* and *current residents*
- The Benefits of Living in a Licensed Retirement Home fact sheet translated into eight languages (*Farsi*, *Korean*, *Polish*, *Portuguese*, *Tagalog*, *Tamil*, *Traditional Chinese* and *Simplified Chinese*)

The RHRA also raised awareness of resident rights, demonstrated the *Retirement Home Database* and provided practical tips through the following activities:

- Distributed 14,000+ information packages and almost 3,000 multilingual materials through retirement homes and community organizations
- Delivered 38 presentations and/or information booths across southwestern, central, eastern Ontario and virtually
- Amplified our voice through stakeholder collaboration (newsletters, mail outs, presentations, etc.) with Older Adult Centres' Association of Ontario (OACAO), Municipal Retirees Organization Ontario (MROO), Canadian Association of Retired Persons (CARP) and Elder Abuse Prevention Ontario (EAPO), among other organizations serving older adults

Retirement Homes Regulatory Authority Ontario Engagement

- Greater Toronto Area (GTA)
- Southwestern Ontario
- Central Ontario
- Eastern Ontario

Greater Toronto Area (GTA) *(Toronto, York Region, Peel Region, Halton Region and Durham Region)*	Southwestern Ontario	Central Ontario	Eastern Ontario
Burlington; Clarington; Hamilton; King City; Markham; Mississauga; Newcastle; Oakville; Pickering; Richmond Hill; Scarborough; Toronto; Whitby	Breslau; Fergus; Guelph; London; Smithville	Barrie	Ottawa

Ontario wide engagements also included virtual activities, conferences or partner networks that reached participants across the province, and are not represented on the map. Participation at the Association of Ontario Municipalities and the Rural Ontario Municipal Association conferences also enabled the RHRA to efficiently connect with partners from Northern Ontario. The RHRA will continue to explore opportunities to reach northern communities.

“...a great tool for prospective residents...”

“...we appreciate the efforts of inclusivity you have accomplished.”

“These are fantastic! We’re always trying to help seniors find any home that makes them feel warm and welcome. They will be very helpful to explain retirement living even more.”

NEW BILINGUAL CONSUMER BOOKLET AND MULTILINGUAL FACT SHEET

"Many thanks for attending Richmond Hill’s Seniors Active Living Fair. The day was very successful, and we couldn’t have done it without your support. Thank you for being part of it! Thank you for all the literature that you brought."

OUTREACH EVENT

With appreciation, the RHRA thanks the many licensed retirement homes, community partners and hosts who supported our efforts to raise awareness of resident rights throughout the year and helped connect residents, families and caregivers with trusted information.

Stakeholder Advisory Council Annual Report

The Stakeholder Advisory Council (SAC) was established pursuant to section 19.1 of the *Retirement Homes Act, 2010*, and the Memorandum of Understanding (MOU) between the Minister for Seniors and Accessibility and the Retirement Homes Regulatory Authority (RHRA). The SAC is not a committee of the Board of Directors, and members serve on a voluntary basis. Members are appointed based on their relevant knowledge and experience in the retirement homes sector, including perspectives as residents, family members, owners/operators, regulated or other health professionals, and advocates for older adults. The purpose of the SAC is to provide advice to the RHRA on matters related to its resident protection mandate.

Carmine Domanico

Chair, Board of Directors
Retirement Homes Regulatory Authority (RHRA)

Dear Mr. Domanico:

On behalf of SAC, I am pleased to submit our Annual Report outlining activities and advice to the Board for FY 2025/26.

Throughout the year, we provided advice, insights and feedback on a range of strategic and operational initiatives that support RHRA's resident protection mandate, including but not limited to:

- 2027-2030 Strategic Plan development
- FY 2026/27 Transitional Business Plan
- Efforts to meet or exceed service level standards in RHRA's core regulatory areas
- Consumer protection and resident awareness initiatives
- Regulatory intervention trends and RHRA's efforts to strengthen service delivery
- RHRA's Annual Information Return
- Dementia care and increasing resident care complexity
- Compliance guidance, including medication administration and care conferences
- RHRA operations, demand for intervention and financial outlook/sustainability
- Selection of the 2025 Resident Champion Award recipients and finalists

SAC Advice to the RHRA and the RHRA's Board of Directors

Strengthening service delivery

We engaged in ongoing discussions about the RHRA's service level performance, particularly in relation to complaint timelines. While progress has been made in several areas, we emphasized the importance of improving complaint resolution timelines to better meet expectations and maintain public confidence. We also supported efforts by the RHRA to address backlog pressures through operational changes.

Consumer awareness and access to information

We provided input on the development of consumer-facing materials, including bilingual guides for current and prospective residents (English/French) and multilingual resources available in English, French, Traditional Chinese, Simplified Chinese, Tamil, Farsi, Tagalog, Korean, Polish and Portuguese. Discussions highlighted the need for clear, accessible information for both residents and families, particularly regarding differences between retirement homes and long-term care, resident rights and care expectations. We also emphasized the importance of improving awareness of the RHRA's role and how to raise concerns.

Responding to increasing complexity of resident needs

Across multiple discussions, we noted a continued increase in the complexity of resident care needs within retirement homes, including a high prevalence of dementia, mobility challenges and chronic health conditions. We highlighted the need for clear expectations for homes supporting residents with higher care needs, and the importance of aligning services, staffing and oversight with resident acuity.

Dementia care and clarity of services

We continued to raise concerns about dementia care in retirement homes, including confusion between "memory care" and "dementia care," and gaps between resident expectations, needs and available programming. We emphasized the importance of clear communication to residents and families, as well as ensuring that homes offering dementia care meet established requirements and provide appropriate supports.

System pressures and transitions in care

We discussed broader system pressures impacting retirement homes, including hospital-to-home transitions and increasing reliance on retirement homes to support individuals with complex needs recognizing that RHRA is limited to its scope in the legislation. We noted challenges related to understanding the limits of care in retirement homes and the role of external care providers.

Insights from the Licensee Engagement Forum

In FY 2025/26, the RHRA launched the Licensee Engagement Forum (LEF), creating a structured forum for licensed retirement home operators and managers to provide input on regulatory activities, operational matters and sector trends. The *LEF Terms of Reference* outlines the purpose of this forum and how its perspectives are shared with SAC.

Over the course of the year, LEF discussions contributed to our understanding of several key areas. Feedback on compliance support resources, including guidance on medication administration and interdisciplinary care conferences, helped identify opportunities to improve clarity and alignment with day-to-day operations in retirement homes. Discussions also highlighted the importance of consistency across inspections and the need for clear communication related to enforcement activities. Broader discussions on sector trends and system pressures, including increasing resident care needs and coordination with external care providers were also shared.

Through the hub and spoke model, the LEF strengthens RHRA's overall engagement approach by ensuring that licensee perspectives are integrated into our advice to the Board, supporting informed decision making and advancing resident protection.

Acknowledgements

SAC benefited from the contributions of a diverse group of members representing resident, family, sector, health and advocacy perspectives. The Council recognizes the importance of this diversity in supporting balanced and informed advice. We want to extend our appreciation to all our members, including our Vice-Chair, Florene Shuber.

We extend our sincere appreciation to the RHRA staff and leadership team for their ongoing engagement and commitment to meaningful dialogue, which ensures that input is considered and reflected in RHRA's work. We also acknowledge the RHRA Board of Directors for its continued openness to our perspectives.

We would like to recognize and thank David Walton-Ball for his contributions and commitment during his time on the Council. We would also like to welcome Lou Watson as our newest resident member in February 2026. Ms. Watson has over 35 years of experience in public education. She has been a teacher, curriculum chairman, vice-principal, principal, a centrally assigned principal in charge of special education and superintendent. She has served as Chair of the Policy Advisory Council (PAC) for Education for the Ministry of Education and was a member of the PAC for Training Colleges and Universities with the Ministry of Education.

We look forward to continuing our collaboration with the RHRA in the coming fiscal year and remain committed to providing constructive advice that supports effective regulation and advances the shared goal of residents living with confidence, dignity and choice.

Sincerely,

Rose Lamb

Rose Lamb,
Chair

Measuring Performance

FY 2025/26 represented the third and final year in the implementation of the RHRA's 2023 to 2026 Strategic Plan. Below is a summary of progress made against initiatives outlined in the 2025/26 Business Plan, including their associated strategic objectives and initiatives.

The development of the RHRA's next three-year Strategic Plan and the separately required independent Board governance review has been extended into FY 2026/27 to enable further collaboration and input with stakeholders. The RHRA aims to complete the governance review and publish its next three-year Strategic Plan by April 1, 2027.

Delivering on our Strategic Plan Objectives in Year Three

Strategic Objective 1: Advance an Evidence-Based Regulatory Approach

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
Advance the RHRA's right-touch regulatory approach Provide policy advice to the Ministry as necessary, stakeholder engagement on identified focus areas (dementia care and assessment procedures), and initiating staged implementation in the sector by Q4.	Develop an approach to right touch regulation that fits with environments of varying risk and burden reduction to licensees	The RHRA conducted research and engagement among stakeholders on dementia care and plan of care/assessment processes as areas commonly associated with non-compliance and/or harm. Findings of the research and engagement have been shared with the Ministry and informed the following outcomes: • The RHRA developed a resource that outlines requirements for interdisciplinary care conferences to support resident safety and well-being, based on strong interest from licensees and operators. The resource was shared with the sector and sessions will be offered to interested retirement homes through Compliance Support in FY 2026/27. • The RHRA developed a commitment as part of its *FY 2026/27 Business Plan* to develop and publish clear, practical material to help licensees understand and meet regulatory requirements related to dementia care programs and consent and approvals of plans of care.

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
Continue to share regulatory intelligence with the sector through the RHRA's Insight Series Publish an Insight Series, and associated guidance support materials, with a focus on medication administration and share with the sector by Q4.	Emphasize initiatives that promote a culture of care through compliance	Licensee Engagement and Support (LES) developed an Insight Series focused on medication administration in licensed retirement homes. This resource provides compliance data, trends, insights and pairs it with practical guidance to support licensees and operators in achieving and maintaining compliance. It was completed in March 2026 and published in April 2026.
Support a culture of care through updated tools and resources to support licensee self-monitoring and improvement Develop an interactive presentation on abuse and neglect and provide a minimum of 10 webinars or in-person trainings with licensees and their staff.	Emphasize initiatives that promote a culture of care through compliance	The RHRA developed the abuse and neglect interactive presentation but was unable to conduct the presentations due to capacity and resource constraints. This initiative was enhanced and included in the FY 2026/27 Transitional Business Plan and will include a recording of the presentation made accessible to all licensees and operators.

Strategic Objective 2: Build Awareness of Resident Rights and the RHRA's Role

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
Enhance the user-friendliness of the RHRA's website Completion of user needs analysis, launch of a competitive request for proposal and initiation of website rebuild in FY 2025/26. A significant amount of the foundational work for the redesign/rebuild will be completed within the fiscal year although it will not be launched publicly until FY 2026/27.	Rebuild/redesign website	An extensive user needs analysis informed requirements to run a competitive website refresh request for proposal. The selected vendor immediately began strategy and user experience design, while internal teams focused on improving content clarity and plain language and identifying content gaps which will be addressed in the next fiscal year. Initial designs and page layouts were validated with members of RHRA's Stakeholder Advisory Council (SAC), Licensee Engagement Forum (LEF) and Resident Network prior to further prototypes and development.

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
Strengthen direct engagement with residents and their families Increase awareness of the RHRA through the distribution of at least 10,000 information packages to residents/ seniors by the end of the fiscal year. Expand ethnocultural outreach strategy with an aim to distribute at least 2,500 translated informational materials (e.g. Tamil) to residents and seniors' organizations.	Inform prospective residents and their families of the value of choosing licensed retirement homes Expand outreach to diverse communities	See *Informing the retirement home sector, residents and public* section (page 26-27) for details.

Strategic Objective 3: Engage, Collaborate and Foster Partnerships

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
New home support and education The RHRA will implement updated processes by providing an informative orientation package for new retirement homes upon licensure.	Increase direct licensee engagement	The RHRA implemented updated new home support and education processes by providing an Orientation Package to all new licensees and offering engagement sessions with LES for those new to the sector. A total of 13 homes completed the new home support and education process, which was formalized in an internal procedure document in March 2026.

FY 2025/26 Business Plan Commitment	Applicable Strategic Plan Initiative	Progress
Implement the Licensee Engagement Forum The RHRA will implement the Licensee Engagement Forum as part of its regular operations, convening a minimum of three meetings in Fiscal Year 2025/2026. An annual engagement summary will be developed and published on the website in Q4.	Improve stakeholder engagement structure	The Licensee Engagement Forum (LEF) met five times during the year and commented on key initiatives beyond the standard meeting cycle. Input from the forum informed RHRA's work in several areas, including priorities for the FY 2026/27 Transitional Business Plan, enhancements to compliance resources, and planned improvements to the portal, website, and newsletter content. The RHRA also prepared its first *LEF Engagement Summary*, capturing how forum feedback shaped its work, which was published in April 2026. Regular updates about LEF's work are shared with the RHRA Directors at every Board meeting.
Support the MSAA in its policy work The RHRA will continue to provide advice and collaborate with the Ministry for Seniors and Accessibility (MSAA) and help facilitate stakeholder input and engagement on priority items related to consumer and resident protection policy.	Provide advice to address definition issues Provide advice and collaborate with the MSAA/Government on priority items related to consumer and resident protection or legislation	The RHRA continued to support the Ministry for Seniors and Accessibility in its policy work by collaborating on priority consumer and resident protection matters, including amendments to *O. Reg 166/11* under the Retirement Homes Act, 2010, to implement the "As of Right" initiative in licensed retirement homes. These amendments became effective as of January 1, 2026. Amendments to O. Reg 166/11 extend "As of Right" provisions to eligible health professions who work in licensed retirement homes, supporting alignment with other care settings, labour mobility and workforce supply in the sector.

Strategic Objective 4: Enable Impact through Operational Excellence

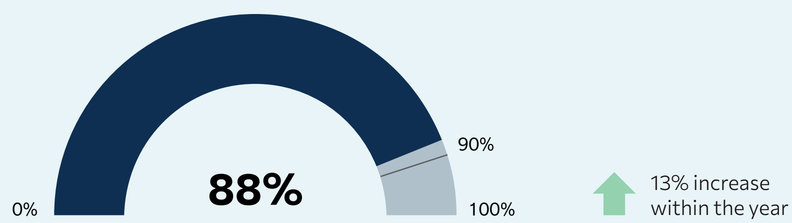
<table>
<tr><th>FY 2025/26 Business Plan Commitment</th><th>Applicable Strategic Plan Initiative</th><th>Progress</th></tr>
<tr><td>Advance implementation of the RHRA's digital strategy
The RHRA will implement additional functionality and improvements that extend the capacity of licensees to interact with the RHRA digitally, including:
• Annual Information Return (AIR) and Compliance Monitoring submissions
• Portal notifications and knowledge resource page
• 60 per cent portal adoption among retirement homes
• 40 per cent of AIR and report of harm/risk of harm submissions received through portal</td><td>Increase use of technology with licensees and stakeholders</td><td>See People, Culture and Technology section (page 49) for details.</td></tr>
<tr><td>Development of the RHRA's next three-year Strategic Plan
Engage various stakeholders in the development of the FY2026/27 to FY 2028/29 Strategic Plan refresh and publish prior to April 1, 2026.</td><td rowspan="2">N/A (MOU requirement)</td><td rowspan="2">Given capacity constraints and the prioritization of front-line service delivery and enhancement, Minister approved a one-year extension for the completion of the independent governance review and three-year Strategic Plan refresh. The governance review and Strategic Plan are scheduled to be completed in FY 2026/27.</td></tr>
<tr><td>Independent governance review
Retain an independent professional service firm to conduct the governance review with a report submitted to the RHRA's Board of Directors.</td></tr>
</table>

Delivering on the RHRA's Strategic Plan Performance Measures

Performance Measure	Additional Information	Target Structure	Outcomes
Percentage of Service Standard Attainment (supports the objective to Advance an Evidenced-Based Regulatory Approach)	Reflects the RHRA's commitment to delivering on its core mandate efficiently by measuring core regulatory processes against service standards (licence applications, inspections, reports of harm/risk of harm, and complaints).	The RHRA meets customer service standards for core regulatory processes 90 per cent of the time annually.	The RHRA fell two per cent below its overall service level standard target goal relating to four core regulatory areas. While the RHRA has made significant progress in improving routine inspections, we fell short meeting our target in part due to capacity issues and backlogs. We achieved an improvement of seven per cent in the last fiscal year and are committed to building on this progress. The RHRA's *FY 2026/27 Transitional Business Plan* includes initiatives to help improve service level standards in complaints, among other areas, through training, recruitment and re-allocating non-essential resources to front-line services. We expect improvement as we work through the existing backlog of written complaints, although reaching the 90 per cent target for complaints may take longer.

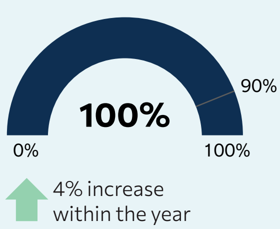
Percentage of Service Standard Attainment

Reflects RHRA's commitment to delivering on its core mandate efficiently by measuring core functions against service standards (licence applications, inspections, reports of harm, and complaints).

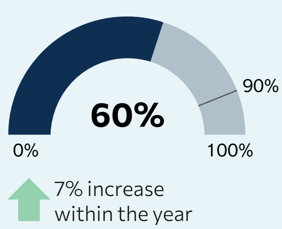


Service Standard Attainment are equally weighted between Licence Applications, Complaints, Reports of Harms and Routine Inspections

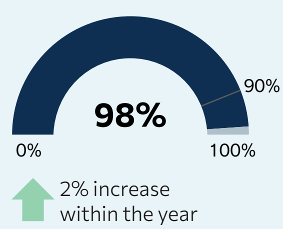
Licence Applications



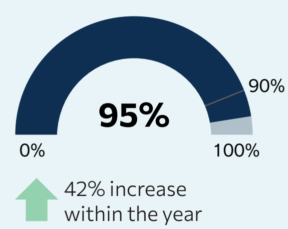
Complaints



Reports of harms



Routine Inspections



Licence Applications: The RHRA exceeded its service level standards, which are eight weeks for standard applications or two to four weeks for expedited applications.

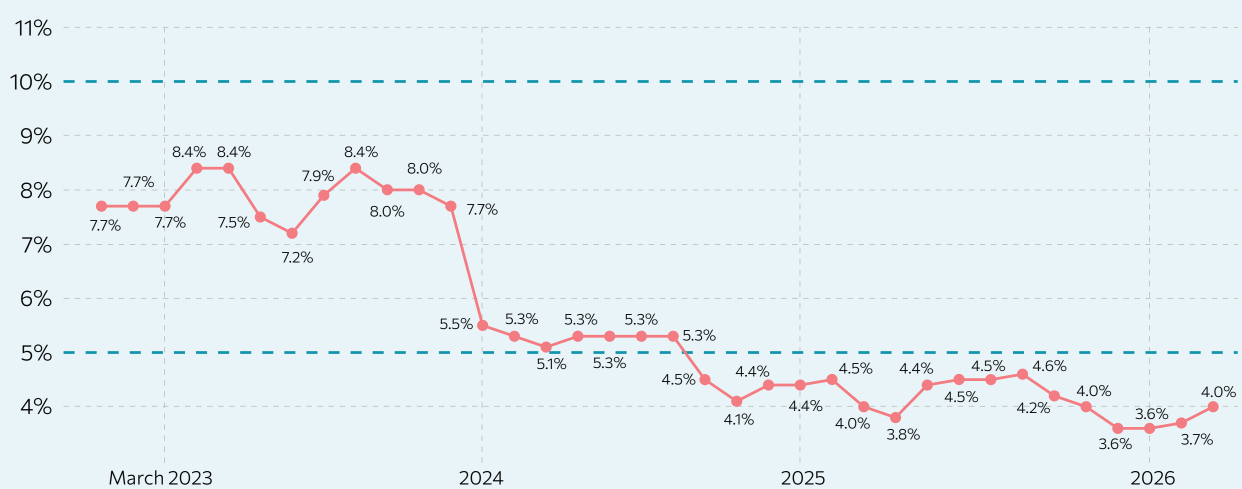
Complaints: Complaints resolved by early resolution are measured by whether they are closed within 50 days, closed by inquiry within 70 days or closed by inspection within 120 days. While progress has been made, service standards were not met due to a continued volume of complaints, a diminishing backlog of complaints files, resource constraints, complexity of concerns and active recruitment for front-line vacancies. Structural changes and resource reallocations into RHRA's complaint function is anticipated to yield further results in FY 2026/27. Complaints work is reliant on other functions, including inspections and enforcement which may also contribute to increased timelines. In addition, concerns that are brought to RHRA's attention that are resolved by complaints staff through early interventions are not included in these metrics.

Reports of Harm: The RHRA exceeded its service level standards for processing reports of harm. We aim to have an inspection related to a report of harm/risk of harm completed within 3-5 days. This can vary based on factors such as the information provided (whether we need to seek clarification or further documentation from the reporter), severity/impact to resident (some Mandatory Reports require an immediate inspection, which we prioritize), whether other investigations are underway (e.g., police or fire investigation, in which case a delay is necessary to not disrupt or interfere with parallel investigations). When there is a serious report of harm, the inspection will often occur within the next business day. The Strategic Plan performance metric we track is when a report of harm inspection is completed, closed and posted on the Retirement Home Database - the standard being within 40 days.

Routine Inspections: The RHRA exceeded its service level standard to conduct 90 per cent of routine inspections within 30 days of the internal target date.

Performance Measure	Details	Target Structure	Outcomes
Proportion of High-Risk Homes (supports the objective to Advance an Evidenced-Based Regulatory Approach)	Uses the RHRA's risk-based regulatory model to target interventions in the high-risk portion of non-compliant homes operating in Ontario.	Proportion of homes in the high-risk category is maintained between five per cent and 10 per cent, the range is based on a rolling three-year trend.	As of March 31, the number of high-risk homes was slightly below the established target (4.0 per cent). Over the last two years, RHRA observed an increase in inspections with no findings of non-compliance and a lower volume of citations across the sector. As citations are a factor in the risk classification, the reduction in citations contributed to a lower proportion of homes being classified as high risk. While the result falls outside the established target range, a lower proportion of high-risk homes is not considered an adverse result, and RHRA would not seek to increase the number of high-risk homes simply to meet the lower end of the target range. RHRA has been and will continue to monitor these indicators and sector trends over time.

Proportion of High Risk Homes



April 1, 2023 to March 31, 2026

Performance Measure	Additional Information	Target Structure	Outcomes
Licensee Compliance Resources (supports the objective to Engage, Collaborate and Foster Partnerships)	Promotes compliance with legislative requirements by proactively identifying and producing education resources on priority topics.	Every year, the top five areas for risk of harm are identified and any new compliance resources needed are produced within 12 months.	Top 5 areas of harm were abuse and neglect, resident record, assessment and plan of care, behaviour management, medication administration and staff training. Compliance resources existed for all areas of harm except medication administration. Published an additional issue of the Insight Series providing an overview of key compliance trends related to medication administration, including staff training, policies and implementation, documentation, and error reporting. It also highlights factors that can increase risk, such as transitions of care and high alert medications, and includes practical examples, tips, and reflective questions to support compliance with legislative requirements and promote safe medication practices.
Governance (supports the objective to Enable Impact Through Operational Excellence)	Demonstrates the RHRA's commitment to governance best practices and conducts independent governance reviews at minimum of every three years. The most recent review was completed in Q4 FY 2022/23. The RHRA completed implementation of all recommendations, but overall timeline was not met due to resource constraints among other operational challenges.	Independent governance reviews conducted at a minimum every three years. 100 per cent of recommendations are addressed within 18 months of the review date.	Given capacity constraints and the prioritization of front-line service delivery and enhancement, the Minister approved a one-year extension for the completion of the independent governance review which informs the Strategic Plan refresh. The governance review is scheduled to be completed in FY 2026/27.

Performance Measure	Additional Information	Target Structure	Outcomes
Accountability, Trust and Collaboration (supports the objectives to Engage, Collaborate and Foster Partnerships as well as Enable Impact Through Operational Excellence)	Demonstrates the RHRA's commitment to continuously improving effectiveness based on stakeholder feedback. Measured at minimum once every three years through a multi-stakeholder survey. Results are rolled into a combined Accountability Index Score. *The 2024 combined index score* was 7.3 out of 10, falling slightly below the target of 7.5. Stakeholders rated the RHRA at 8.1, retirement homes rated the RHRA at 8.1 and residents rated the RHRA at 6.5.	Conduct a multi-stakeholder survey at a minimum once every three years. Increase overall Accountability Index Score to 7.5 among stakeholder groups. The survey asks questions of stakeholders and residents each to rate the RHRA on satisfaction with service, value delivered and value of oversight, transparency, and responsiveness, among other categories. Satisfaction is measured on 13 categories.	These results, including efforts to increase the overall Accountability Index Score to 7.5, were considered in the development of the *FY 2026/27 Transitional Business Plan* and will inform the RHRA's next Strategic Plan. Since the 2024 results, the RHRA has established and begun leveraging its Licensee Engagement Forum to improve RHRA's effectiveness score. The next survey will provide an opportunity to determine if the score has improved. RHRA does not conduct this research every year, which allows the regulator to develop and implement action plans during the intervening period.

Performance Measure	Additional Information	Target Structure	Outcomes
Public Awareness (supports the objective to Build Awareness of Residents' Rights and RHRA's Role)	Demonstrates the RHRA's commitment to raising awareness of the regulator's role, resources and value. Measured at minimum once every three years through a *multi-stakeholder survey*. In 2024, residents responded with an overall awareness rate of 33 per cent, which did not meet its target.	Ensure resident participation rate of a minimum of 500 responses. Increase resident awareness of the RHRA to 35 per cent by FY 2025/26.	These results, including efforts to increase overall resident awareness, were considered in the development of the *FY 2026/27 Transitional Business Plan* and will inform the RHRA's next strategic plan. The RHRA does not have access to contact information for the nearly 70,000 seniors who live in licensed retirement homes, and many residents still do not have email accounts. As a result, RHRA relies on cost-effective awareness methods to reach residents through alternate channels such as resident councils, where they exist, and residents who voluntarily participate in the RHRA Resident Network.
Operational Effectiveness & Efficiency (supports the objective to Enable Impact Through Operational Excellence)	Reflects the RHRA's commitment to minimizing administrative expenses as a per cent of total expenses over three-year period. The RHRA has updated its approach to allocating expenses and will establish an appropriate target in FY 2023/24 to enable year-to-year comparison.	The RHRA will maintain administrative expenses at or below 21 per cent of total expenses. RHRA recommendations for burden reduction submitted upon request.	Target achieved. At March 31, 2026, administrative expenses were 19 per cent of total expenses.

Performance Measure	Additional Information	Target Structure	Outcomes
Financial Sustainability (supports the objective to Enable Impact Through Operational Excellence)	Demonstrates the RHRA's commitment to prudent financial management while maintaining appropriate financial flexibility.	Operating expenses are within three per cent of budgeted operating expenses. Restricted reserves are within three to six months of budgeted operating expenses.	Actual operating expenses ($14.55M) were seven per cent under budgeted operating expenses ($15.71M) because of vacancies, elimination of non-core functions such as the project management office, and reduced reliance on consultants. Restricted reserve was within three to six months of budgeted operating expenses and restored to six months.

Accountability and Transparency

Board and Governance

The RHRA is governed by a nine-person Board of Directors (the Board), including four members appointed by Order-in-Council and five members elected through a nomination process by the Board. The Board recognizes the importance of having Directors that reflect the diversity of Ontario. Board member profiles are available on the *RHRA website*.

The RHRA's Interim CEO and Registrar is accountable to the Board. The Board is accountable to the Minister for Seniors and Accessibility through the Chair. The Minister designates the Board Chair from among the members of the Board.

Board Responsibilities

The Board is responsible for corporate governance, regulatory oversight and guiding the development of the RHRA's Strategic Plan and priorities. Board members adopt best practices in governance and regulatory oversight and are committed to continually strengthening governance practices and oversight of the organization ensuring its public accountability. Governance and accountability information can be found on *RHRA.ca*.

The Board has five regularly scheduled meetings per year. It met more frequently in the past year to provide oversight of the RHRA's strategic, financial and executive search planning. Board activities are supported by the work of two committees:

- Governance, Regulatory Affairs and Nominations Committee (GRANC)
- Finance, Audit and Human Resources Committee (FAHRC)

Information about the elections/appointment process of the Board, basic qualifications of the Board, and Code of Ethics is available on *RHRA.ca*.

Board Remuneration

The Board Remuneration and Administration Policy sets in place the following:

- The per diem rate for the Board Chair is $730.
- The per diem rate for all other Board Directors is $500.
- The Chair receives an annual retainer of $10,000, and the Vice-Chair and Board Committee Chairs receive an annual retainer of $5,000 for work done outside Board and Committee meetings.

For the FY 2025/26, total Board remuneration was $174,170.

Board compensation and expenses are reviewed annually by GRANC and no changes were made last year.

Board Members

Biographies for the Board of Directors is available on the *RHRA's website*.

CARMINE DOMANICO*
Board Chair | Appointed: August 2026
** Alex Yuan served as RHRA Board Chair for FY 2025/26 and took a leave in August 2026.*

CHRISTINE OZIMEK
Board Vice-Chair (re-elected as of January 1, 2025) | Re-elected: December 2024

ANIL MATHUR
Board Member | Re-elected: June 2024 | Chair, FAHRC

VALA MONESTIME BELTER
Board Member | Re-appointed: July 2023 | Chair, GRANC

JONATHAN BOULAKIA
Board Member | Re-elected: December 2025

BARBARA KIELEY
Board Member | Resigned: October 2025

LEAH LEVESQUE
Board Member | Elected: January 2024

JOE VACCARO
Board Member | Appointed: December 2024

Statutory Risk Officer

Another important channel for oversight is the role of the *Risk Officer* (RO). Appointed by the Board and approved by the Minister, the RO is responsible for reviewing, monitoring and assessing the effectiveness of the RHRA's administration of the Act and regulations. This includes the RHRA's activities that relate to helping ensure that licensees meet the care and safety standards in the Act and respect the rights of residents. More information about the RO is available on the RHRA's website.

The RO role is currently vacant with recruitment beginning in FY 2026/27.

Statutory Complaints Review Officer

Appointed by and reporting to the Board, the independent *Complaints Review Officer* (CRO), Elyse Sunshine, is responsible for reviewing matters where a complainant is not satisfied by the Registrar's conclusion to take no further action relating to a complaint. Ms. Sunshine was re-appointed by the Board of Directors to the position of CRO as of February 25, 2026, for a one-year term. More information about the CRO is available on the RHRA's website.

There have been 13 CRO reviews requested. The CRO closed 11 files and rendered 10 decisions. Eight of the files were reviews requested this past fiscal year and three carried over from the previous fiscal year. Of the ten decisions rendered, six were upheld by the CRO and four were referred back with a recommendation for additional consideration. One file was withdrawn by the complainant. Learnings from the CRO decisions are applied to our internal processes and procedures.

Complaints reviewed by the CRO typically arise when a complainant believes enforcement action was warranted, feels their concerns were not adequately addressed in the written decision, or is dissatisfied with the inspection process or its outcome.

Complaints Review Officer	FY 2025/26	FY 2024/25
Referrals	13	13
Decision rendered	10	15
Decision upheld	6	13

Biographies of RHRA's other statutory officers, the CEO and Registrar and the Deputy Registrar, are available on *RHRA.ca*.

External Reviews

In March 2025, the RHRA reported to the Office of the Auditor General of Ontario on the implementation status of recommendations arising from the 2020 value-for-money audit. The Auditor General's December 2025 *Status of Audit Recommendations from the 2020 Annual Report* found that RHRA had fully implemented most recommended actions, with additional items still in progress and a smaller number not implemented where they were outside the RHRA's scope. Overall, the follow-up noted meaningful progress in strengthening regulatory oversight, improving compliance processes and reinforcing resident protection.

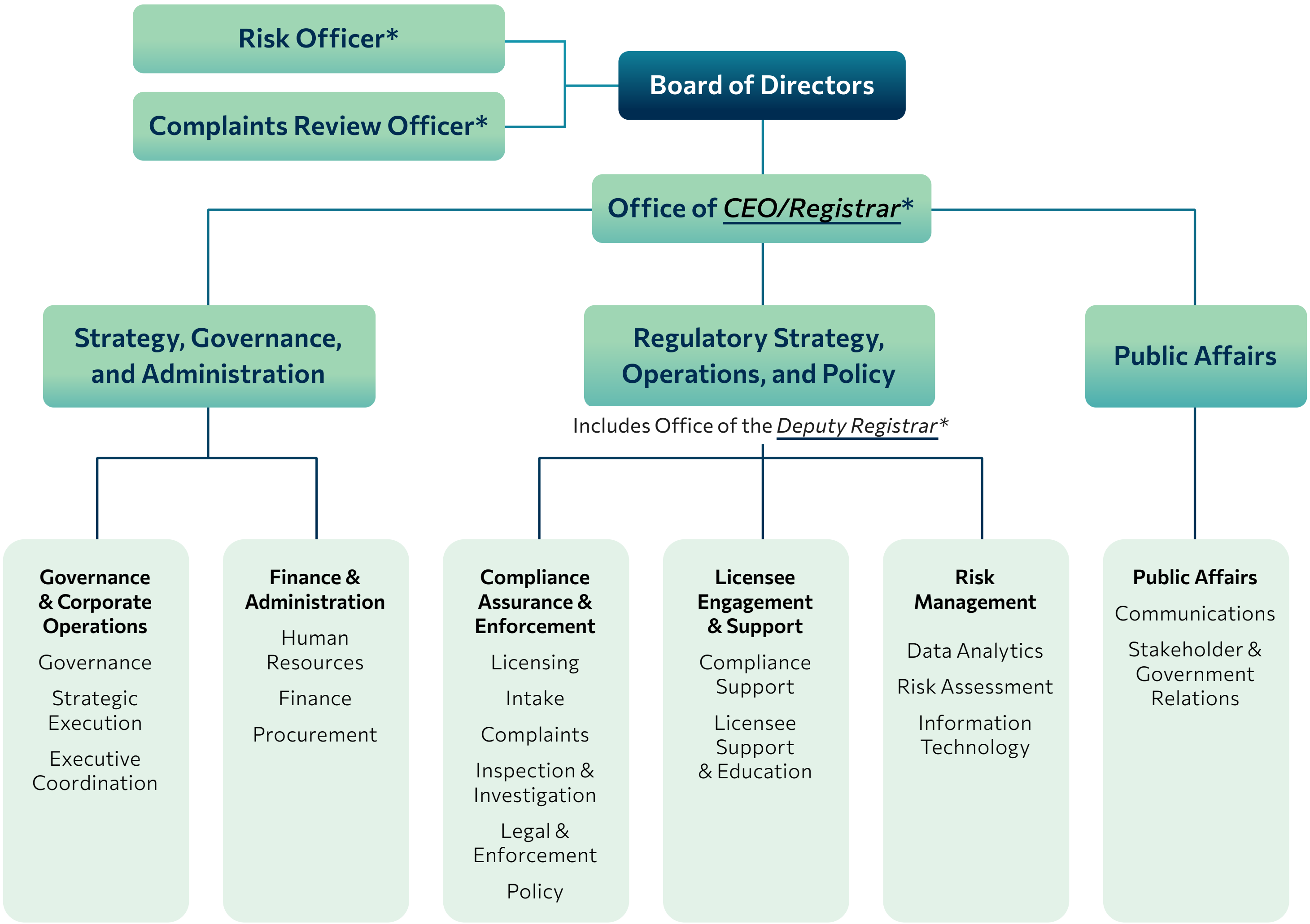
Key areas of progress identified in the follow-up included stronger inspection and compliance activities, improved regulatory processes and greater attention to measures that support resident safety and well-being. The RHRA's response emphasized its continued focus on strengthening resident protection, improving service standards and advancing its core regulatory responsibilities.

The RHRA, together with the Ministry of Seniors and Accessibility (MSAA), continue to work on implementing the remaining recommendations (one RHRA, three joint with MSAA) from the KPMG Operational Efficiency Review.

People, Culture and Technology

Organizational Overview

The RHRA is headquartered in Toronto with approximately 77 full-time equivalent (FTE) positions in place at fiscal year end. Deployed across the province, the RHRA's workforce is primarily comprised of staff working in regulatory operations that carry out the regulator's resident protection mandate and proactively support the sector in compliance. The RHRA is self-funded primarily through annual fees paid by licensees ($14.98 per suite per month from April 1, 2025, to March 31, 2026).



** Independent statutory roles with specific duties and powers set out in the Act.*

Workforce strategy and organizational design

During this transitional year, the RHRA focused on supporting front-line teams, which make up much of the workforce, and on strengthening capacity to deliver its resident protection mandate. The RHRA reviewed and adjusted how teams are structured and how roles are filled to better position staff to meet service level standards. For example, the project management office was eliminated and head count was reallocated to front-line roles. The RHRA's organizational structure above continues to evolve to support effective and efficient operations, while ensuring sufficient capacity for core activities such as complaints, inspections, enforcement and compliance support and oversight.

Learning, development and talent support

The RHRA continued to invest in its people through succession planning, retention efforts, organizational design work, and the thoughtful use of short-term contract resources to maintain continuity during periods of change. The RHRA also offered a range of training and development programs and workshops, including plain language writing, data governance, privacy and cybersecurity, risk assessment, health and safety, drafting and reviewing search warrants, crisis intervention, defusing challenging situations, and management training on leading through change and coaching for high performance. Lunch and Learn sessions were also used to enhance information sharing across the organization and promote greater awareness on key organizational priorities that support more informed decision-making and cross-functional alignment.

Employee engagement

The RHRA continues to measure employee engagement on a tri-annual basis across leadership, supervisory, quality of life, rewards and engagement/diversity categories. The RHRA conducted its latest survey among employees in January 2026 and saw continued strong results. The RHRA achieved an overall rating of 4.31 out of 5 with a participation rate of almost 100 per cent among staff. While the survey outlines strong organizational results, the overall combined score decreased modestly from 4.37 in 2023.

Technology enables

The RHRA also continued to advance its use of technology to strengthen engagement with licensees, reduce administrative burden and improve service delivery through more efficient and secure processes. Building on prior digital investments, the RHRA focused on enhancing the functionality of the portal to support communication, streamline compliance activities and improve tracking of regulatory obligations by licensees.

Key advancements were:

1) Achieve overall Self-Service Portal adoption of 81 per cent across all licensed retirement homes.
2) Received 100 per cent of Annual Information Return submissions and 40 per cent of report of harm/risk of harm submissions through the Self-Service Portal.
3) The integration of Compliance Monitoring submissions on the portal and replacing some email-based processes with secure, bilingual digital workflows. Licensees and operators can now view compliance requirements, submit documentation and monitor ongoing obligations in a single location.
4) The introduction of portal notifications to support responsiveness by providing licensees with immediate visibility of outstanding tasks and reduced the need for follow-up.
5) A centralized resource page within the portal to simplify access to regulatory materials and guidance, while continuing to make these resources publicly available on its website.

Together, these enhancements improve the day-to-day experience for licensees and operators, strengthen regulatory consistency and enable the RHRA to operate more efficiently through integrated systems and reduced manual processing.

Corporate Policies and Commitments

Changes made to the Act and regulations, the RHRA by-laws or policies during the fiscal year

The RHRA Board and its Committees reviewed a number of governance, finance, human resources and risk-related policies during the year to support continued alignment with RHRA's mandate, the MOU with MSAA, and evolving expectations for similar authorities.

Over the past fiscal year, the RHRA Board and/or its Committees reviewed and/or approved changes to several policies and related documents:

Board Education Policy was amended in June 2025

- Changes were made to update the Board's approach to identifying, prioritizing and approving educational opportunities for the Board and individual Directors in connection to their role on the RHRA Board of Directors.

Board Evaluation Policy was amended in December 2025

- Changes were made to the RHRA's Board of Directors internal evaluation processes as part of its commitment to effective governance. Board feedback will move from written surveys to direct, in camera dialogue with the CEO and Registrar.

Enterprise Risk Management Policy was significantly amended in February 2026

- Changes were made to align RHRA's enterprise risk management framework with the Ontario Public Service (OPS) approach by adopting an OPS aligned risk taxonomy, clarifying risk assessment and appetite expectations, and strengthening risk reporting to FAHRC and the Board in support of MOU requirements.

Emergency Fund Contributions Policy was amended in February 2026

- Changes were made to strengthen ongoing monitoring of the Fund and RHRA's risk environment, adjust the cadence of external and internal funding assessments, and establish clear triggers for earlier external reviews in response to significant financial, operational or legislative changes.

Compensation Philosophy Statement was amended in February 2026

- RHRA updated its Compensation Philosophy Statement to include the application of an annual inflationary adjustment (based on the Ontario Consumer Price Index) to its pay structure to support long-term organizational stability and retention.

Effective January 1, 2026, Ontario introduced "As of Right" regulatory amendments to O. Reg. 166/11 that allow qualified professionals, including regulated health professionals, to begin working in licensed retirement homes while completing Ontario registration requirements. The RHRA was engaged in consultations by MSAA as part of this regulatory work. Under the updated framework, professionals in good standing from other Canadian provinces or select U.S. jurisdictions can practice in licensed retirement homes for a limited period without delay, reducing administrative barriers and accelerating workforce entry. Specific details about the regulatory amendment are available on the Ontario e-Laws website.

Complaints about RHRA staff conduct, policies and procedures

The RHRA has an *Administrative Complaints Policy* and an anonymous, third-party service for complaints or concerns about the conduct of its staff, policies and procedures, and/or the application of its policies and procedures. Complaints or concerns related to the administration of the RHRA may be formally written, verbal or anonymous. Both are acted on by the RHRA's staff to seek resolution. A complaint or concern related to findings during an inspection are not administrative complaints.

Of the 31 administrative complaint submissions received in FY 2025/26, one submission involved RHRA staff conduct. The complaint was reviewed using all available information in accordance with established policies and procedures and found to be unsubstantiated. The remaining submissions involved retirement home operations and were triaged through intake as appropriate (e.g. contact retirement home, inspection referral, etc.).

Ongoing commitment to diversity and accessibility

As Ontario's population continues to age and become more diverse, the RHRA recognizes the importance of applying an equity lens to its work. The RHRA is committed to cultivating an exceptional culture that values inclusion, diversity, equity, accessibility and anti-racism. The RHRA continues to take steps to ensure staff have the tools and training and support they need and are encouraged to draw on both their professional expertise and lived experiences in their day-to-day work.

The RHRA is also committed to ensuring equal access and participation for people with disabilities. We are committed to treating people with disabilities in a way that allows them to maintain their dignity and independence. We believe in integration, and we are committed to meeting the needs of people with disabilities in a timely manner. We do so through staff training and by removing and preventing barriers to accessibility and by meeting our accessibility requirements under Ontario's accessibility laws. This includes ensuring our workplace and employment practices are accessible to potential and current employees with disabilities and hosting an Accessibility for Ontarians with Disabilities Act, 2005 (AODA) compliant public website.

In FY 2025/26, the RHRA did not receive any requests for assistance in completing complaint forms (computer/internet access, difficulty writing or seeing).

The RHRA also launched a refreshed visual identity in January 2025 to bring its brand colour palette (applied to website and documents) into compliance with AODA requirements.

Ongoing commitment to French language services

To support provisions within the Act, regulation and the RHRA's *French Language Services Delivery Policy*, the RHRA makes communications, information, notices, guidance and resources available in French through a dedicated website, *RHRA.ca/fr*, where a French version of this Annual Report is available.

The RHRA is committed to providing French language services and responds to all requests for French services. There are 17 retirement homes in Ontario that have self-identified as French-speaking or bilingual.

Of the 7,484 inquiries received by Intake in FY 2025/26, 18 requested French language services (less than 0.2 per cent of inquiries). Requests for French language services include support in responding to questions about retirement home operations, reporting concerns and providing services or information to licenses/applicants.

Staffing

The RHRA prioritizes having staff available who can communicate in both official languages with specific emphasis on those roles which interact directly with the public: Complaints and Client Services and Inspections. The Enforcement/Legal Department also employs a bilingual Enforcement and Legal Operations Specialist who can communicate with licensees in French when required. Orders or other documents are translated and provided to licensees on request.

Website, information and public documents

All public documents, including information for operators, licensees, residents and prospective residents, are available in French on the RHRA's French website. The RHRA's internal publication processes ensure web content and newsletter content are translated and published simultaneously, except in extenuating circumstances.

Inspection reports and enforcement orders are available in French upon request.

Ongoing commitment to efficiency and burden reduction

The RHRA has continued to proactively explore ways to reduce the administrative burden for licensees through operational improvements and legislative recommendations while strengthening resident protection.

The RHRA provides ongoing advice to MSAA on opportunities to reduce burden from legislative and regulatory requirements, or from other activities.

RHRA Self-Service Portal – licensing

In FY 2025/26, a growing number of applicants chose to submit their licensing applications through the portal. In March 2026, 75 per cent of all applications were received via the portal. Survey feedback indicates that users find the portal more user-friendly and efficient compared to previous submission processes.

RHRA Self-Service Portal – Annual Information Return (AIR)

RHRA enhanced the AIR process by transitioning submissions to the portal. This portal-based form provided a structured, user-friendly experience for licensees and operators, enabling them to complete and manage AIR filings in a single location for future efficiency gains. The new system improves usability, enhances data quality, and strengthens overall process efficiency. The AIR form was accessible in both English and French, and made available to users with or without an account.

Finance process re-engineering and automation

The RHRA re-engineered and added automation to its finance processes to improve efficiency, modernize workflows and create additional capacity for higher-value work. Automation of Visa processing and Business Central (RHRA's internal finance IT system) approval workflows reduced manual effort in accounts payable, while streamlining related activities shortened month-end reporting timelines. In accounts receivable, use of improved invoice distribution software supported a more efficient annual billing cycle. Additional automation in billing and budgeting further strengthened timeliness and reduced administrative time across the finance function. In total, these initiatives have reduced effort by approximately 40 hours per month. This meaningful efficiency gain helped sustain performance following the reduction of the finance team from four to staff of three at the beginning of the fiscal year (April 2025).

Enterprise Risk Management, Crisis Management and Business Continuity

The RHRA has developed a comprehensive Enterprise Risk Management (ERM) framework and maintains a risk register which identifies, evaluates, monitors and mitigates enterprise-wide risks which could impact the organization's ability to achieve its objectives and mandate. Risks are assessed based on the likelihood of occurrence and potential impact on the organization, and help inform the organization's risk tolerance. Management assesses these risks quarterly and the results are discussed with the Board semi-annually.

In FY 2025/26, the RHRA updated its Enterprise Risk Management Policy, aligning its enterprise risk management framework with the Ontario Public Service approach (see page 50).

The RHRA continues to review and update its Business Recovery and Business Continuity Plans annually, including its crisis communications protocol, to reflect the evolving environment and emerging risks. These plans provide a clear blueprint for policies, procedures and accountabilities to ensure critical functions can be restored in the event of a crisis.

There were no occurrences of any risk(s) that required the use of any mitigations in FY 2025/26.

Financial Report

Overview

The RHRA continued to operate as a self-funded regulator in FY 2025/26, strengthening its financial position while advancing its core resident protection mandate. Following a modest overall surplus in FY 2024/25, the organization achieved a materially stronger result in FY 2025/26, reflecting higher operating revenue, controlled expense growth, and continued positive investment performance. Results were also influenced by lower-than-planned staffing levels, generating operational savings that are not expected to persist as capacity is built. This improvement aligns with the FY 2026/27 Transitional Business Plan's focus on financial sustainability and enhancing front-line regulatory capacity.

Operating Revenue

The RHRA is funded through fees that licensees must pay to operate a retirement home in Ontario. Operating revenue increased by seven per cent from $13.7M in FY 2024/25 to $14.6M in FY 2025/26, reflecting continued growth in the sector and licensing activity.

Annual fees remain the primary source of funding, contributing approximately 90 per cent of total operating revenue in FY 2025/26, consistent with prior years. This underscores the RHRA's reliance on licensee-based funding to support its regulatory operations.

Annual fee revenue increased by four per cent from $12.7M to $13.2M, driven by modest fee adjustments and growth in licensed suites. Application fee revenue increased from $0.7M to $1.1M, reflecting increased licensing activity.

Ontario's licensed retirement home sector continues to experience consolidation with total number of suites increasing marginally year-over-year, driven by major acquisitions from larger operators seeking to scale their portfolios and meet the growing demand associated with an aging population and more complex care needs. This trend has contributed to higher transaction volumes and application activity during the year, supporting overall modest revenue growth.

Operating Expenses

Operating expenses increased marginally by two per cent from $14.3M in FY 2024/25 to $14.5M in FY 2025/26, reflecting disciplined cost management and savings from vacancies which will be filled in FY 2026/27. As noted above, vacancy-related savings contributed to the overall result and are not expected to persist as staffing levels are built back up in FY 2026/27.

Salaries, wages and benefits increased by six per cent from $10.8M to $11.5M, driven by continued investment in staffing to support front-line regulatory functions such as inspections, complaints handling and intake and one-time restructuring costs. This increase was partially offset by organizational realignments to better match resources with operational priorities and the RHRA's mandate.

During the year, three administrative positions were eliminated and reallocated to front-line roles. The organization also continued to accelerate recruitment and onboarding for critical positions supporting its mandate and backfilling for a number of front-line vacancies in regulatory operations.

These efforts were complemented by a sustained focus on leveraging technology and automation to streamline administrative processes and improve efficiency. Enhancements to systems, including the RHRA's Self-Service Portal, have enabled more efficient workflows and allowed staff to focus on higher-value regulatory activities.

At the same time, other operating costs declined by 13 per cent, from $3.0M to $2.6M, reflecting ongoing efforts to manage discretionary spending such as consultants. Amortization expense increased modestly, consistent with continued investment in information technology and digital tools that enhance operational effectiveness.

Overall, expense trends demonstrate a disciplined approach to financial management while ensuring resources remain aligned with areas of highest regulatory demand and impact and enable us to deliver our resident protection mandate.

Non-Operating Revenue and Expenses

Net investment income decreased by 10 per cent from $967K in FY 2024/25 to $870K in FY 2025/26 and remains a significant contributor to overall results. While returns were positive for the year, performance reflected a more volatile market environment, with fluctuations in equity markets and interest rates influencing results – all of which are shaped by broader macroeconomic conditions beyond RHRA's control. Consistent with the RHRA's long-term objective of achieving a structurally balanced operating position, investment returns are not relied upon to fund core operations, as reflected in the financial sustainability approach outlined in the FY 2026/27 Transitional Business Plan.

Net Income

The RHRA improved from an operating loss of $585K in FY 2024/25 to an operating surplus of $88K in FY 2025/26, representing a positive shift of over $673K.

Including investment income, total surplus increased by 143 per cent from $409K in FY 2024/25 to $994K in FY 2025/26, reflecting stronger revenue performance and effective expense management.

This year-over-year improvement demonstrates continued progress toward a more structurally balanced financial position.

Reserves

Internally restricted operating reserves increased by seven per cent from $7.2M in FY 2024/25 to $7.7M in FY 2025/26, remaining within the Board's target range of three to six months of operating expenditure. Based on projected FY 2026/27 operating expenses, the reserve is equivalent to approximately six months of expenditure.

The Emergency Fund grew by seven per cent from $0.84M to $0.90M, reflecting ongoing contributions from administrative monetary penalties and investment income.

These reserve levels support financial stability by enabling the RHRA to manage operational risks, maintain service continuity, and respond to unforeseen pressures without compromising its mandate.

Net Assets

Total net assets increased by 11 per cent from $9.1M in FY 2024/25 to $10.1M in FY 2025/26, driven by the year's higher surplus. The organization continues to operate with no unfunded liabilities and maintains a strong liquidity position. At year end, approximately 90 per cent of current assets were held in cash, and total current assets were approximately 1.5 times current liabilities, supporting the RHRA's ability to meet its short-term obligations and operational requirements.

At year end, approximately 85 per cent of the RHRA's total net assets (or $8.6M) were restricted for specific purposes, including the Emergency Fund and internally restricted operating reserves, supporting a prudent and sustainable financial position.

Investments

Total investments increased by 9 per cent from $6.4M in FY 2024/25 to $7.0M in FY 2025/26, reflecting reinvestment of surplus funds and market performance.

The investment portfolio continues to be managed under a Board-approved policy focused on capital preservation, liquidity, and optimized returns. Investment income for the year totaled $870K, derived from interest, dividends, and realized and unrealized gains less bank fees.

Most investments support internally restricted reserves, aligning investment strategy with long-term financial sustainability objectives.

Management's Responsibility for Financial Reporting

The RHRA's Management is responsible for the integrity, consistency, objectivity and reliability of the Financial Statements of the RHRA and related financial information as presented. Canadian accounting standards for not-for-profit organizations have been applied, and Management has exercised its judgment and made best estimates where appropriate. The RHRA's accounting system and related internal controls are designed, and supporting procedures maintained, to provide reasonable assurance that financial records are complete and accurate, and that assets are safeguarded against loss from unauthorized use or disposition.

The RHRA's Board of Directors oversees management's responsibilities for financial reporting. The Board has established the Finance, Audit and Human Resources Committee, (FAHRC) composed of independent directors, to support execution of its fiduciary and financial oversight role. The Committee monitors the RHRA's system of internal controls over the financial reporting process, makes recommendations to the Board regarding the Board's appointment of the external financial auditor and reviews and recommends the financial statements for Board approval.

Deloitte LLP, the independent auditors appointed by the RHRA Board, audited the RHRA's Financial Statements as of March 31, 2026, and for the year then ended. Their report, which expressed an unmodified audit opinion, can be found at the end of this Annual Report. In addition, Deloitte LLP has full and unrestricted access to and meets periodically with FAHRC to discuss their audit and matters arising, such as comments they may have on the fairness of financial reporting and the adequacy of internal controls.

Financial Statements

As at March 31, 2026

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Independent Auditor's Report

To the Board of Directors of the
Retirement Homes Regulatory Authority

Opinion

We have audited the financial statements of the Retirement Homes Regulatory Authority (the "Organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

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 GAAS 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 GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chartered Professional Accountants

Retirement Homes Regulatory Authority

Statement of Financial Position

As at March 31, 2026

	Notes	2026 $	2025 $
Assets			
Current assets			
Cash		**4,360,165**	5,604,904
Accounts receivable	2	**20,528**	34,984
Prepaid expenses		**378,645**	368,074
Harmonized Sales Tax receivable		**67,765**	121,455
		4,827,103	6,129,417
Long-term investments	3	**6,987,267**	6,432,368
Emergency fund restricted cash	10	**901,715**	840,869
Capital and intangible assets	4	**1,251,826**	1,454,678
		13,967,911	14,857,332
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	5 and 6	**3,208,235**	4,781,875
Deferred capital contributions	7	**579,167**	857,167
Deferred lease inducement	8	**85,181**	117,124
		3,872,583	5,756,166
Commitments and contingencies	11		
Net assets			
Unrestricted		**1,480,929**	1,076,596
Restricted - Emergency fund	10	**901,715**	840,869
Internally restricted	9	**7,712,684**	7,183,701
		10,095,328	9,101,166
		13,967,911	14,857,332

The accompanying notes are an integral part of the financial statements.

Approved by the Board

________________________________, Chair of the Board of Directors

________________________________, Chair of the Finance, Audit & Human Resources Committee

Retirement Homes Regulatory Authority

Statement of Operations

As at March 31, 2026

	Notes	Operating fund $	Emergency fund $ (Note 10)	2026 Total $	Operating fund $	Emergency fund $ (Note 10)	2025 Total $
Revenue							
Annual fees		**13,228,989**	**—**	**13,228,989**	12,679,943	—	12,679,943
Application fees		**1,126,650**	**—**	**1,126,650**	711,850	—	711,850
Administrative monetary penalties		**—**	**36,000**	**36,000**	—	57,500	57,500
Amortization of deferred capital contributions	7	**278,000**	**—**	**278,000**	278,000	—	278,000
		14,633,639	**36,000**	**14,669,639**	13,669,793	57,500	13,727,293
Expenses							
Salaries, wages and benefits		**11,470,474**	**—**	**11,470,474**	10,817,990	—	10,817,990
Operating		**2,609,029**	**—**	**2,609,029**	3,010,150	—	3,010,150
Amortization of capital assets		**466,395**	**—**	**466,395**	426,312	—	426,312
Payments from the Emergency fund		**—**	**—**	**—**	—	31,362	31,362
		14,545,898	**—**	**14,545,898**	14,254,452	31,362	14,285,814
Excess (deficiency) of revenue over expenses before the undernoted		**87,741**	**36,000**	**123,741**	(584,659)	26,138	(558,521)
Net investment income	3	**845,575**	**24,846**	**870,421**	930,253	36,871	967,124
Excess of revenue over expenses		**933,316**	**60,846**	**994,162**	345,594	63,009	408,603

The accompanying notes are an integral part of the financial statements.

Retirement Homes Regulatory Authority

Statement of Changes in Net Assets

As at March 31, 2026

	Unrestricted $	Restricted-Emergency fund $ (Note 10)	Internally restricted $ (Note 9)	2026 Total $	Unrestricted $	Restricted-Emergency fund $ (Note 10)	Internally restricted $ (Note 9)	2025 Total $
Net assets, beginning of year	**1,076,596**	**840,869**	**7,183,701**	**9,101,166**	990,198	777,860	6,924,505	8,692,563
Excess of revenue over expenses	**933,316**	**60,846**		**994,162**	345,594	63,009	—	408,603
Interfund transfers	**(528,983)**		**528,983**	**—**	(259,196)	—	259,196	—
Net assets, end of year	**1,480,929**	**901,715**	**7,712,684**	**10,095,328**	1,076,596	840,869	7,183,701	9,101,166

The accompanying notes are an integral part of the financial statements.

Retirement Homes Regulatory Authority
Statement of Cash Flows
As at March 31, 2026

	Notes	2026 $	2025 $
Operating activities			
Excess of revenue over expenses		**994,162**	408,603
Items not involving cash			
Unrealized gains on investments	3	**(371,197)**	(258,084)
Amortization of capital assets		**466,395**	426,312
Amortization of deferred capital contributions		**(278,000)**	(278,000)
Amortization of deferred lease inducement		**(31,943)**	(31,944)
		779,417	266,887
Change in non-cash operating working capital			
Accounts receivable		**14,456**	(8,043)
Prepaid expenses		**(10,573)**	(60,881)
Harmonized Sales Tax receivable/payable		**53,690**	(16,415)
Accounts payable and accrued liabilities		**(1,573,640)**	2,801,330
		(736,650)	2,982,878
Investing activities			
Acquisition of capital assets		**(263,541)**	(164,966)
Net purchases and redemption of investments		**(183,702)**	(308,946)
Increase in Emergency Fund restricted cash		**(60,846)**	(63,009)
		(508,089)	(536,921)
Change in cash		**(1,244,739)**	2,445,957
Cash, beginning of year		**5,604,904**	3,158,947
Cash, end of year		**4,360,165**	5,604,904

The accompanying notes are an integral part of the financial statements.

The Retirement Homes Regulatory Authority ("RHRA") is responsible for the administration and enforcement of the Retirement Homes Act, 2010 (the "Act"). The RHRA was established as a corporation without share capital under the Act. It is subject to the Corporations Act (Ontario) and, as a not-for-profit organization under the Income Tax Act (Canada), is exempt from income tax.

The RHRA's responsibilities include the licensing of retirement homes, enforcement of the care and safety standards for residents, and educating licensees, consumers and the public on legislative requirements and standards.

1. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations under Part III of the Chartered Professional Accountants of Canada Handbook and include the following significant accounting policies:

(a) Fund accounting

The Operating Fund accounts for the RHRA's operating and administrative activities, and reports unrestricted revenues and expenses.

The Emergency Fund reports funds held in trust for the benefit of residents and former residents of retirement homes if the criteria for making a claim and payment are met.

(b) Investments

The RHRA's investments consist of fixed income GICs and exchange-traded funds. Investments are recorded at fair value on initial recognition. Subsequently, investments are recorded at fair value, with unrealized gains and losses reported in the Statement of operations.

Transaction costs related to investments are expensed as incurred.

(c) Capital and intangible assets

Purchased capital and intangible assets are recorded at cost. The cost of a capital or intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Leases that transfer substantially all the benefits and risks of ownership are capitalized.

Amortization is provided on the straight-line basis over the estimated useful lives of the assets at the following annual rates:

Equipment	25 per cent
Computer software	50 per cent
Computer hardware	33 per cent
Furniture and fixtures	20 per cent
Leasehold improvements	Remaining term of lease
Central IT system	20 per cent

Capital and intangible assets in progress are not amortized. Amortization of a capital and intangible asset commences in the month after it is brought into service.

1. Significant accounting policies (continued)

(d) *Foreign currency translation*

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rates of exchange at the year-end date. Revenue and expenses are translated at the exchange rates prevailing on the transaction date. Realized and unrealized exchange gains and losses are included in the Statement of operations.

(e) *Deferred lease inducement*

Deferred lease inducement relates to a leasehold improvement allowance and is amortized on the straight-line basis over the term of the lease.

(f) *Revenue recognition*

Annual fees

Annual fees are recognized as revenue proportionately over the year to which they relate, net of amounts for which collectability is uncertain. The annual fee is due on the first day of the calendar year. Annual fees that are remitted quarterly are subject to a finance fee that is deferred and recognized over the periods to which the deferral relates.

Application fees

Application fees are recognized upon receipt of a completed application and after a preliminary assessment of the application has been performed.

Province of Ontario Grants

Operating grants received from the Province of Ontario are recognized in the period in which the events giving rise to the grant occur, any eligibility criteria and/or stipulations are met, and reasonable estimate of the amount can be made.

Capital grants received are deferred and amortized into revenue on the same basis as the related asset is amortized.

Contributions

The RHRA uses the deferral method of accounting for contributions.

Contributions received for capital assets are deferred and are amortized into revenue on the same basis as the related asset is amortized.

Investment income

Investment income is recognized as revenue when earned and is recorded on the accrual basis, and includes interest and dividend income as well as realized and unrealized gains and losses.

(g) *Financial instruments*

Financial instruments are financial assets or liabilities of the RHRA which, in general, provide the RHRA the right to receive cash or another financial asset from another party or require the RHRA to pay another party cash or other financial assets.

Financial assets and financial liabilities are initially recognized at fair value when the RHRA becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, with the exception of investments which are measured at fair value.

The fair value of the RHRA’s cash, accounts receivable, and accounts payable and accrued liabilities approximate their carrying values.

1. Significant accounting policies (continued)

(h) 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 revenues, expenses, assets and liabilities as well as disclosure of contingent assets and liabilities in the financial statements and accompanying notes. Balances subject to estimation relate primarily to certain accrued liabilities and the useful lives of the various categories of capital assets. Actual results could differ from such estimates.

2. Accounts receivable

	2026	2025
	$	$
Accounts receivable	**11,125**	23,514
Interest receivable	**9,403**	11,470
	20,528	34,984

Accounts receivable are net of an allowance for doubtful accounts of nil (nil in 2024).

3. Investments

The RHRA's investment decisions are made in line with an Investment Policy approved by the Board, which is reviewed and updated periodically. The RHRA's investment objectives, in their order of priority, are to: 1. Preserve capital, 2. Maintain liquidity to meet operational and capital requirements, and 3. Maximize the rate of return.

Investments consist of cash held in the investment portfolio account, and exchange-traded funds.

	2026	2025
	$	$
Long-term investments		
Cash in investment account	**20,718**	20,202
Exchange-traded funds	**6,966,549**	6,412,166
	6,987,267	6,432,368

The composition of net investment income for the year is as follows:

	2026	2025
	$	$
Realized gains, interests and dividends	**257,842**	310,441
Bank interest	**247,443**	406,613
Unrealized gains during the year	**371,197**	258,084
	876,482	975,138
Less: bank fees	**(6,061)**	(8,014)
	870,421	967,124

4. Capital and intangible assets

	Cost $	Accumulated amortization $	2026 Net book value $	2025 Net book value $
In Progress	**128,000**	**—**	**128,000**	—
Equipment	**31,304**	**31,304**	**—**	—
Computer software	**128,204**	**126,829**	**1,375**	18,265
Computer hardware	**259,467**	**221,272**	**38,195**	60,580
Furniture and fixture	**128,258**	**128,258**	**—**	—
Leasehold improvements	**704,512**	**516,643**	**187,870**	258,321
Central IT system	**1,845,699**	**949,313**	**896,386**	1,117,512
	3,097,444	**1,973,619**	**1,251,826**	1,454,678

During the year, the RHRA disposed and wrote off fully depreciated capital and intangible assets with an original cost of nil (nil in 2025).

5. Government remittances

As at March 31, 2026, the RHRA had nil in government remittances payable (nil in 2025).

6. Customer advances

Annual fees received relating to the periods after the current fiscal year are recorded as a liability and included in accounts payable and accrued liabilities. Commencing January 1, 2024, annual fees are billed in line with the fiscal year. As at March 31, 2026, RHRA had $1,977,323 in customer advances ($3,323,286 in 2025).

7. Province of Ontario grant

Grant funding received from the Province of Ontario consisted of both operating and capital funding for the purpose of carrying out an IT infrastructure project. Subsequent to April 1, 2023, no further operating grant amounts were recognized under this funding. The continuity of deferred capital contributions is as follows:

	2026 $	2025 $
Deferred revenue and deferred capital contributions from Province of Ontario grant, beginning of year	**857,167**	1,135,167
Less: amounts recognized as revenue during the year	**278,000**	278,000
	579,167	857,167
Portion related to deferred capital contributions, end of year	**(579,167)**	(857,167)
	—	—

8. Deferred lease inducement

Deferred lease inducement relates to a leasehold improvement allowance received from the landlord for the renovation of the leased office premises. The original amount of the inducement was $319,429 and is being amortized on the straight-line basis over the term of the lease. As at year end, accumulated amortization amounts to $234,248 ($202,305 in 2025).

9. Internally restricted net assets

The RHRA has two types of restricted net assets: an internally restricted operating reserve and an externally restricted emergency fund reserve (Note 10).

The RHRA created an operating reserve for operating expenses for the purposes of accumulating funds that are available when needed due to unforeseen operating shortfalls.

On December 14, 2022, the Board approved a policy for sustaining an operating reserve equal within a target range of three to six months of normal annual operating budget expenditures, and a process for allocation from unrestricted net assets.

Over three quarters of internally restricted operating reserve funds are invested in long-term investments (Note 3).

10. Emergency fund

The Emergency fund was established in 2013 pursuant to the Act. Funds are held in trust for the benefit of residents and former residents of retirement homes in respect of any claims relating to certain events if the criteria for making a claim and payment are met. All administrative monetary penalties collected by the RHRA must be paid into the Emergency Fund pursuant to the Act. The Emergency fund is a legislatively restricted net asset and cannot be used for the RHRA's operations under any circumstances but must be presented as a net asset on the Statement of financial position.

The transactions and balance in the Emergency fund are as follows:

	2026	2025
	$	$
Opening balance	**840,869**	777,860
Administrative monetary penalties	**36,000**	57,500
Interest income	**24,846**	36,871
	901,715	872,231
Less: claims/payments made	**—**	31,362
Closing balance	**901,715**	840,869

11. Commitments and contingencies

Lease obligations

Future payments relating to leased office premises, for future years until expiry of the lease in fiscal 2029, are as follows:

	$
2027	449,312
2028	462,463
2029	403,524
2030	—
Total minimum lease payments	1,315,299

12. Risk management

The investments held by the RHRA are exposed to a variety of financial risks. The RHRA seeks to minimize the potential adverse effects of these risks by regularly monitoring the investment's position, market events and the diversity of the long-term investment portfolio within the constraints of the RHRA's Investment Policies.

Significant risks that are relevant to the RHRA's investments are as follows:

Financial risk management

The RHRA is subject to market and interest rate risks with respect to its long-term investments. The RHRA's intention is to hold for long-term investment purposes, rather than short-term trading, therefore as of March 31, 2026, the RHRA did not hold any short-term investments.

Market risk

Market risk arises as a result of trading in equity securities (exchange-traded funds). Fluctuations in the market and interest rate expose the RHRA to the risk of loss. There have been no changes to the RHRA's risk exposure from 2025.

To manage its market risk, the RHRA has established investment policies which include target mix of investment types and concentration limits designed to achieve the optimum return within reasonable risk tolerances.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The RHRA is subject to credit risk with respect to its accounts receivable. The balance of accounts receivable on the Statement of financial position represents the RHRA's maximum exposure at March 31, 2026. The RHRA manages this risk through proactive collection policies.

Financial liabilities

Liquidity risk

The RHRA's objective is to have sufficient liquidity to meet its liabilities when due. The RHRA monitors its cash balances and cash flows generated from operations to meet its requirements.

12. Risk management (continued)

Financial liabilities (continued)

Liquidity risk (continued)

As at March 31, 2026, the most significant financial liability is accounts payable and accrued liabilities and it is management's opinion that the RHRA is not in default of any terms of its financial liabilities.

There have been no changes to the RHRA's risk exposures from the year ended March 31, 2025.

13. Indemnification of directors

The RHRA has indemnified its past, present and future directors against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors are sued as a result of their service, if they acted honestly and in good faith with a view to the best interest of the RHRA. The nature of the indemnity prevents the RHRA from reasonably estimating the maximum exposure. The RHRA has purchased directors' liability insurance with respect to this indemnification. The directors of the RHRA are not aware of any threatened or actual proceedings.

Retirement Homes Regulatory Authority

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RHRA.ca

A person may file an **Administrative Complaint** if they have a concern regarding the conduct of an RHRA staff member, an RHRA policy, or the administration of a policy.