



Consolidated Financial Statements

Central Regional Health Authority

March 31, 2020

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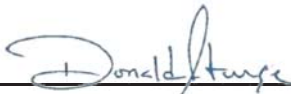
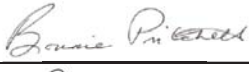
Statement of responsibility

The accompanying consolidated financial statements are the responsibility of the Board of Trustees of the Central Regional Health Authority (the "Authority") and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Authority met with management and its external auditors to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the consolidated finalized financial statements.

Grant Thornton LLP, as the Authority's appointed external auditors, have audited the consolidated financial statements. The auditors' report is addressed to the Authority and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Authority in accordance with Canadian public sector accounting standards.

 Chair  Director
June 24, 2020 June 24, 2020

Independent Auditors' Report

To the Board of Trustees of
Central Regional Health Authority

Opinion

We have audited the consolidated financial statements of Central Regional Health Authority ("the Entity"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of Central Regional Health Authority as at March 31, 2020, and its results of operations, its changes in its net financial debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Entity'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 Entity'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 consolidated 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

St. John's, Canada
July 2, 2020



Chartered Professional Accountants

Central Regional Health Authority

Consolidated Statement of Financial Position

March 31

2020

2019

Financial assets

Cash (Note 3)	\$ 3,215,936	\$ 15,439,390
Receivables (Note 4)	13,018,709	13,504,798
Residents' trust funds held on deposit	649,363	593,844
Cash restricted for security deposits	55,245	48,209
Investments restricted for general endowment purposes (Note 5)	1,193,104	1,129,527
Replacement reserve funding (Note 10)	<u>198,616</u>	<u>158,550</u>
	<u>18,330,973</u>	<u>30,874,318</u>

Liabilities

Payables and accruals (Note 6)	28,818,328	29,604,864
Employee future benefits		
Accrued vacation pay	14,800,016	13,876,494
Accrued severance pay	1,518,666	11,586,348
Accrued sick pay (Note 7)	18,432,950	18,156,956
Deferred grants and revenue (Note 8)	25,186,264	23,177,721
Long-term debt (Note 9)	5,871,723	6,855,854
Trust funds payable	649,363	593,844
Security deposits liability	55,245	48,209
Replacement reserves (Note 10)	198,616	158,550
J.M. Olds scholarship and library funds	<u>84,821</u>	<u>84,227</u>
	<u>95,615,992</u>	<u>104,143,067</u>

Net financial debt(77,285,019) (73,268,749)**Non-financial assets**

Tangible capital assets (Note 11)	59,664,161	57,540,215
Deposits on tangible capital assets	126,616	172,291
Inventories (Note 12)	2,848,923	2,503,257
Prepays (Note 13)	<u>3,384,701</u>	<u>4,124,374</u>
	<u>66,024,401</u>	<u>64,340,137</u>

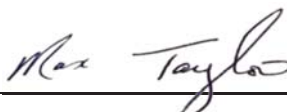
Accumulated deficit\$ (11,260,618) \$ (8,928,612)

Commitments (Note 15)

Contingencies (Note 16)

On behalf of the Board


 _____ Trustee


 _____ Trustee

See accompanying notes to the consolidated financial statements

Central Regional Health Authority Consolidated Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Provincial plan operating	\$ 342,235,621	\$ 342,235,621	\$ 359,970,593
Provincial capital grants	7,850,000	3,545,811	7,689,260
Other capital contributions	-	487,885	147,253
MCP	11,481,417	11,530,967	11,006,269
Patient-resident services	14,107,000	13,462,962	14,282,345
CMHC mortgage interest subsidy (Note 14)	50,000	34,263	50,503
Capital project funding	1,300,000	4,843,625	3,337,801
Recoveries	11,411,000	11,997,689	10,740,581
Cottage operations	1,481,445	1,559,469	1,466,781
Foundations	1,137,600	983,132	1,184,593
Other revenue	<u>3,872,800</u>	<u>4,260,551</u>	<u>5,270,358</u>
	<u>394,926,883</u>	<u>394,941,975</u>	<u>415,146,337</u>
Expenditure			
Administration	31,778,165	29,867,515	37,149,274
Community and social services	108,870,759	107,211,371	105,214,426
Support services	64,390,941	65,317,390	69,717,717
Nursing inpatient services	93,558,558	96,029,338	95,854,472
Ambulatory care services	28,057,981	27,814,289	27,277,490
Diagnostic and therapeutic services	47,727,462	48,490,947	52,043,001
Medical services	15,442,005	16,461,885	15,102,604
Educational services	1,229,442	1,375,532	1,328,040
Undistributed	1,179,000	5,251,762	4,496,754
Cottage, operations, including amortization of \$91,801 (2019 - \$160,721)	1,471,645	1,467,408	1,475,332
Foundations, including amortization of \$3,336 (2019 - \$36,512)	<u>1,060,800</u>	<u>1,206,746</u>	<u>797,595</u>
	<u>394,766,758</u>	<u>400,494,183</u>	<u>410,456,705</u>
(Deficit) surplus – shareable	<u>160,125</u>	<u>(5,552,208)</u>	<u>4,689,632</u>
Non-shareable items			
Gain on disposal of tangible capital assets	-	-	118,398
Amortization of tangible capital assets	(5,925,804)	(5,651,181)	(5,774,411)
Accrued vacation pay – (increase) decrease	(400,000)	(920,305)	634,916
Accrued severance pay – decrease	-	10,067,682	21,516,389
Accrued sick pay – increase	-	(275,994)	(273,981)
	<u>(6,325,804)</u>	<u>3,220,202</u>	<u>16,221,311</u>
(Deficit) surplus - shareable and non-shareable	(6,165,679)	(2,332,006)	20,910,943
Accumulated deficit			
Beginning of year	<u>(8,928,612)</u>	<u>(8,928,612)</u>	<u>(29,839,555)</u>
End of year	<u>\$ (15,094,291)</u>	<u>\$ (11,260,618)</u>	<u>\$ (8,928,612)</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority
 Consolidated Statement of Changes in Net Financial Debt

March 31	Budget 2020	Actual 2020	Actual 2019
Net debt - beginning of year	<u>\$ (73,268,749)</u>	<u>\$ (73,268,749)</u>	<u>\$ (93,308,612)</u>
(Deficit) surplus	<u>(6,165,679)</u>	<u>(2,332,006)</u>	<u>20,910,943</u>
Changes in tangible capital assets			
Acquisition of tangible capital assets	(7,870,267)	(7,870,267)	(6,268,603)
Amortization of tangible capital assets	5,925,804	5,746,319	5,938,644
Gain on disposal of tangible capital assets	-	-	(118,398)
Proceeds on disposal of tangible capital assets	-	-	235,438
Decrease (increase) in deposits on tangible capital assets	<u>45,677</u>	<u>45,677</u>	<u>(99,420)</u>
Increase in net book value of tangible capital assets	<u>(1,898,786)</u>	<u>(2,078,271)</u>	<u>(312,339)</u>
Changes in non-financial assets			
Increase in inventories	(345,667)	(345,666)	(384,456)
Decrease (increase) in prepaids	<u>739,674</u>	<u>739,673</u>	<u>(174,285)</u>
Decrease (increase) in non-financial assets	<u>394,007</u>	<u>394,007</u>	<u>(558,741)</u>
(Increase) decrease in net debt	<u>(7,670,458)</u>	<u>(4,016,270)</u>	<u>20,039,863</u>
Net debt, end of year	<u>\$ (80,939,207)</u>	<u>\$ (77,285,019)</u>	<u>\$ (73,268,749)</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Cash Flows

Year ended March 31	2020	2019
Operations		
(Deficit) surplus	\$ (2,332,006)	\$ 20,910,943
Amortization	5,746,319	5,938,644
Gain on disposal of tangible capital assets	-	(118,398)
Investment loss	<u>123,997</u>	<u>3,344</u>
	3,538,310	26,734,533
Changes in		
Receivables	486,089	6,798,822
Payables and accruals	(786,536)	1,327,772
Accrued vacation pay	923,522	(631,539)
Accrued severance pay	(10,067,682)	(21,516,389)
Accrued sick pay	275,996	273,981
Deferred grants	2,008,543	126,941
Inventories	(345,666)	(384,456)
Prepays	<u>739,673</u>	<u>(174,285)</u>
Net cash (applied to) provided from operations	<u>(3,227,751)</u>	<u>12,555,380</u>
Financing		
Repayment of long-term debt	(984,131)	(1,146,110)
Net change in J.M. Olds funds	<u>594</u>	<u>277</u>
Net cash applied to financing	<u>(983,537)</u>	<u>(1,145,833)</u>
Investing		
Acquisition of tangible capital assets	(7,870,267)	(6,268,603)
Decrease (increase) in deposits on tangible capital assets	45,676	(99,420)
Increase in general endowment fund investments	(187,575)	(59,665)
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>235,438</u>
Net cash applied to investing	<u>(8,012,166)</u>	<u>(6,192,250)</u>
Net (decrease) increase in cash	(12,223,454)	5,217,297
Cash, net of bank indebtedness:		
Beginning	<u>15,439,390</u>	<u>10,222,093</u>
Ending (Note 3)	<u>\$ 3,215,936</u>	<u>\$ 15,439,390</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

1. Nature of operations

The Central Regional Health Authority (“Central Health”) or (“the Authority”) is charged with the responsibility for the provision of health care services in the Central region of Newfoundland and Labrador.

The mandate of Central Health is to provide the best possible health and community services and programs which respond to the identified needs of the people of Central Newfoundland and Labrador within available resources.

Central Health is a not-for-profit corporation and is exempt from income taxes and is constituted under the Regional Health Authorities Act.

2. Summary of significant accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. Outlined below are those policies considered particularly significant by the Authority.

Basis of consolidation

These consolidated statements represent the consolidated assets, liabilities, revenues and expenditures of the following entities which comprise the reporting entity. The reporting entity is comprised of all organizations which are controlled by Central Health, including the following:

- North Haven Manor Cottages
- Valley Vista Cottages
- Bonnews Lodge Apartment Complex
- Central Northeast Health Foundation Inc.
- South and Central Health Foundation

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Items requiring the use of significant estimates include accrued severance, accrued sick leave, useful life of tangible capital assets and allowance for doubtful receivables.

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

Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of any overdrafts. Bank overdrafts are considered a component of cash and cash equivalents and are secured by approved authority to borrow authorized by the Province’s Minister of Health and Community Services.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

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

Revenues

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

Transfers are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

Expenses

Expenses are reported on an accrual basis. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

Deferred revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services in transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred, services are performed or when stipulations are met.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives generally extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenditures, provides the change in net financial assets for the year.

Severance and sick pay liability

An accrued liability for severance is recorded in the accounts for all employees who have a vested right to receive such payments. Central Health provides their employees, upon termination, retirement or death with at least nine years of service, with severance benefits equal to one week of pay per year of service up to a maximum of twenty weeks.

Based on collective agreements signed with the Newfoundland and Labrador Association of Public and Private Employees ("NAPE") as at March 31, 2018, NAPE employees with at least one year of eligible service will receive a lump sum payout of their accrued severance benefit based on pay and service as at March 31, 2018. This was extended to management and non-bargaining employees with at least one year of service as at May 31, 2018. Individuals have either taken payment by March 31, 2019 or have elected to defer payment for a short period, but no further changes in the amount payable will occur due to salary change or the accrual of additional service. In May 2019, this was extended to NLNU employees with at least one year of service as at March 31, 2018. Individuals have either taken payment by March 31, 2020 or have elected to defer payment for a short period, but no further changes in the amount payable will occur due to salary change or the accrual of additional service. An estimate for the provision of the remaining employees with less than nine years of service has been determined and recorded by the Authority.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

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

Severance and sick pay liability (cont'd.)

An actuary determined accrued liability has been recorded on the consolidated financial statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, long-term inflation rates and discount rates. Actuarial gains or losses are being amortized to the liability and the related expense straight-line over the expected average remaining service life of the employee group.

Inventories

Inventories have been determined using the following methods for the various areas. Cost includes purchase price plus the non-refundable portion of applicable taxes.

General stores	Average cost
Drugs	First-in, first-out

Tangible capital assets

The Authority has control over certain lands, buildings and equipment with the title resting with the Government. Consequently these assets are not recorded under Central Health tangible capital assets.

Purchased tangible capital assets are recorded at cost. Assets are not amortized until placed in use. Contributed tangible capital assets are recorded at fair value at the date of contribution. Tangible capital assets are amortized on a declining balance basis over their useful lives, at the following rates:

Land improvements	5.0%
Buildings and service equipment	5.0%
Equipment	12.5%
Information Systems Equipment	33.3%
Motor vehicles	20.0%

Capital and operating leases

A lease that transfers substantially all of the risks and rewards incidental to the ownership of property is accounted for as a capital lease. Assets acquired under capital lease result in a capital asset and an obligation being recorded equal to the lesser of the present value of the minimum lease payments and the property's fair value at the time of inception. All other leases are accounted for as operating leases and the related payments are expensed as incurred.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

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

Impairment of long-lived assets

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable, as measured by comparing their net book value to the estimated undiscounted cash flows generated by their use. Impaired assets are recorded at fair value, determined principally using discounted future cash flows expected from their use and eventual disposition.

Replacement reserves

Under certain operating agreements with Newfoundland and Labrador Housing Corporation (NLHC) the Authority is required to maintain a Replacement Reserve Fund which is to be used to fund major maintenance and the purchase of tangible capital assets. These funds may only be used as approved by NLHC. Transactions in the reserves are shown in Note 10.

Pension costs

Employees of Central Health are covered by the Public Service Pension Plan and the Government Money Pension Plan administered by the Province of Newfoundland and Labrador. Contributions to the plans are required from both the employees and Central Health. The annual contributions for pensions are recognized in the accounts on a current basis.

Financial instruments

The Authority recognizes a financial asset or a financial liability on its statement of financial position when the Authority becomes a party to the contractual provision of the financial instrument. The Authority initially measures its financial assets and liabilities at fair value, except for certain non-arms length transactions. The Authority subsequently measures all its financial assets and liabilities at amortized cost except for investments restricted for endowment purposes which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash and cash equivalents, receivables, trust funds and replacement reserve funding. Financial assets measured at fair value are investments restricted for endowment purposes.

Financial liabilities measured at amortized cost include bank indebtedness, payables and accruals, employee future benefits, deferred grants, long-term debt, trust funds payable, security deposits, replacement reserves and scholarship and library funds payable.

Unless otherwise noted, it is management's opinion that the Authority is not exposed to significant interest, currency or credit risks.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

3. Cash	<u>2020</u>	<u>2019</u>
Operating:		
Cash	\$ 16,675	\$ 15,675
Bank – current accounts	<u>1,500,790</u>	<u>13,491,141</u>
	1,517,465	13,506,816
Cash and bank other:		
North Haven Manor Cottage Units Phase I, II, III	138,480	222,682
North Haven Manor Cottage Units Phase IV	10,352	31,879
Valley Vista Cottages	19,135	18,784
Central Northeast Health Foundation Inc.	759,514	787,730
South and Central Health Foundation	<u>770,990</u>	<u>871,499</u>
	<u>\$ 3,215,936</u>	<u>\$15,439,390</u>

The Authority has access to a \$15 million line of credit in the form of revolving demand loans at its bankers. These loans have been approved by the Minister of Health and Community Services. This line of credit was unused at March 31, 2020 and March 31, 2019.

Central Regional Health Authority Notes to the Consolidated Financial Statements

March 31, 2020

4. Receivables	<u>2020</u>	<u>2019</u>
Operating		
Provincial grants - operating	\$ 5,941,660	\$ 7,467,400
Patient, rents and other	5,058,203	4,183,048
MCP	381,207	1,619,170
Cancer Foundation	1,148,375	381,652
HST	<u>1,251,260</u>	<u>632,000</u>
	13,780,705	14,283,270
Allowance for doubtful	<u>(948,168)</u>	<u>(909,217)</u>
	<u>12,832,537</u>	<u>13,374,053</u>
North Haven Manor Cottages Phase I, II, III		
Trade	<u>2,477</u>	-
North Haven Manor Cottages Phase IV		
Trade	342	145
Due from NLHC - operating subsidy	4,293	6,679
Accrued interest	<u>285</u>	<u>336</u>
	<u>4,920</u>	<u>7,160</u>
Valley Vista Cottages		
Trade	8,952	-
Allowance for doubtful	<u>(8,952)</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Bonnews Lodge Apartment Complex		
Due from NLHC – operating	<u>55,881</u>	<u>27,686</u>
Central Northeast Health Foundation Inc.		
Trade	1,948	899
Capital grant	<u>60,000</u>	<u>45,000</u>
	<u>61,948</u>	<u>45,899</u>
South and Central Health Foundation		
Trade	946	-
Capital grant	<u>60,000</u>	<u>50,000</u>
	<u>60,946</u>	<u>50,000</u>
	<u>\$13,018,709</u>	<u>\$13,504,798</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

5. Investments restricted for general endowment purposes

The Central Northeast Health Foundation Inc. and South and Central Health Foundation maintain investments restricted for general endowment purposes, with their market value as follows:

	<u>2020</u>	<u>2019</u>
Central Northeast Health Foundation Inc.	\$ 408,497	\$ 374,228
South and Central Health Foundation	<u>784,607</u>	<u>755,299</u>
	<u>\$ 1,193,104</u>	<u>\$ 1,129,527</u>

6. Payables and accruals

	<u>2020</u>	<u>2019</u>
Operating		
Trade	\$17,358,826	\$18,873,812
Residents comfort fund	92,343	88,342
Accrued - wages	11,336,319	10,598,057
- interest	<u>17,563</u>	<u>20,262</u>
	<u>28,805,051</u>	<u>29,580,473</u>
North Haven Manor Cottage Units Phase I, II, III		
Trade	<u>1,800</u>	<u>1,800</u>
North Haven Manor Cottage Units Phase IV		
Trade	4,200	1,612
Accrued interest	285	336
Due to NLHC - operating subsidy	<u>-</u>	<u>10,538</u>
	<u>4,485</u>	<u>12,486</u>
Valley Vista Cottages		
Trade	<u>1,500</u>	<u>1,500</u>
Bonnews Lodge Apartment Complex		
Trade	4,099	3,577
Accrued interest	360	433
Due to NLHC - operating subsidy	<u>-</u>	<u>3,030</u>
	<u>4,459</u>	<u>7,040</u>
Central Northeast Health Foundation Inc.		
Trade	<u>1,033</u>	<u>1,565</u>
	<u>\$28,818,328</u>	<u>\$29,604,864</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

7. Employee future benefits

Future employee benefits related to accrued sick obligations have been calculated based on an actuarial valuation as at March 31, 2018 and extrapolated to March 31, 2020. The assumptions are based on future events. The economic assumptions used in the valuation are Central Health's best estimates of expected rates as follows:

	<u>2020</u>	<u>2019</u>
Wages and salary escalation	3.50%	0.75%
Interest	3.25%	3.05%

Based on actuarial valuation of the liability, at March 31, 2020 the results for sick leave are:

Accrued sick pay obligation, beginning	\$20,009,153	\$20,347,504
Current period benefit cost	1,707,996	1,629,918
Benefit payments	(2,342,849)	(2,283,651)
Interest on the accrued benefit obligations	600,599	640,205
Actuarial gains	<u>(545,416)</u>	<u>(324,823)</u>
Accrued sick pay obligations, at end	<u>\$19,429,483</u>	<u>\$20,009,153</u>

A reconciliation of the accrued benefit obligation and the accrued benefit liability is as follows:

Sick benefits

Accrued benefit obligation	\$19,429,483	\$20,009,153
Unamortized actuarial gains	<u>(996,533)</u>	<u>(1,852,197)</u>
Accrued benefit liability	<u>\$18,432,950</u>	<u>\$18,156,956</u>

Central Regional Health Authority
Notes to the Consolidated Financial Statements
March 31, 2020

8. Deferred grants and revenue	<u>2020</u>	<u>2019</u>
Operating		
Deferred operating grants	\$ 1,495,754	\$ 925,755
Deferred capital grants	<u>23,560,702</u>	<u>22,145,588</u>
	25,056,456	23,071,343
North Haven Manor Cottages Phase I, II, III	9,808	10,078
Central Northeast Health Foundation, Inc.	60,000	45,000
South and Central Health Foundation	<u>60,000</u>	<u>51,300</u>
	<u>\$25,186,264</u>	<u>\$23,177,721</u>

9. Long-term debt	<u>2020</u>	<u>2019</u>
Operating		
0.99% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$11,734, interest included; maturing April 2020.	\$ 11,711	\$ 151,649
7.5% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$4,574, interest included; maturing July 2023.	162,783	203,947
2.67% Canadian Imperial Bank of Commerce loan for Carmelite House, unsecured; repayable in equal monthly instalments of \$56,038, interest included; maturing January 2027.	4,196,053	4,748,454
3.54% Canadian Imperial Bank of Commerce mortgage on land and building at 3 Twomey Dr, Botwood; repayable in equal monthly instalments of \$390, interest included; maturing June 2027.	30,261	33,807
3.54% Canadian Imperial Bank of Commerce mortgage on land and building at 145 Commonwealth Ave, Botwood; repayable in equal monthly instalments of \$357, interest included; maturing July 2027.	27,307	30,562

Central Regional Health Authority
Notes to the Consolidated Financial Statements
March 31, 2020

9. Long-term debt (cont'd.)	<u>2020</u>	<u>2019</u>
8.0% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Senior Citizens Home; repayable in equal monthly instalments of \$10,124, interest included; maturing September 2027.	683,853	748,587
7.88% Newfoundland and Labrador Housing Corporation mortgage on Authority offices; repayable in equal monthly instalments of \$8,165, interest included; maturing November 2024.	375,297	441,119
1.82% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Senior Citizens Home, repaid during the year.	-	30,810
2.60% Bank of Nova Scotia 1st mortgage on land and building at 42 Howlett's Road, Twillingate; repayable in equal monthly instalments of \$350, interest included; maturing April 2020.	349	4,478
2.69% Bank of Nova Scotia 1st mortgage on land and building at 30 Smith's Lane, Twillingate, repaid during the year.	-	5,472
	<u>5,487,614</u>	<u>6,398,885</u>
North Haven Manor Cottages Phase IV		
1.81% Newfoundland and Labrador Housing Corporation mortgage on North Haven Manor Cottages; repayable in equal monthly instalments of \$3,046, interest included maturing July 2025.	<u>185,713</u>	<u>218,580</u>
Bonnews Lodge Apartment Complex		
2.04% Newfoundland and Labrador Housing Corporation 1st mortgage on Bonnews Apartment Complex; repayable in equal monthly instalments of \$3,714, interest included; maturing November 2024.	<u>198,396</u>	<u>238,389</u>
	<u>\$ 5,871,723</u>	<u>\$ 6,855,854</u>

The aggregate amount of principal payments estimated to be required in each of the next five years and thereafter is as follows:

2021	\$ 846,359
2022	866,202
2023	899,753
2024	899,062
2025	856,009
Thereafter	1,504,338

Central Regional Health Authority
Notes to the Consolidated Financial Statements
March 31, 2020

10. Replacement reserves	<u>2020</u>	<u>2019</u>
North Haven Manor Cottages Phase I, II, III		
Balance, beginning	\$ 3,683	\$ 45,827
Add:		
Allocation for year	30,220	30,220
Contributions from Authority	<u>12,900</u>	<u>12,900</u>
	46,803	88,947
Less:		
Approved expenditures	<u>12,704</u>	<u>85,264</u>
Balance, ending	<u>34,099</u>	<u>3,683</u>
North Haven Manor Cottages Phase IV		
Balance, beginning	82,643	82,643
Less:		
Approved expenditures	<u>-</u>	<u>-</u>
Balance, ending	<u>82,643</u>	<u>82,643</u>
Valley Vista Cottages		
Balance, beginning	9,824	4,022
Add:		
Allocation for year	<u>30,000</u>	<u>30,000</u>
	39,824	34,022
Less:		
Approved expenditures	<u>20,350</u>	<u>24,198</u>
Balance, ending	<u>19,474</u>	<u>9,824</u>
Bonnews Lodge Apartment Complex		
Balance, beginning	62,400	62,400
Less:		
Approved expenditures	<u>-</u>	<u>-</u>
Balance, ending	<u>62,400</u>	<u>62,400</u>
	\$ 198,616	\$ 158,550
Funding		
Replacement reserve funds	\$ 53,573	\$ 13,507
Due from Newfoundland and Labrador Housing Corporation	<u>145,043</u>	<u>145,043</u>
	\$ 198,616	\$ 158,550

Central Regional Health Authority
Notes to the Consolidated Financial Statements

March 31, 2020

11. Tangible capital assets	<u>Land</u>	<u>Land improvements</u>	<u>Building and service equipment</u>	<u>Equipment</u>	<u>Equipment under capital lease</u>	<u>Motor vehicles under capital lease</u>	<u>Total</u>
March 31, 2020							
Cost							
Opening balance	\$ 532,675	\$ 1,212,046	\$83,058,621	\$137,668,919	\$ 2,781,898	\$ 196,503	\$ 228,759,333
Additions	-	-	3,967,528	3,724,836	-	-	7,870,267
Disposals	-	-	-	-	-	-	-
Closing balance	<u>532,675</u>	<u>1,212,046</u>	<u>87,026,149</u>	<u>141,393,755</u>	<u>2,781,898</u>	<u>196,503</u>	<u>236,629,600</u>
Accumulated amortization							
Opening balance	-	977,336	57,883,310	107,157,629	2,685,867	190,906	171,219,118
Additions	-	11,736	1,220,734	4,264,423	15,808	1,119	5,746,320
Disposals	-	-	-	-	-	-	-
Closing balance	<u>-</u>	<u>989,072</u>	<u>59,104,044</u>	<u>111,422,052</u>	<u>2,701,675</u>	<u>192,025</u>	<u>176,965,438</u>
Net book value	<u>\$ 532,675</u>	<u>\$ 222,974</u>	<u>\$27,922,105</u>	<u>\$29,971,703</u>	<u>\$ 80,223</u>	<u>\$ 4,478</u>	<u>\$ 59,664,162</u>

Central Regional Health Authority
Notes to the Consolidated Financial Statements

March 31, 2020

11. Tangible capital assets (cont'd.)	<u>Land</u>	<u>Land improvements</u>	<u>Building and service equipment</u>	<u>Equipment</u>	<u>Equipment under capital lease</u>	<u>Motor vehicles</u>	<u>Motor vehicles under capital lease</u>	<u>Total</u>
March 31, 2019								
Cost								
Opening balance	\$ 551,220	\$ 1,212,046	\$79,918,255	\$135,257,436	\$ 2,781,898	\$ 3,043,538	\$ 196,503	\$ 222,960,896
Additions	-	-	3,310,321	2,411,483	-	546,799	-	6,268,603
Disposals	(18,545)	-	(169,955)	-	-	(281,666)	-	(470,166)
Closing balance	<u>532,675</u>	<u>1,212,046</u>	<u>83,058,621</u>	<u>137,668,919</u>	<u>2,781,898</u>	<u>3,308,671</u>	<u>196,503</u>	<u>228,759,333</u>
Accumulated amortization								
Opening balance	-	943,275	56,661,549	102,814,054	2,665,627	2,359,587	189,507	165,633,599
Additions	-	34,061	1,293,220	4,343,575	20,240	246,149	1,399	5,938,644
Disposals	-	-	(71,459)	-	-	(281,666)	-	(353,125)
Closing balance	<u>-</u>	<u>977,336</u>	<u>57,883,310</u>	<u>107,157,629</u>	<u>2,685,867</u>	<u>2,324,070</u>	<u>190,906</u>	<u>171,219,118</u>
Net book value	<u>\$ 532,675</u>	<u>\$ 234,710</u>	<u>\$25,175,311</u>	<u>\$30,511,290</u>	<u>\$ 96,031</u>	<u>\$ 984,601</u>	<u>\$ 5,597</u>	<u>\$ 57,540,215</u>

Book value of capitalized items that have not been amortized is \$6,515,354 (2019 - \$2,678,784).

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

12. Inventories	<u>2020</u>	<u>2019</u>
General stores	\$ 1,065,919	\$ 1,003,591
Drugs	<u>1,783,004</u>	<u>1,499,666</u>
	<u>\$ 2,848,923</u>	<u>\$ 2,503,257</u>

13. Prepaids	<u>2020</u>	<u>2019</u>
Operating		
Equipment maintenance	\$ 419,179	\$ 1,250,055
Malpractice and membership fees	12,588	59,480
General insurance	322,217	311,230
Municipal taxes	729,359	704,810
Other	<u>1,794,452</u>	<u>1,695,691</u>
	3,277,795	4,021,266
Municipal taxes		
North Haven Manor Cottage Units Phase I, II, III	60,410	57,005
North Haven Manor Cottage Units Phase IV	7,028	6,636
Valley Vista Cottages	37,889	37,887
South and Central Health Foundation	<u>1,579</u>	<u>1,580</u>
	<u>\$ 3,384,701</u>	<u>\$ 4,124,374</u>

14. Operating subsidies

The Authority has received federal assistance through Canada Mortgage and Housing Corporation pursuant to Section 56.1 of the National Housing Act to reduce operating costs. The amount of assistance received from Newfoundland and Labrador Housing Corporation in 2020 was \$34,263 (2019 - \$50,503) for operating facilities and \$358,549 (2019 - \$297,259,) for the Authority's Cottage operations.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2020

15. Commitments

Operating leases

The Authority has a number of agreements whereby it leases property and equipment. These agreements range in terms from one to five years. These leases are accounted for as operating leases. Future minimum lease payments under operating leases are as follows:

2021	\$ 193,255
2022	141,766
2023	114,329
2024	35,928
2025	9,560

16. Contingencies

As of March 31, 2020 there were a number of legal claims against the Authority in varying amounts for which no provision has been made. It is not possible to determine the amounts, if any, that may ultimately be assessed against the Authority with respect to these claims, but management and the insurers believe any claims, if successful, will be covered by liability insurance.

17. Expenditures by object

	<u>2020</u>	<u>2019</u>
Expenditure		
Salaries	\$ 202,290,850	\$ 215,910,278
Employee benefits	36,873,190	38,573,084
Supplies -plant operations and maintenance	6,680,531	6,568,119
- drugs	12,649,833	11,190,072
- medical and surgical	10,489,027	10,405,997
- other	10,496,129	10,047,908
Direct client costs - MHA, CS, HP, and CC	69,766,286	68,124,746
Other shareable expenses		
- sundry	9,341,977	9,197,663
- equipment expense	8,238,383	9,811,514
- contracted-out services	19,842,820	18,760,347
- building, grounds and equipment expense	10,927,696	9,339,088
Long-term debt - interest	223,307	254,962
Cottage operations	1,467,408	1,475,332
Foundations	1,206,746	797,595
	<u>\$ 400,494,183</u>	<u>\$ 410,456,705</u>

Central Regional Health Authority

Appendix

March 31, 2020

Financial Statement Appendix

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Central Regional Health Authority

Operating Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 1,517,465	\$ 13,506,816
Receivables (Note 4)	12,832,537	13,374,053
Residents' trust funds held on deposit	649,363	593,844
Due from cottage operations and foundations - net	<u>691,826</u>	<u>709,387</u>
	<u>15,691,191</u>	<u>28,184,100</u>
Liabilities		
Payables and accruals (Note 6)	28,805,051	29,580,473
Employee future benefits		
Accrued vacation pay	14,786,490	13,866,186
Accrued severance pay	1,518,666	11,586,348
Accrued sick pay (Note 7)	18,432,950	18,156,956
Deferred grants (Note 8)	25,056,456	23,071,343
Long-term debt (Note 9)	5,487,614	6,398,885
Trust funds payable	649,363	593,844
J.M. Olds scholarship and library funds	<u>84,821</u>	<u>84,227</u>
	<u>94,821,411</u>	<u>103,338,262</u>
Net financial debt	<u>(79,130,220)</u>	<u>(75,154,162)</u>
Non-financial assets		
Tangible capital assets	58,768,333	56,549,249
Deposits on tangible capital assets	126,615	172,291
Inventories (Note 12)	2,848,923	2,503,257
Prepays (Note 13)	<u>3,277,795</u>	<u>4,021,266</u>
	<u>65,021,666</u>	<u>63,246,063</u>
Accumulated deficit	<u>\$ (14,108,554)</u>	<u>\$ (11,908,099)</u>

Central Regional Health Authority Operating Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Provincial plan	\$ 342,235,621	\$ 342,235,621	\$ 359,970,593
Provincial capital grants	-	3,545,811	7,689,260
Other capital contributions	-	487,885	147,253
MCP	11,481,417	11,530,967	11,006,269
Inpatient	1,818,000	1,310,243	1,957,851
Outpatient	3,299,000	3,257,546	3,293,989
Resident	8,990,000	8,895,173	9,030,506
CMHC mortgage interest subsidy (Note 14)	50,000	34,263	50,503
Capital project funding	1,300,000	4,843,625	3,337,801
Recoveries - salaries	2,510,000	3,000,555	3,032,516
- services	624,000	654,489	626,060
- ambulance	313,000	291,716	309,170
- drugs	7,964,000	8,050,927	6,772,835
Other revenue	<u>3,872,800</u>	<u>4,260,551</u>	<u>5,270,358</u>
	<u>384,457,838</u>	<u>392,399,372</u>	<u>412,494,964</u>
Expenditure			
Administration	31,778,165	29,867,515	37,149,274
Community and social services	108,870,759	107,211,371	105,214,426
Support services	64,390,941	65,317,390	69,717,717
Nursing inpatient services	96,558,558	96,029,338	95,854,472
Ambulatory care services	28,057,981	27,814,289	27,277,490
Diagnostic and therapeutic services	47,727,462	48,490,947	52,043,001
Medical services	15,442,005	16,461,885	15,102,604
Educational services	1,229,442	1,375,532	1,328,040
Undistributed	<u>1,179,000</u>	<u>5,251,762</u>	<u>4,496,754</u>
	<u>392,234,313</u>	<u>397,820,029</u>	<u>408,183,778</u>
(Deficit) surplus – shareable	\$ (7,776,475)	<u>(5,420,657)</u>	<u>4,311,186</u>
Non-shareable items			
Gain on disposal of tangible capital assets		-	118,398
Amortization of tangible capital assets		(5,651,181)	(5,774,411)
Accrued vacation pay – (increase) decrease		(920,305)	634,916
Accrued severance pay – decrease		10,067,682	21,516,389
Accrued sick pay – increase		<u>(275,994)</u>	<u>(273,981)</u>
		<u>3,220,202</u>	<u>16,221,311</u>
(Deficit) surplus - shareable and non-shareable		(2,200,455)	20,532,497
Accumulated deficit			
Beginning of year		<u>(11,908,099)</u>	<u>(32,440,596)</u>
End of year		<u>\$ (14,108,554)</u>	<u>\$ (11,908,099)</u>

Central Regional Health Authority

Operating Statement of Changes in Net Financial Debt

Year ended March 31

2020

2019

Net debt - beginning of year	<u>\$ (75,154,162)</u>	<u>\$ (94,657,451)</u>
(Deficit) surplus	<u>(2,200,455)</u>	<u>20,532,497</u>
Changes in tangible capital assets		
Acquisition of tangible capital assets	(7,870,265)	(6,268,603)
Amortization of tangible capital assets	5,651,181	5,774,412
Gain on disposal of tangible capital assets	-	(118,398)
Proceeds on disposal of tangible capital assets	-	235,438
Decrease (increase) in deposits on tangible capital assets	<u>45,676</u>	<u>(99,420)</u>
Increase in net book value of tangible capital assets	<u>(2,173,408)</u>	<u>(476,571)</u>
Changes in other non-financial assets		
Decrease (increase) in prepaids	743,471	(168,181)
Increase in inventories	<u>(345,666)</u>	<u>(384,456)</u>
Decrease (increase) in other non-financial assets	<u>397,805</u>	<u>(552,637)</u>
(Increase) decrease in net debt	<u>(3,976,058)</u>	<u>19,503,289</u>
Net debt - end of year	<u>\$ (79,130,220)</u>	<u>\$ (75,154,162)</u>

Central Regional Health Authority

Operating Statement of Cash Flows

Year ended March 31	2020	2019
Operations		
(Deficit) surplus	\$ (2,200,455)	\$20,532,497
Amortization	5,651,181	5,774,412
Gain on disposal on tangible capital assets	-	(118,398)
	3,450,726	26,188,511
Changes in		
Receivables	541,516	6,808,723
Due from cottage operations and Foundations	17,561	419,297
Payables and accruals	(775,422)	1,339,058
Accrued vacation pay	920,304	(634,916)
Accrued severance pay	(10,067,682)	(21,516,389)
Accrued sick pay	275,994	273,981
Deferred grants	1,985,113	20,563
Inventories	(345,666)	(384,456)
Prepays	743,472	(168,181)
Net cash (applied to) provided from operations	(3,254,084)	12,346,189
Financing		
Repayment of long-term debt	(911,271)	(997,359)
Net change in J.M. Olds funds	595	277
Net cash applied to financing	(910,676)	(997,082)
Investing		
Acquisition of tangible capital assets	(7,870,267)	(6,268,603)
Decrease (increase) in deposits on tangible capital assets	45,676	(99,420)
Proceeds from disposal of tangible capital assets	-	235,438
Net cash applied to investing	(7,824,591)	(6,132,585)
Net (decrease) increase in cash	(11,989,351)	5,216,522
Cash, net of bank indebtedness		
Beginning	13,506,816	8,290,294
Ending (Note 3)	\$ 1,517,465	\$13,506,816

Central Regional Health Authority
 North Haven Manor Cottages Phase I, II, III
 Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 138,480	\$ 222,682
Receivables (Note 4)	2,477	-
Cash restricted for security deposits	27,570	22,543
Replacement reserve funding (Note 10)	<u>34,099</u>	<u>3,683</u>
	<u>202,626</u>	<u>248,908</u>
Liabilities		
Payables and accruals (Note 6)	1,800	1,800
Deferred revenue	9,808	10,078
Due to Central Regional Health Authority	183,278	331,890
Security deposit liability	27,570	22,543
Replacement reserves (Note 10)	<u>34,099</u>	<u>3,683</u>
	<u>256,555</u>	<u>369,994</u>
Net financial debt	<u>(53,929)</u>	<u>(121,086)</u>
Non-financial assets		
Tangible capital assets	373,208	392,149
Prepays (Note 13)	<u>60,410</u>	<u>57,005</u>
	<u>433,618</u>	<u>449,154</u>
Accumulated surplus	<u>\$ 379,689</u>	<u>\$ 328,068</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase I, II, III
 Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Rentals	\$ 541,540	\$ 522,762	\$ 502,702
NLHC subsidy (Note 14)	<u>117,660</u>	<u>117,893</u>	<u>126,649</u>
	<u>659,200</u>	<u>640,655</u>	<u>629,351</u>
Expenditure			
Administration	9,300	9,300	9,300
Allocation to replacement reserve	30,220	30,220	30,220
Amortization	18,941	18,941	74,498
Heat and light	165,000	167,481	162,858
Insurance	8,300	10,538	8,298
Mortgage interest	-	-	199
Municipal taxes	71,800	76,164	71,758
Office	500	587	410
Professional fees	2,400	2,400	2,400
Repairs and maintenance	183,876	131,999	203,906
Salaries and benefits	123,363	95,904	134,928
Snowclearing	42,500	42,500	42,500
Telephone	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
	<u>659,200</u>	<u>589,034</u>	<u>744,275</u>
Annual surplus (deficit)	-	51,621	(114,924)
Accumulated surplus			
Beginning of year		<u>328,068</u>	<u>442,992</u>
End of year		<u>\$ 379,689</u>	<u>\$ 328,068</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase I, II, III
 Statement of Changes in Net Financial Debt

Year ended March 31	2020	2019
Net debt - beginning of year	<u>\$ (121,086)</u>	<u>\$ (76,757)</u>
Annual surplus (deficit)	<u>51,621</u>	<u>(114,924)</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>18,941</u>	<u>74,498</u>
Decrease in net book value of tangible capital assets	<u>18,941</u>	<u>74,498</u>
Changes in non-financial assets		
Increase in prepaids	<u>(3,405)</u>	<u>(3,903)</u>
Increase in other non-financial assets	<u>(3,405)</u>	<u>(3,903)</u>
Decrease (increase) in net debt	<u>67,157</u>	<u>(44,329)</u>
Net debt - end of year	<u>\$ (53,929)</u>	<u>\$ (121,086)</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase I, II, III
 Statement of Cash Flows

Year ended March 31	2020	2019
Operations		
Annual surplus (deficit)	\$ 51,621	\$ (114,924)
Amortization	<u>18,941</u>	<u>74,498</u>
	70,562	(40,426)
Changes in		
Receivables	(2,477)	1,717
Payables and accruals	-	(55)
Deferred revenue	(270)	10,078
Due to Central Regional Health Authority	(148,612)	(33,937)
Prepays	<u>(3,405)</u>	<u>(3,903)</u>
Net cash applied to operations	<u>(84,202)</u>	<u>(66,526)</u>
Financing		
Repayment of long-term debt	<u>-</u>	<u>(67,610)</u>
Net cash applied to financing	<u>-</u>	<u>(67,610)</u>
Net decrease in cash	(84,202)	(134,136)
Cash		
Beginning	<u>222,682</u>	<u>356,818</u>
Ending (Note 3)	<u>\$ 138,480</u>	<u>\$ 222,682</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase IV
 Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 10,352	\$ 31,879
Receivables (Note 4)	4,920	7,160
Cash restricted for security deposits	1,422	383
Replacement reserve funding (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>99,337</u>	<u>122,065</u>
Liabilities		
Payables and accruals (Note 6)	4,485	12,486
Due to Central Regional Health Authority	17,784	33,158
Long-term debt (Note 9)	185,713	218,580
Security deposit liability	1,422	383
Replacement reserve (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>292,047</u>	<u>347,250</u>
Net financial debt	<u>(192,710)</u>	<u>(225,185)</u>
Non-financial assets		
Tangible capital assets	200,682	233,549
Prepays (Note 13)	<u>7,028</u>	<u>6,636</u>
	<u>207,710</u>	<u>240,185</u>
Accumulated surplus	<u>\$ 15,000</u>	<u>\$ 15,000</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase IV
 Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Rentals	\$ 52,380	\$ 50,093	\$ 49,146
NLHC subsidy (Note 14)	<u>53,704</u>	<u>96,678</u>	<u>48,363</u>
	<u>106,084</u>	<u>146,771</u>	<u>97,509</u>
Expenditure			
Administration	3,600	3,600	3,600
Amortization	32,864	32,867	32,287
Heat and light	18,500	18,005	17,943
Insurance	1,000	1,212	954
Mortgage interest	3,685	3,631	4,211
Municipal taxes	8,350	8,935	8,387
Office supplies	1,470	1,000	-
Professional fees	1,620	1,620	2,020
Repairs and maintenance	14,045	56,388	5,934
Salaries and benefits	10,090	8,653	11,313
Snowclearing	10,500	10,500	10,500
Telephone	<u>360</u>	<u>360</u>	<u>360</u>
	<u>106,084</u>	<u>146,771</u>	<u>97,509</u>
Annual surplus	-	-	-
Accumulated surplus			
Beginning of year		<u>15,000</u>	<u>15,000</u>
End of year		<u>\$ 15,000</u>	<u>\$ 15,000</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase IV
 Statement of Changes in Net Financial Debt

Year ended March 31	2020	2019
Net debt, beginning of year	<u>\$ (225,185)</u>	<u>\$ (257,051)</u>
Annual surplus	<u> -</u>	<u> -</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u> 32,867</u>	<u> 32,287</u>
Decrease in net book value of tangible capital assets	<u> 32,867</u>	<u> 32,287</u>
Changes in non-financial assets		
Increase in prepaids	<u> (392)</u>	<u> (421)</u>
Increase in non-financial assets	<u> (392)</u>	<u> (421)</u>
Decrease in net debt	<u> 32,475</u>	<u> 31,866</u>
Net debt, end of year	<u>\$ (192,710)</u>	<u>\$ (225,185)</u>

Central Regional Health Authority
 North Haven Manor Cottages Phase IV
 Statement of Cash Flows

Year ended March 31

2020

2019

Operations

Annual surplus	\$ -	\$ -
Amortization	<u>32,867</u>	<u>32,287</u>

	32,867	32,287
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Changes in

Receivables	2,240	(5,718)
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Prepays	(392)	(421)
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Payables and accruals	(8,001)	10,488
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Due to Central Regional Health Authority	<u>(15,374)</u>	<u>13,536</u>
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Net cash provided from operations

	<u>11,340</u>	<u>50,172</u>
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Financing

Repayment of long-term debt	<u>(32,867)</u>	<u>(32,287)</u>
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Net cash applied to financing

	<u>(32,867)</u>	<u>(32,287)</u>
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Net (decrease) increase in cash

	(21,527)	17,885
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Cash

Beginning	<u>31,879</u>	<u>13,994</u>
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Ending (Note 3)	<u>\$ 10,352</u>	<u>\$ 31,879</u>
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Central Regional Health Authority
Valley Vista Cottages
Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 19,135	\$ 18,784
Cash restricted for security deposits	26,253	25,283
Replacement reserve funding (Note 10)	<u>19,474</u>	<u>9,824</u>
	<u>64,862</u>	<u>53,891</u>
Liabilities		
Payables and accruals (Note 6)	1,500	1,500
Due to Central Regional Health Authority	179,271	219,359
Security deposit liability	26,253	25,283
Replacement reserves (Note 10)	<u>19,474</u>	<u>9,824</u>
	<u>226,498</u>	<u>255,966</u>
Net financial debt	<u>(161,636)</u>	<u>(202,075)</u>
Non-financial assets		
Tangible capital assets	27,014	27,014
Prepays (Note 13)	<u>37,889</u>	<u>37,887</u>
	<u>64,903</u>	<u>64,901</u>
Accumulated deficit	<u>\$ (96,733)</u>	<u>\$ (137,174)</u>

Central Regional Health Authority
Valley Vista Cottages

Statement of Operations

Year ended March 31

	Budget 2020	Actual 2020	Actual 2019
Revenue			
Rentals	\$ 560,000	\$ 558,437	\$ 553,880
NLHC subsidy (Note 14)	-	-	-
	<u>560,000</u>	<u>558,437</u>	<u>553,880</u>
Expenditure			
Allocation to replacement reserve	30,000	30,000	30,000
Amortization	-	-	14,652
Bad debts	-	8,952	-
Cable television	22,000	21,434	19,656
Heat and light	146,000	135,640	131,838
Insurance	8,500	11,169	8,796
Lawn care	8,500	5,080	6,551
Mortgage interest	-	-	32
Municipal taxes	51,000	50,288	48,630
Office	800	886	873
Professional fees	2,400	2,400	2,400
Repairs and maintenance	195,000	175,253	107,220
Salaries and benefits	70,000	64,594	63,858
Snow clearing	16,000	12,300	13,000
	<u>550,200</u>	<u>517,996</u>	<u>447,506</u>
Annual surplus	\$ 9,800	40,441	106,374
Accumulated deficit			
Beginning of year		<u>(137,174)</u>	<u>(243,548)</u>
End of year		<u>\$ (96,733)</u>	<u>\$ (137,174)</u>

Central Regional Health Authority
Valley Vista Cottages
Statement of Changes in Net Financial Debt

Year ended March 31	2020	2019
Net debt - beginning of year	\$ (202,075)	\$ (321,444)
Annual surplus	40,441	106,374
Changes in tangible capital assets		
Amortization of tangible capital assets	-	14,652
Decrease in net book value of tangible capital assets	-	14,652
Changes in non-financial assets		
Decrease in prepaids	(2)	(1,657)
Decrease in non-financial assets	(2)	(1,657)
Decrease in net debt	40,439	119,369
Net debt - end of year	\$ (161,636)	\$ (202,075)

Central Regional Health Authority
Valley Vista Cottages
Statement of Cash Flows

Year ended March 31

2020

2019

Operations

Annual surplus	\$ 40,441	\$ 106,374
Amortization	<u>-</u>	<u>14,652</u>

	40,441	121,026
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Changes in

Receivables	-	1,071
Payables and accruals	-	(14)
Prepays	(2)	(1,657)
Due to Central Regional Health Authority	<u>(40,088)</u>	<u>(114,086)</u>

Net cash provided from operations

	<u>351</u>	<u>6,340</u>
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Financing

Repayment of long-term debt	<u>-</u>	<u>(9,570)</u>
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Net cash applied to financing

	<u>-</u>	<u>(9,570)</u>
--	----------	----------------

Net increase (decrease) in cash

	351	(3,230)
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Cash

Beginning	<u>18,784</u>	<u>22,014</u>
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Ending (Note 3)	<u>\$ 19,135</u>	<u>\$ 18,784</u>
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Central Regional Health Authority
Bonnews Lodge Apartment Complex
Statement of Financial Position

March 31	2020	2019
Financial assets		
Receivables (Note 4)	\$ 55,881	\$ 27,686
Replacement reserve funding (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>118,281</u>	<u>90,086</u>
Liabilities		
Payables and accruals (Note 6)	4,459	7,040
Long-term debt (Note 9)	198,396	238,839
Due to Central Regional Health Authority	51,422	20,646
Replacement reserve (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>316,677</u>	<u>328,925</u>
Net financial debt	<u>(198,396)</u>	<u>(238,839)</u>
Non-financial assets		
Tangible capital assets	<u>198,396</u>	<u>238,839</u>
Accumulated surplus	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority
Bonnews Lodge Apartment Complex
Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Rentals	\$ 61,668	\$ 61,578	\$ 58,484
NLHC subsidy (Note 14)	86,333	143,978	119,676
Surcharges - utilities	3,120	3,080	3,015
- laundry	1,440	1,420	1,390
- other	3,600	3,550	3,475
	<u>156,161</u>	<u>213,606</u>	<u>186,040</u>
Expenditure			
Administration allowance	9,932	9,648	9,566
Amortization	39,993	39,993	39,284
Fire and safety	1,636	1,376	9,137
Heat and light	22,390	24,710	22,545
Insurance	720	2,280	720
Mortgage interest	4,704	4,631	5,238
Municipal taxes	9,024	9,900	9,900
Professional fees	2,400	2,400	2,400
Repairs and maintenance	52,862	98,918	74,750
Snowclearing	12,500	19,750	12,500
	<u>156,161</u>	<u>213,606</u>	<u>186,040</u>
Annual surplus		-	-
Accumulated surplus			
Beginning of year		-	-
End of year		<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority
 Bonnews Lodge Apartment Complex
 Statement of Changes in Net Financial Debt

Year ended March 31	2020	2019
Net debt - beginning of year	<u>\$ (238,389)</u>	<u>\$ (277,673)</u>
Annual surplus	<u>-</u>	<u>-</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>39,993</u>	<u>39,284</u>
Decrease in net book value of tangible capital assets	<u>39,993</u>	<u>39,284</u>
Decrease in net debt	<u>39,993</u>	<u>39,284</u>
Net debt - end of year	<u>\$ (198,396)</u>	<u>\$ (238,389)</u>

Central Regional Health Authority
Bonnews Lodge Apartment Complex
Statement of Cash Flows

Year ended March 31

2020

2019

Operations

Amortization	\$ <u>39,993</u>	\$ <u>39,284</u>
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	39,993	39,284
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Changes in		
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Receivables	(28,195)	(27,686)
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Payables and accruals	(2,581)	(16,841)
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Due from Central Regional Health Authority	<u>30,776</u>	<u>44,527</u>
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Net cash provided from operations

	<u>39,993</u>	<u>39,284</u>
--	---------------	---------------

Financing

Repayment of long-term debt	<u>(39,993)</u>	<u>(39,284)</u>
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Net cash applied to financing

	<u>(39,993)</u>	<u>(39,284)</u>
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Net increase in cash

	-	-
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Cash

Beginning	<u>-</u>	<u>-</u>
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Ending (Note 3)	<u>\$ -</u>	<u>\$ -</u>
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Central Regional Health Authority
 Central Northeast Health Foundation Inc.
 Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 759,514	\$ 787,730
Receivables (Note 4)	61,948	45,899
Investments restricted for general endowment fund (Note 5)	<u>408,497</u>	<u>374,228</u>
	<u>1,229,959</u>	<u>1,207,857</u>
Liabilities		
Accrued payable (Note 6)	1,033	1,565
Accrued vacation pay	6,298	6,743
Deferred grant (Note 8)	60,000	45,000
Due to Central Regional Health Authority	<u>183,540</u>	<u>42,427</u>
	<u>250,871</u>	<u>95,735</u>
Net financial assets and accumulated surplus	<u>\$ 979,088</u>	<u>\$ 1,112,122</u>

Central Regional Health Authority
 Central Northeast Health Foundation Inc.
 Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Donations and fundraising	\$ 362,000	\$ 339,454	\$ 352,383
Staff lottery	50,000	49,625	50,197
Gift shop	115,000	96,436	114,028
Endowment fund			
Investment income	7,000	15,087	7,748
Investment (losses) gains	2,000	(33,413)	3,181
Grants	45,000	45,000	-
Interest and recoveries	6,000	21,001	26,325
	<u>587,000</u>	<u>533,190</u>	<u>553,862</u>
Expenditure			
Donations for the purchase of			
Capital equipment	200,000	274,071	95,918
Minor equipment	50,000	83,810	61,746
Patient comfort items	20,000	15,839	3,221
Gift shop	100,000	89,663	105,570
Office	3,000	3,231	1,652
Other supplies, fundraising and expenses	25,500	49,977	34,129
Salaries and benefits	130,000	149,131	170,297
Travel	800	502	525
	<u>529,300</u>	<u>666,224</u>	<u>473,058</u>
Annual (deficit) surplus	\$ 57,700	(133,034)	80,804
Accumulated surplus			
Beginning of year		<u>1,112,122</u>	<u>1,031,318</u>
End of year		<u>\$ 979,088</u>	<u>\$ 1,112,122</u>

Central Regional Health Authority
Central Northeast Health Foundation Inc.
Statement of Changes in Net Financial Assets

Year ended March 31	2020	2019
Net assets – beginning of year	\$ 1,112,122	\$ 1,031,318
Annual (deficit) surplus	<u>(133,034)</u>	<u>80,804</u>
Net assets – end of year	<u>\$ 979,088</u>	<u>\$ 1,112,122</u>

Central Regional Health Authority
 Central Northeast Health Foundation Inc.
 Statement of Cash Flows

Year ended March 31	2020	2019
Operations		
Annual (deficit) surplus	\$ (133,034)	\$ 80,804
Investment gains (losses)	<u>30,443</u>	<u>(3,181)</u>
	(102,591)	77,623
Change in		
Receivables	(16,050)	14,804
Due from Central Regional Health Authority	141,115	(30,778)
Accrued payables	(531)	(4,864)
Deferred grant	15,000	45,000
Accrued vacation pay	<u>(445)</u>	<u>2,922</u>
Net cash provided from operations	<u>36,498</u>	<u>104,707</u>
Investing		
Endowment fund investments		
Contributions	(52,595)	(5,084)
Reinvested income	<u>(12,119)</u>	<u>(7,748)</u>
Net cash applied to investing	<u>(64,714)</u>	<u>(12,832)</u>
Net (decrease) increase in cash	(28,216)	91,875
Cash		
Beginning of year	<u>787,730</u>	<u>695,855</u>
End of year (Note 3)	<u>\$ 759,514</u>	<u>\$ 787,730</u>

Central Regional Health Authority
 South and Central Health Foundation
 Statement of Financial Position

March 31	2020	2019
Financial assets		
Cash (Note 3)	\$ 770,989	\$ 871,499
Capital grant receivable (Note 4)	60,000	50,000
Receivables (Note 4)	946	-
Investments restricted for general endowment fund (Note 5)	<u>784,607</u>	<u>755,299</u>
	<u>1,616,542</u>	<u>1,676,798</u>
Liabilities		
Accrued vacation pay	7,227	3,567
Deferred grant (Note 8)	60,000	50,000
Deferred rental income (Note 8)	-	1,300
Due to Central Regional Health Authority	<u>76,531</u>	<u>61,906</u>
	<u>143,758</u>	<u>116,773</u>
Net financial assets	<u>1,472,784</u>	<u>1,560,025</u>
Non-financial assets		
Tangible capital assets	96,528	99,864
Prepays (Note 13)	<u>1,580</u>	<u>1,580</u>
	<u>98,108</u>	<u>101,444</u>
Accumulated surplus	<u>\$ 1,570,892</u>	<u>\$ 1,661,469</u>

Central Regional Health Authority
South and Central Health Foundation

Statement of Operations

Year ended March 31	Budget 2020	Actual 2020	Actual 2019
Revenue			
Donations and fundraising	\$ 346,000	\$ 369,050	\$ 497,918
Staff lottery	62,000	62,193	67,477
Grants	82,000	50,000	-
Endowment fund			
Investment income	22,000	26,553	16,861
Investment (loss)	5,000	(103,224)	(6,525)
Rentals	15,600	15,600	15,600
Interest and recoveries	18,000	29,771	39,400
	<u>550,600</u>	<u>449,943</u>	<u>630,731</u>
Expenditure			
Donations for the purchase of			
Capital equipment	234,000	213,815	51,336
Minor equipment	23,000	91,287	66,381
Patient comfort items	57,000	8,445	33,745
Fundraising and other supplies and expenses	36,500	43,484	34,860
Rental expenses, including amortization of \$3,336 (2019 -\$3,512)	6,000	5,442	5,495
Salaries and benefits	175,000	178,047	132,724
	<u>531,500</u>	<u>540,520</u>	<u>324,541</u>
Annual (deficit) surplus	\$ 19,100	(90,577)	306,190
Accumulated surplus			
Beginning of year		<u>1,661,469</u>	<u>1,355,279</u>
End of year		<u>\$ 1,570,892</u>	<u>\$ 1,661,469</u>

Central Regional Health Authority
 South and Central Health Foundation
 Statement of Changes in Net Financial Assets

Year ended March 31	2020	2019
Net assets – beginning of year	<u>\$ 1,560,025</u>	<u>\$ 1,250,447</u>
Annual (deficit) surplus	<u>(90,577)</u>	<u>306,190</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>3,336</u>	<u>3,512</u>
Decrease in net book value of tangible capital assets	<u>3,336</u>	<u>3,512</u>
Changes in other non-financial assets		
Prepays	<u>-</u>	<u>(124)</u>
Increase in other non-financial assets	<u>-</u>	<u>(124)</u>
(Decrease) increase in net assets	<u>(87,241)</u>	<u>309,578</u>
Net assets – end of year	<u>\$ 1,472,784</u>	<u>\$ 1,560,025</u>

Central Regional Health Authority
 South and Central Health Foundation
 Statement of Cash Flows

Year ended March 31	2020	2019
Operations		
Annual (deficit) surplus	\$ (90,577)	\$ 306,190
Amortization	3,336	3,512
Investment loss	<u>93,556</u>	<u>6,525</u>
	6,315	316,227
Change in		
Prepays	-	(124)
Due to Central Regional Health Authority	14,625	(298,557)
Receivables	(10,946)	5,911
Deferred grant	10,000	50,000
Deferred rental income	(1,300)	1,300
Accrued vacation pay	<u>3,660</u>	<u>457</u>
Net cash provided by operations	<u>22,354</u>	<u>75,214</u>
Investing		
Endowment fund investments		
Contributions	(105,979)	(29,972)
Reinvested income	<u>(16,885)</u>	<u>(16,861)</u>
Net cash applied to investing	<u>(122,864)</u>	<u>(46,833)</u>
Net (decrease) increase in cash	(100,510)	28,381
Cash		
Beginning of year	<u>871,499</u>	<u>843,118</u>
End of year (Note 3)	<u>\$ 770,989</u>	<u>\$ 871,499</u>



Supplementary Financial Information

Central Regional Health Authority

March 31, 2020

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Independent Auditors' Comments on Supplementary Financial Information

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To the Board of Trustees of the
Central Regional Health Authority

The accompanying supplementary financial information, which comprise the expenditures – operating/shareable, revenue and expenditure for government reporting – operating, funding and capital expenditure for government reporting – capital, reconciliation of accumulated operating deficit for government reporting, accumulated operating deficit for government reporting, deferred revenue for Early Childhood Development (ECD) and deferred operating revenue as at March 31, 2020 and the year then ended are derived from the audited consolidated financial statements of Central Regional Health Authority as at March 31, 2020. We expressed an unmodified audit opinion on those financial statements in our report dated June 23, 2020.

The supplementary financial information does not contain all the disclosures required by Canadian public sector accounting standards. Reading the supplementary financial information, therefore, is not a substitute for reading the audited consolidated financial statements of Central Regional Health Authority.

Management's responsibility for the supplementary financial information

Management is responsible for the preparation of the supplementary financial information of the audited consolidated financial statements of Central Regional Health Authority.

Auditors' responsibility

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

Opinion

In our opinion, the supplementary financial information derived from the audited consolidated financial statements of Central Regional Health Authority for the year ended March 31, 2020 are a fair summary of those financial statements.

St. John's, Canada
July 2, 2020



Chartered Professional Accountants

Central Regional Health Authority Expenditures - Operating/Shareable

Year ended March 31	2020	Schedule 1 2019
Administration		
General administration	\$ 10,689,292	\$ 13,009,779
Finance	3,964,536	4,740,976
Personnel services	3,926,676	4,016,702
Systems support	4,447,757	7,912,936
Other	6,839,254	7,468,881
	<u>29,867,515</u>	<u>37,149,274</u>
Community and social services		
Mental health and addictions	10,755,519	11,128,371
Community support	90,388,544	88,264,871
Health promotion and protection	6,067,308	5,821,184
	<u>107,211,371</u>	<u>105,214,426</u>
Support services		
Housekeeping	9,010,625	10,353,787
Laundry and linen	2,272,694	2,577,237
Plant services	20,602,133	20,881,203
Patient food services	13,283,962	14,825,868
Other	20,147,976	21,079,622
	<u>65,317,390</u>	<u>69,717,717</u>
Nursing inpatient services		
Acute care	57,999,967	55,264,440
Long-term care	38,029,371	40,590,032
	<u>96,029,338</u>	<u>95,854,472</u>
Ambulatory care services	<u>27,814,289</u>	<u>27,277,490</u>
Diagnostic and therapeutic services		
Clinical laboratory	14,548,873	15,053,718
Diagnostic imaging	10,515,914	12,088,481
Other	23,426,160	24,900,802
	<u>48,490,947</u>	<u>52,043,001</u>
Medical services	<u>16,461,885</u>	<u>15,102,604</u>
Education	<u>1,375,532</u>	<u>1,328,040</u>
Undistributed		
Capital projects	4,066,474	3,116,467
Municipal taxes	904,554	879,422
Bad debts	280,734	500,865
	<u>5,251,762</u>	<u>4,496,754</u>
	<u>\$ 397,820,029</u>	<u>\$ 408,183,778</u>

Central Regional Health Authority

Revenue and Expenditure for Government Reporting - Operating

Year ended March 31	2020	Schedule 2 2019
Revenue		
Provincial plan	\$ 342,235,621	\$ 359,970,593
Capital equipment grants	3,545,811	7,689,260
Other capital contributions	487,885	147,253
MCP	11,530,967	11,006,269
Inpatient	1,310,243	1,957,851
Outpatient	3,257,546	3,293,989
Resident	8,895,173	9,030,506
Mortgage interest subsidy	34,263	50,503
Capital project funding	4,843,625	3,337,801
Recoveries - salaries	3,000,555	3,032,516
- services	654,489	626,060
- ambulance	291,717	309,170
- drugs	8,050,928	6,772,835
Other revenue	<u>4,260,550</u>	<u>5,270,358</u>
	<u>392,399,373</u>	<u>412,494,964</u>
Expenditure		
Salaries	202,290,850	215,910,277
Employee benefits	36,873,190	38,573,084
Supplies - plant operations and maintenance	6,680,531	6,568,119
- drugs	12,649,833	11,190,072
- medical and surgical	10,489,027	10,405,997
- other	10,496,129	10,047,908
Direct client costs - MHA, CS, HP, and CC	69,766,286	68,124,746
Other shareable expenses		
- sundry	9,341,977	9,197,663
- equipment expense	8,238,383	9,811,514
- contracted-out services	19,842,820	18,760,347
- building, grounds and equipment expense	10,927,696	9,339,088
Long-term debt - interest	223,307	254,962
- principal	<u>911,271</u>	<u>973,057</u>
	<u>398,731,300</u>	<u>409,156,834</u>
	(6,331,927)	3,338,130
Capital equipment grants	(3,545,811)	(7,689,260)
Other capital contributions	<u>(487,885)</u>	<u>(147,253)</u>
Deficit for government reporting	(10,365,623)	(4,498,383)
Long-term debt principal	<u>911,271</u>	<u>973,057</u>
Deficit before non-shareable items	<u>\$ (9,454,352)</u>	<u>\$ (3,525,326)</u>

Central Regional Health Authority
 Revenue and Expenditure for Government Reporting -
 Operating

Year ended March 31	2020	Schedule 2 2019
Deficit before non-shareable items (cont'd.)	<u>\$ (9,454,352)</u>	<u>\$ (3,525,326)</u>
Non-shareable items		
Gain on disposal of capital assets	-	118,398
Capital equipment grants	3,545,811	7,689,260
Other capital contributions	487,885	147,253
Amortization of capital assets	(5,651,181)	(5,774,412)
Accrued vacation pay – (increase) decrease	(920,306)	634,916
Accrued severance pay – increase	10,067,682	21,516,389
Accrued sick pay – increase	<u>(275,994)</u>	<u>(273,981)</u>
	<u>7,253,897</u>	<u>24,057,823</u>
(Deficit) surplus	<u>\$ (2,200,455)</u>	<u>\$20,532,497</u>

Central Regional Health Authority

Funding and Expenditure for Government Reporting - Capital

Year ended March 31 2020 Schedule 3
2019

Source of funds

Deferred capital grants from prior year		
Capital equipment	\$ 5,554,561	\$ 5,799,369
Capital projects	<u>13,006,732</u>	<u>10,263,451</u>
	18,561,293	16,062,820
Provincial grants in current year		
Capital equipment	3,110,300	2,447,700
Capital projects	6,646,539	8,831,700
Construction in progress	266,224	359,547
Capital grant reallocated to operating fund for		
Minor equipment purchased	(542,033)	(166,212)
Renovation and repair projects	(4,011,530)	(3,018,395)
Transfers from other projects	-	69,177
Deferred capital grants from current year		
Capital equipment	(4,994,780)	(5,554,561)
Capital projects	<u>(11,715,763)</u>	<u>(13,006,732)</u>
Provincial funding used in current year	7,320,250	6,025,044
Other contributions		
Health foundation donations	487,885	147,253
Other	<u>62,132</u>	<u>96,306</u>
Total funding	<u>7,870,267</u>	<u>6,268,603</u>
Expenditure		
Capital assets	3,902,739	2,955,379
Construction in progress	<u>3,967,528</u>	<u>3,313,224</u>
Total expenditure	<u>7,870,267</u>	<u>6,268,603</u>
Deficit on capital purchases	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority

Reconciliation of Accumulated Operating Deficit for Government Reporting

Year ended March 31	2020	Schedule 4A 2019
Current assets		
Cash	\$ 1,517,465	\$ 13,506,816
Receivables	12,832,537	13,374,053
Due from cottage operations and foundations	691,826	709,385
Inventory	2,848,923	2,503,257
Prepaid expenses	<u>3,277,795</u>	<u>4,021,266</u>
Total current assets	<u>21,168,546</u>	<u>34,114,777</u>
Current liabilities		
Payables and accruals	28,805,051	29,580,473
Deferred grants and donations	<u>25,056,456</u>	<u>23,071,343</u>
	<u>53,861,507</u>	<u>52,651,816</u>
Accumulated deficit	<u>\$ (32,692,961)</u>	<u>\$ (18,537,039)</u>
Reconciliation of accumulated operating deficit		
Balance, beginning	\$ (18,537,039)	\$ (15,718,560)
Deficit for government reporting	(10,365,623)	(4,498,384)
Deposits on capital assets	45,676	(99,421)
Construction in progress	(3,836,570)	1,567,910
Proceeds from disposal of capital assets	-	235,440
Mortgage prepayment	-	(24,301)
J. M. Olds funds spent - net	<u>595</u>	<u>277</u>
Balance, ending	<u>\$ (32,696,961)</u>	<u>\$ (18,537,039)</u>

Central Regional Health Authority
Accumulated Operating Deficit for Government Reporting

Year ended March 31	2020	Schedule 4B 2019
Accumulated operating deficit – end of year per Schedule 4A	\$ (32,692,961)	\$ (18,537,039)
Adjustments		
Add		
Capital assets	52,252,979	53,870,465
Construction in progress	6,515,354	2,678,785
Deposits on capital assets	<u>126,615</u>	<u>172,291</u>
	<u>26,201,987</u>	<u>38,184,502</u>
Less		
Accrued vacation pay	(14,786,490)	(13,866,186)
Accrued severance pay	(1,518,666)	(11,586,348)
Accrued sick pay	(18,432,950)	(18,156,956)
Long-term debt	(5,487,614)	(6,398,885)
J.M. Olds scholarship and library funds	<u>(84,821)</u>	<u>(84,226)</u>
	<u>(40,310,541)</u>	<u>(50,092,601)</u>
Accumulated deficit per operating statement of financial position	<u>\$ (14,108,554)</u>	<u>\$ (11,908,099)</u>

Central Regional Health Authority
Deferred Operating Revenue

Year ended March 31	2020	Schedule 6 2019
Deferred operating grants	\$ 1,465,227	\$ 891,794
Other deferred revenue (various accounts)	<u>30,527</u>	<u>33,961</u>
	<u>\$ 1,495,754</u>	<u>\$ 925,755</u>
