

Submission to the
Regina Qu'Appelle Health Region

Regarding
Regina Recovery Homes

Presented by the
Canadian Union of Public Employees



June 2005

INTRODUCTION

The employees of Regina Recovery Homes Inc. are unionized with the Canadian Union of Public Employees. CUPE is bargaining a first collective agreement for the employees of Regina Recovery Homes.

In preparation for bargaining, CUPE accessed financial statements of Regina Recovery Homes Inc. for the years 2000 to 2004 through Corporations Branch of Saskatchewan Justice. After examining those financial statements, we want to raise concerns with the Regina Qu'Appelle Health Region about what could be considered an inappropriate use of public funds by Regina Recovery Homes.

We believe that it is the responsibility of the Regina Qu'Appelle Health Region to:

- ensure that appropriate treatment services for substance abuse is available within the health region and that Regina Recovery Homes Inc. fulfills its obligations and meets the objectives of the health region as stated in the contract for services;
- ensure that Regina Recovery Homes makes appropriate and prudent use of public funds, that there are safeguards in place for the protection of public funds and that the funds are used for the delivery of programs for addiction and substance abuse.

Our concerns, which we will detail in this brief, are two-fold: that public funds are not being adequately safeguarded; and, that service delivery is suffering because of an ineffective governance and management structure. There is evidence of an apparent conflict of interest with the president and other directors of Regina Recovery Homes who are also directors of Keystone Enterprises, a private real estate company that has been the exclusive lease operator of the properties of Regina Recovery Homes since the organization's incorporation in 1981. We

believe that this exclusive building and equipment lease arrangement has channelled public funds into the revenues of Keystone Enterprises at the expense of service delivery to clients at Regina Recovery Homes. We believe this to be unacceptable and inappropriate use of public funds.

We are also concerned about the deterioration in the quality of services to the clients of Regina Recovery Homes. If public funds are being channelled into lease payments to create revenues for Keystone Enterprises, then there are fewer funds available for the development of quality services and programs. The low wages and benefits of the dedicated staff who work for Regina Recovery Homes is one outcome of the possible misappropriation of public funds. The employer has consistently told employees that there is not sufficient funding for improvements in wages or for professional development opportunities. The staff believe that the centre is not keeping abreast of advances and best practices in the treatment of substance abuse.

We believe that there are serious financial questions, ineffective board governance and unresponsive programming at Regina Recovery Homes that the Regina Qu'Appelle Health Region must investigate and address. Our proposal is that the health region conduct a forensic audit of the non-profit corporation, review its relationship with Keystone Enterprises and take over the delivery of addiction services currently being provided through a contract with Regina Recovery Homes. The health region already wholly funds this service and has responsibility from a population health perspective to ensure that quality treatment services are available for people in this health region dealing with substance abuse.

Our brief will outline in more detail our questions and concerns with respect to the financial statements and the present concerns of employees of Regina Recovery Homes regarding service delivery. .

CONCERNS ABOUT FINANCIAL OPERATIONS

Regina Recovery Homes Inc. was incorporated as a non-profit organization on May 11, 1981. Regina Recovery Homes provides addictions treatment and counselling through the Detox Centre in Regina, at Pine Lodge treatment centre in Indian Head, and until last year, at Regina Recovery Manor. The 2004 audited financial statements of Regina Recovery Homes shows that the Regina Qu'Appelle Health Region provided close to \$1.5 million in funding in 2004. The Regina Qu'Appelle Health Region is the sole funder of Regina Recovery homes.

After reviewing the financial statements of Regina Recovery Homes, CUPE has concerns about possible financial irregularities with Regina Recovery Homes. An examination of Schedule A in the contract for services between the Regina Qu'Appelle Health Authority and Regina Recovery Homes, and the audited financial statements of Regina Recovery Homes raises a number of questions and calls for a more detailed investigation into the financial operations and governance of Regina Recovery Homes.

The following are a few of the concerns that we would like to draw attention to:

- **Staffing Information Incorrect in Schedule A :** Schedule A of the contract between the health region and the agency for 2004/05 shows that a psychologist and three nurses were on payroll of Regina Recovery Homes. They have never had a psychologist on staff and there are currently only two nurses employed: one at the Regina Detox Centre and one at Pine Lodge treatment centre. We have not been provided with a copy of the contract for 2005/06.
- **Apparent Conflict of Interest of Directors.** Since the non-profit organization Regina Recovery Homes was incorporated, it has leased rather than owned its properties. The properties are owned by Keystone

Enterprises Ltd., whose principle director is Raymond Gerry, who has also served as president and director of Regina Recovery Homes since its incorporation in 1981. The articles of incorporation for Keystone Enterprises list the following as directors: Raymond Gerry (President), Dolores Gerry (Secretary) and Gerry Stang (Treasurer). The articles of incorporation for Regina Recovery Homes lists five directors, of which three are Ray Gerry, Dolores Gerry and Gerry Stang, all of the same address (*see attached documents*). The 2004 corporate registry of Keystone Enterprises lists only two directors: Raymond Gerry (President) and Gerry Stang (Secretary/Treasurer). Both hold positions as directors of Regina Recovery Homes as shown by the most recent annual return (June 2004) filed with Corporations Branch.

We consider the overlapping directors to be in an apparent conflict of interest because of the possible financial benefit they receive through the leasing contract between Keystone Enterprises and Regina Recovery Homes.

- **Appropriate lease payments for properties.** We question the financial soundness of the decision to lease rather than own the properties of Regina Recovery Homes. The financial statements show that the non-profit organization has been paying significant lease payments to Keystone Enterprises over the past 24 years. In this same time period, the equivalent amount of payments made by Regina Recovery Homes would have paid the mortgages of the properties several times over.

For example, from the years 2000 to 2004 when we reviewed financial statements, the Detox Centre paid over \$35,000 a year for a total of \$178,372 in building rental payments to Keystone Enterprises. This property located at 2839 Victoria Avenue was assessed only at \$134,980 in 2004 (*City of Regina website on property assessments*).

Financial statements for Regina Recovery Homes also show that property taxes were charged to the Detox Centre account starting in 2003, even though Regina Recovery Homes does not own the property. In 2003 property taxes of \$4,244 and property taxes of \$3,435 in 2004 were charged as expenses in the financial statements of the Detox Centre.

Significant lease payments are also being made by Regina Recovery Homes for the property that houses Pine Lodge Treatment Centre in Indian Head. Between the years 2000 and 2004, Pine Lodge has paid over \$70,000 annually in building lease payments for a total of \$353,370. We estimate that Keystone Enterprises has received over three-quarters of a million dollars in lease payments for Pine Lodge since that centre was established in 1987.

- **Equipment lease charges.** We believe that these lease payments should be examined to determine if they represent fair market value and whether they are an appropriate use of public funds. We also have questions about the high equipment lease payments attributed to Pine Lodge's financial statements. In the past five years those payments have ranged from \$17,915 to \$12,000 annually. It is not clear what equipment is being leased and why needed equipment has not been purchased instead. We believe that the health region should conduct an audit of the lease payments that details the equipment being leased and determine whether they represent a fair value for public funds.

- **Questionable use of equipment and furniture reserve.** Regina Recovery Homes has been allocating significant funds from surpluses over the years into a furniture and equipment reserve. Between the years 2000 and 2004, \$65,000 was channelled into a furniture and equipment reserve for Pine Lodge. We believe that an audit of the expenditures from this reserve should be done to ensure that the funds have been used

appropriately. We also question why a reserve exists for equipment when the agency is already paying significant lease payments for equipment.

- **Appropriateness of loan for property upgrading.** In 1993 and 1994, financial statements for Regina Recovery Homes note that payments of \$94,000 and \$83,000 were made for a bank loan guaranteed by Raymond Gerry. The notes to the financial statements state: *“loan from Cedar Lodge, Keystone Enterprises Ltd. Advances relating to the upgrading of property to be operated by Regina Recovery Homes Inc. The loan bears no interest, has no definite repayment terms and is guaranteed by Mr. Raymond Gerry.”* We question why Regina Recovery Homes was required to obtain a loan to make improvements to property that it does not own and when the non-profit organization is already paying significant lease payments to occupy the buildings owned by Keystone Enterprises.
- **Revenue recovered for meals during family week.** Employees at Pine Lodge have noted that the financial statements do not show any revenue recovered from the families who stay with clients of the centre during family week. Families are charged for their meals and this should be accounted for in the financial statements.

CONCERNS OF STAFF REGARDING SERVICES

Regina Detox Centre

The Regina Detox Centre is a short-term detoxification centre that stabilizes clients in a structured environment so that they are able to receive further long-term treatment for their addiction. There is space for a maximum of 24 clients and the length of stay is up to 7 to 10 days. On average 20 beds are in use and there are times, especially in the winter, when clients are turned away because

the centre is full. Eight of the 24 beds are reserved for women. More than half of the clients are Aboriginal.

The Detox Centre is staffed 24 hours a day, seven days a week. There are two counsellors on each 8-hour shift except for midnights when there is only one person on staff. Other staff includes a cook and kitchen staff, a part-time housekeeper, a nurse who works days Monday to Friday, casual counsellors and a Director.

There is no other detox centre in Regina and surrounding area. Both MACSI (Metis Addictions Counselling of Saskatchewan Inc) in Regina and Pine Lodge in Indian Head are 28-day inpatient treatment centres.

Some of the key concerns of staff include:

- **Security:** during the day the centre is open and many people who are not clients or who do not know clients “drop in” for coffee. Evenings are an active time and a time when it is most likely for new clients to arrive, yet there are only two employees on staff at that time. On the midnight shift, there is only one staff. The property is not fenced, the doors are not locked until later in the evening, there are no security cameras, or working alone policies. Staff is extremely vulnerable to attack from an unstable client, or an outside person with a score to settle or who wants access to medications on site. Some clients have been involved in gangs.

- **Administration of medications.** Medications are kept on site, there is no medications policy and the staff has not received any training on administration of medications (except for the nurse). Clients at the Detox Centre are going through withdrawal and can be unpredictable and demanding. Some of them have other medical conditions that require monitoring and specific medications (high blood pressure, diabetes,

depression, etc.). Staff do not feel comfortable providing medications without appropriate training. Sometimes clients are not forthcoming with their medical history and staff are unprepared to deal with a client having a medical emergency such as a seizure.

- **Lack of Training.** Staff at the Detox Centre have stressful jobs. They deal with vulnerable people going through withdrawal who can be unpredictable and angry, or they may be dealing with other societal issues such as childhood sexual abuse, abuse from residential schools, family or legal problems. Staff are also dealing with clients suffering from new forms of substance abuse such as crystal meth. At times the staff have dealt with very young clients, as young as 12 or in their mid-teens. All of these complex issues and needs of the clients require incredible sensitivity and training in how to deal with addictions and other health issues. The staff, however, do not receive ongoing training on new kinds of drug addictions or best practices in addiction treatment and harm reduction.
- **Waiver of overtime provisions of Labour Standards.** The employees at the Detox Centre were pressured to sign waivers that allowed the employer to receive an exemption from the overtime provisions of the *Labour Standards Act*. The counsellors who work shift work have a demanding shift rotation that starts with seven evenings in a row, one day off, five day shifts, then one and a half day off, then seven midnight shifts. The employees are not paid overtime rates for these excessive hours of work.

Pine Lodge Treatment Centre

Pine Lodge is a 23-bed facility in an older 1926 home in Indian Head that was established as a treatment centre in 1987. A new wing that houses the dormitories was built onto the home in 1987. Patients are admitted for a 28 day

residential treatment program. There are 22 staff at Pine Lodge which includes one full-time Registered Nurse who works days Monday to Friday and three full-time counsellors. Other staff includes a cook, housekeeper, clerical and support staff. There is also a full-time Director.

The treatment centre provides counselling and treatment over a 4-week cycle. Patient intake is on a continuous basis and therefore patients join the sessions that are already underway. The counselling is based primarily on the 12 step self-help program of Alcoholics Anonymous which includes Christian-based faith principles. It must be recognized, however, that many of the clients that come to the treatment centre are of other faiths, such as Muslim, or are atheists or Aboriginal people who have had negative experiences with the Christian church. The centre is receiving an increasingly higher intake of youth who have not been raised in a Christian environment.

Some of the main concerns of the staff at Pine Lodge are:

- **The development of appropriate treatment programs for clients.** As mentioned earlier, the basis of the treatment program at Pine Lodge is the 12-step program which has a Christian foundation, was originally developed to deal with alcoholism and is primarily oriented to adults. Staff state that the treatment program has not changed since the centre opened in 1987. The clients at Pine Lodge are becoming more diverse and their problems more complex. For example, there has been a huge increase of youth with serious substance abuse problems with drugs such as Crystal Meth, crack and cocaine; there are clients of various faiths, and there are more clients with multiple health issues (mental health and addiction problems).

The staff believe that there have been advances in research and best practices in the treatment of substance abuse that the centre is unaware

of, and that the adoption of best practices and new treatment methods would improve the quality of their service to clients. Staff is concerned about client outcomes and believe that the current program, if not tailored more specifically to the needs of the client, may instead prove a barrier to their recovery. In fact, there has been an increase in the number of clients who are being re-admitted to the program because their recovery had failed. Staff believe that the management of the centre has not expressed any interest in being informed and keeping track of advances in treatment.

- **Inability to retain qualified staff.** In the last number of years there has been a tremendous turnover of highly qualified staff at Pine Lodge. At one point there were three counsellors with university degrees working at the treatment centre. Now there is only one counsellor who is certified with a 2 year diploma. Current staff attributes the high staff turnover to bad management practices and lack of recognition and support for qualified professionals to do their job.

- **Increase in number of clients with concurrent disorders.** Some highly qualified counsellors also left when Saskatchewan Health said that the centre must start admitting clients with dual diagnosis or concurrent disorders (both an addiction and mental health problem). The centre needs highly trained and certified staff that are knowledgeable about addictions treatment and can implement effective treatment programs.

- **Lack of training and professional development opportunities.** Employees are very concerned about the lack of basic training and professional development opportunities. The staff has requested training in CPR, First Aid and Violence Intervention but have been told by their employer that there are no funds for such training. Some staff has been able to attend workshops in their field but others have had to attend workshops on their own time. Financial documents show that in 2004 a

total of \$384 was spent on staff training at Pine Lodge. The employees do their own reading on the subject of addictions and attempt to stay informed of new developments in treatment.

- **Health and safety concerns.** The staff has a number of health and safety concerns that are not being addressed by current management. Many clients being admitted to the treatment centre are injection drug users. The occupational health and safety committee at Pine Lodge has requested that staff receive immunizations for Hepatitis A and B but the employer has refused to pay for these immunizations.

There has been an increase in the number of clients being admitted who have a concurrent disorder and clients with addictions to more serious forms of drugs, such as Crystal Meth. Patients with an alcohol addiction are able to “detoxify” during a 7-day stay at a detox centre before they are admitted to the 28 day treatment centre. Patients with more serious substance abuse, such as Crystal Meth, are still suffering the effects of the drug when they come to the treatment centre. They have flashbacks and can become extremely unpredictable and volatile. This becomes a health and safety concern for the staff at the treatment centre as well as a concern about what are the appropriate treatment methods for the clients.

- **Absence of human resource policies and practices.** Regina Recovery Homes has not developed clear human resource policies and practices. The employee “handbook” is a collection of non-indexed memos and notes; there is no policy on training, and no job evaluation process.
- **Appropriate meals.** Staff have raised concerns about the lack of flexibility in the menus at the centre. There are no accommodations for

people who are vegetarians, or who have diet restrictions because of religion or health reasons.

RECOMMENDATIONS

We would like to make the following recommendations to the Regina Qu'Appelle Health Region with respect to its contract with Regina Recovery Homes:

1. **Conduct a forensic audit and investigation of Regina Recovery Homes.** We believe that there are enough questions about the financial operations to warrant a forensic audit of the non-profit organization's financial operations and governance structure. We point out that the Provincial Auditor conducted a detailed audit of the Métis Addictions Council of Saskatchewan Inc. in 2004 by authorization of an Order in Council. We hope that it is within the authority of the health region to undertake an independent audit to investigate the appropriate use of public funds by Regina Recovery Homes. If not, then we request that the health region obtain authority from the Minister of Health for this purpose.
2. **Investigate the apparent conflict of interest between the directors of Regina Recovery Homes and Keystone Enterprises.** We believe that there is a conflict of interest for Raymond Gerry, Gerry Stang and possibly other directors of Regina Recovery Homes who have a financial interest as directors of Keystone Enterprises. We have just learned that Mr. Gerry has resigned as president of the board of Regina Recovery Homes but we believe that an investigation is still required to review his past involvement.

In the Provincial Auditor's investigation of the Métis Addictions Council of Saskatchewan he pointed out that "[t]he board did not set codes of conduct and conflict-of-interest policies for Board members and staff. Such policies help to ensure that the behaviour of Board members and staff is guided by the principles of integrity, objectivity and accountability." (*Provincial Auditor 2004 Report, Volume 3, page 89*).

Does the board of Regina Recovery Homes have conflict-of-interest guidelines? What procedures has the board established to ensure accountability for the use of public funds? What procedures does the health region have to ensure accountability and appropriate use of public funds within the agencies with which it has service contracts?

3. **Cancel the contract for services with Regina Recovery Homes and bring the services and employees under the auspices of the health region.** The employees of Regina Recovery Homes believe that such a move would improve the quality and delivery of services to clients. We note that effective January of this year, the Saskatoon Health District took over the administration and delivery of services at Larson House, a similar Detox treatment centre in that city.

The following are reasons why the services of Regina Recovery Homes should come under the direction of the RQHR:

- **Improve accountability for addiction services.** The current board of Regina Recovery Homes is on contract with the RQHR to provide services, but it is not accountable to the clients who receive the services, nor to the staff who deliver those services nor to the community in which those services are provided. Regina Recovery Homes does not have a community-based or representative board. It has been run by the same small group of directors since its inception 24 years ago. What

professional training in addictions and substance abuse do the directors have? How do they keep informed of new methods of treatment and standards for counselling? The majority of their clients are Aboriginal yet why are there no Aboriginal people on the board? Has the health region undertaken any systematic reviews of the nature and effectiveness of the programs delivered by Regina Recovery Homes?

- **To improve the coordination and delivery of services.** Staff at Regina Recovery Homes is in constant communication with other agencies, such as the police, the courts, the health region and physicians. Employees are also administering medications, taking clients to physician appointments and to the methadone clinic, reviewing medical charts and laboratory reports and dealing with medical emergencies. Being part of the health region would help in the coordination of services and allow the health region to undertake a review of services and a needs assessment in order to improve services in the community based on best practices and evidence-based research.
- **To develop programs that are more responsive to clients.** The employees at Regina Recovery Homes are dedicated workers who want to provide the best treatment possible to their clients. They feel hampered, however, by a management that is out of touch with new research and best practices in addictions treatment, by a lack of human resource policies that enable staff to do their best job, and by a lack of resources and appropriate training. By becoming employees of the health region, the employees hope that they will have a more responsive management, will have access to training and professional development and will be involved in the development of services and programs based on best practices and research in substance abuse treatment.

For example, the Health Canada website has separate documents on best practices for the treatment of youth, women, clients with concurrent disorders, and other groups at risk. The treatment practices of Regina Recovery Homes do not recognize that there may be different treatment approaches for different population groups, such as women, youth or Aboriginal people, but instead provides a uniform program to all clients.

- **Develop effective programs and reduce pressures on health system.**

Employees of Regina Recovery Homes want to provide effective programs to their clients. If the programs are not tailored to meet the increasingly complex needs of the clients, then there is a greater chance of failure and for the client to continue in a cycle of substance abuse, creating harm to himself/herself or other people. When this happens, there are greater pressures on the health care system (physicians, emergency rooms) or social service agencies or the legal system.

A report on *Best Practices for Concurrent Mental Health and Substance Use Disorders* by Health Canada notes that people with concurrent disorders are more likely to abandon treatment. The reports adds: “Given the higher risks of relapse, higher likelihood of re-entering more expensive services and the high likelihood of leaving needed services prematurely, effective assessment and treatment of people with concurrent disorders could help reduce health, social and correctional service costs.” (Health Canada, *Best Practices for Concurrent Mental Health and Substance Use Disorders*, 2002, page 21).

Effective treatment programs need to be in place to reduce such costs and inefficiencies.

CONCLUSION

Regina Recovery Homes is funded by public dollars from the Regina Qu'Appelle Health Region to provide a service in the counselling and treatment of clients with substance abuse problems. It is the responsibility of the health region to ensure that those funds are used appropriately in the best interests of the public and that appropriate services are delivered by the contracting agency.

We have concerns on both grounds: that public funds are not being used appropriately and that services would improve if provided under the auspices of the health region.

We are particularly concerned with the apparent conflict of interest between the directors of Regina Recovery Homes and Keystone Enterprises. This apparent conflict of interest must be investigated to ensure public funds have not been used to the benefit of the shareholders of Keystone Enterprises instead of improving the quality of services to clients of Regina Recovery Homes.

We want to stress the concerns raised by the Provincial Auditor in his investigation of the Métis Addictions Council of Saskatchewan Inc. (MACSI). His report concluded that public funds paid to MACSI by the Minister of Health were not used appropriately, were not fully accounted for and “not properly disposed of in accordance with the terms and conditions of the funding agreements.” He also determined that MACSI did not maintain records and procedures to safeguard and control the public monies it received.

The Provincial Auditor also concluded that the Department of Health “did not use sound oversight processes to ensure that MACSI properly protected all public money and spent it prudently and for the purposes for which it was provided.” High-risk community-based organizations (CBOs) need stronger supervision, he added. The report states:

The Department should base its processes on a risk assessment of each CBO. High risk CBOs require stronger supervision. For high risk CBOs, such as MACSI, the Department should do regular inspections of their operations and attend boards of directors' meetings. (Provincial Auditor Saskatchewan, 2004 Report – Volume 3, page 99).

In light of these comments, we feel that the Regina Qu'Appelle Health Region has an obligation to address our concerns with respect to Regina Recovery Homes and conduct an investigation to ensure the appropriate use of public funds.

APPENDIX A:
Overlapping Directors in
Regina Recovery Homes and Keystone Enterprises



PROVINCE OF SASKATCHEWAN
CORPORATIONS BRANCH
MAY 11 1981

- 1. Name of corporation: REGINA RECOVERY HOMES, INC.
- 2. The municipality in which the registered office is to be situated: CITY OF REGINA
- 3. The classes of membership: One Class of Regular Membership
- 4. Right, if any, to transfer membership interest:
None
- 5. Number (or minimum and maximum number) of directors: Minimum - 3., Maximum - 6
- 6. The corporation is a membership corporation or a charitable corporation .
- 7. Restrictions, if any, on activities the corporation may carry on or on the powers the corporation may exercise:
None
- 8. Persons to whom remaining property is to be distributed in the course of liquidation and dissolution of the corporation:
Upon the liquidation and dissolution any remaining property of the Corporation shall be distributed to one or more recognized charitable organizations in Canada that may be decided by the Corporation in general meetings.

9. Other provisions, if any:

None

CORPORATIONS BRANCH
MAY 11 1981
JON K

10. Incorporators:

Name in full	Place of residence, giving street and number or R.R. number and post office	Signature
Ray Gerry	6 Yingst Bay, Regina, Sask.	<i>Ray Gerry</i>
Delores Gerry	6 Yingst Bay, Regina, Sask.	<i>Delores Gerry</i>
Gerry Stang	6 Yingst Bay, Regina, Sask.	<i>Gerry Stang</i>
Gwen McDougall	Lumsden, Saskatchewan	<i>Gwen McDougall</i>
Ted Zahorski	26 Ottawa Place, Regina, Sask.	<i>Ted Zahorski</i>

Norman Thompson

October 1, 1980

FORM 11

PROVINCE OF SASKATCHEWAN

THE BUSINESS CORPORATIONS ACT, 1977

ARTICLES OF CONTINUANCE
(Sections 181 and 258)



1. Name of corporation: KEYSTONE ENTERPRISES REAL ESTATE LTD.
2. The municipality in which the registered office is to be situated: REGINA, SASK.
3. The classes and any maximum number of shares that the corporation is authorized to issue:
2000 shares of one class.
4. Restrictions, if any, on share transfers: no shares shall be transferred without the approval of the directors.
5. Number (or minimum and maximum number) of directors: 2
6. Restrictions, if any, on business the corporation may carry on:
nil
7. Other provisions if any:
nil

CORPORATIONS BRANCH
EXAMINED

DATE: 25-8-80

EXAMINER: MPH

Date	Name	Description of office	Signature
<u>AUG. 18 1980</u>	<u>B. HAGEI</u>	<u>PRES.</u>	<u>[Signature]</u>

22205

Nannie Empowering

October 1, 1980



Government of Saskatchewan

The Business Corporations Act
Certificate of Continuance

Form 12

Corporation No. 521175

I hereby certify that

CRYSTONE ENTERPRISES REAL ESTATE LTD.

is this day continued, pursuant to section 161 of The Business Corporations Act, as set out in the attached Articles of Continuance.

Given under my hand and seal this

25th day of August

19 80

P. H. Long
Director

cont.



Saskatchewan
Consumer and
Commercial
Affairs

Corporations Branch

The Business Corporations Act Annual Return

Form 26
(SASK)

Page 1 of 2

Corporation Name

KEYSTONE ENTERPRISES REAL ESTATE LTD.

Corporation No.
521175

820415

KEYSTONE ENTERPRISES REAL ESTATE LTD.
1110-11TH AVE.
REGINA, SASK S4T0G3

820415

SASK

820415

1	2	3	4	5	6	7	8	9	10
1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1

01	Corporation Name	KEYSTONE ENTERPRISES REAL ESTATE LTD.		
02	Registered Office Location	1110-11TH AVE. REGINA, SASK S4T0G3	Province No.	S4T0G3
03	Main Type of Business	2839 VICTORIA AVE. REAL-ESTATE AGENTS		S4T1K6
04	Mailing Agent			
05	Mailing Address			

Number of Directors: Fixed Min. Max.

06	Director Name	Address	Office Title	Salary
07	MAGEL, RALPH		PRES	14
08	RAYMOND R GERRY	533 BROADWAY AVE. REGINA, SASK	PRES	
09	COOK, HOWARD	2327 12TH AVE N	SEC.	0
10	Dolores GERRY	12-2425 HARVEY ST. REGINA, SASK	SEC.	
11	GERRY STANG	2327 12TH AVE N	TRES	
12				
13				
14				
15				

Need form 6

PROVINCE OF SASKATCHEWAN
FILED
MAY 10 1982
CORPORATIONS
BRANCH

Annual Return

Corporation Name
KEYSTONE ENTERPRISES REAL

ESTATE LTD.

Corporation No.
521175

Share Structure	Class	Authorized Shares	Issued Shares	Class	Authorized Shares	Issued Shares	Class	Authorized Shares	Issued Shares
If more than 2 classes see an attachment	16		X000200000000000004						
	17								

Number of Shareholders; Check one 1-14 15-50 Over 50

Shareholders	Name (Surname, followed by first name and initials or, if shareholder is a corporation, name of corporation)	Living Status
18		Living Status
19	Residential address City / Province	Postal Code
20	Name (Surname, followed by first name and initials or, if shareholder is a corporation, name of corporation)	Living Status
21	Residential address City / Province	Postal Code
22	Name (Surname, followed by first name and initials or, if shareholder is a corporation, name of corporation)	Living Status
23	Residential address City / Province	Postal Code
24	Name (Surname, followed by first name and initials or, if shareholder is a corporation, name of corporation)	Living Status
25	Residential address City / Province	Postal Code
26	Name (Surname, followed by first name and initials or, if shareholder is a corporation, name of corporation)	Living Status
27	Residential address City / Province	Postal Code

For use of Corporations Branch only	Jurisdiction			Incorporation Date			Fiscal Year End			
	Type	Class	Code	CC	MM	DD	CC	MM	DD	
	3	0	1	SASK	1965	04	29	1965	04	29

1152168

Raymond Gerry being President
(Name of officer, President, Director, Secretary)

Do hereby certify that the foregoing information respecting the corporation is correct.
Date May 6/82 Signature Raymond Gerry

PROVINCE OF SASKATCHEWAN
FILED
MAY 10 1982
CORPORATIONS
BRANCH

Saskatchewan



Justice
Corporations

CORPORATIONS BRANCH
Corporate Registry
Profile Report

Entity No: 521175
Entity Name: KEYSTONE ENTERPRISES REAL ESTATE LTD.

As of: 7-Dec-2004

Entity Name: KEYSTONE ENTERPRISES REAL ESTATE LTD.
Entity Number: 521175
Status as of Profile date: Active

Entity Type: BUSINESS CORPORATION
Entity Sub Type: SASKATCHEWAN CORPORATION

Incorporation Date: 29-Apr-1965
Home Jurisdiction: SASKATCHEWAN
Annual Return/Renewal Date: 31-May-2005

Nature of Business: REAL ESTATE AGENTS

Registered Office:
Name: KEYSTONE ENTERPRISES REAL ESTATE LTD.
Address: 2425 - 13TH AVENUE
City/Province: REGINA, SK
Country/Postal Code: CANADA, S4P0W1

Mailing Address:
Name: SHIRKEY & COMPANY
Address: 325, 2550-15TH AVENUE
City/Province: REGINA, SK
Country/Postal Code: CANADA, S4P1A5
Attention: RONALD SHIRKEY

Allowable Number of Directors: Min: 2 Max: 2

Director/Officer/Shareholder Information:

Dir Became:
Name: STANG, GERRY Director: YES
Address: 305 EMERALD Officer Position: SECRETARY/TREASURER
PARK ROAD
City/Province: EMERALD PARK, SK
Country/Postal Code: CANADA, S4L1B9

Resident Canadian: YES

Director/Officer/Shareholder Information:

Dir Became:

Name: GERRY, RAYMOND R. Director: YES
 Address: 305 EMERALD PARK ROAD Officer Position: PRESIDENT
 City/Province: EMERALD PARK, SK Shareholder: YES
 Country/Postal Code: CANADA, S4L1B9
 Resident Canadian: YES

Class Name: A
 Shares Held: 4.00

Share Structure:

Class	Voting Rights	Authorized Number	Issued Number
A	YES	20000.00	4.00
Total Number of Shares issued:			4

General Information:

Licensed with Consumer Protection Branch: NO

Business Names Owned by the Corporation:

Entity No: 148648
 Entity Name: THE CENTRAL LITERATURE
 Entity Sub Type: SOLE PROPRIETORSHIP

Event History:

<u>Event</u>	<u>Date</u>
CONVERSION	10-Sep-1999
ANNUAL RETURN	31-May-2000
ANNUAL RETURN	31-May-2001
ANNUAL RETURN	31-May-2002
ANNUAL RETURN	30-May-2003
ANNUAL RETURN (Filed on the Web)	31-May-2004