



# Consolidated Financial Statements

Central Regional Health Authority

March 31, 2022

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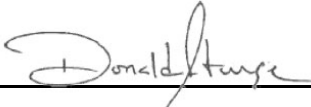
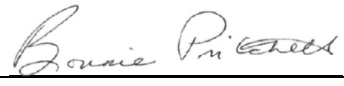
# Statement of responsibility

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

# 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, 2022, 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, 2022, 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.

### **Other Matter – Supplementary Information**

Our audit was conducted for the purposes of forming an opinion on the financial statements as a whole. The schedules on pages 25-45 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

### **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  
June 28, 2022

*Grant Thornton LLP*

Chartered Professional Accountants

# Central Regional Health Authority

## Consolidated Statement of Financial Position

March 31

2022

2021

**Financial assets**

Receivables (Note 4)	<b>\$15,025,999</b>	\$ 17,918,519
Residents' trust funds held on deposit	<b>639,412</b>	704,526
Cash restricted for security deposits	<b>60,289</b>	56,804
Replacement reserve funding (Note 9)	<b>258,181</b>	231,592
	<b><u>15,983,881</u></b>	<u>18,911,441</u>

**Liabilities**

Bank indebtedness (Note 3)	<b>5,837,002</b>	4,331,818
Payables and accruals (Note 5)	<b>41,965,355</b>	36,801,910
Employee future benefits		
Accrued vacation pay	<b>20,761,864</b>	18,162,729
Accrued severance pay	<b>1,229,377</b>	1,207,595
Accrued sick pay (Note 6)	<b>19,010,016</b>	18,619,508
Deferred grants and revenue (Note 7)	<b>28,687,884</b>	33,082,523
Long-term debt (Note 8)	<b>4,157,373</b>	5,025,668
Trust funds payable	<b>639,412</b>	704,526
Security deposits liability	<b>60,289</b>	56,804
Replacement reserves (Note 9)	<b>258,181</b>	231,592
J.M. Olds scholarship and library funds	<b>86,314</b>	85,173
	<b><u>122,693,067</u></b>	<u>118,309,846</u>

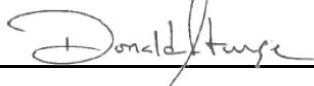
**Net financial debt****(106,709,186)** (99,398,405)**Non-financial assets**

Tangible capital assets (Note 10)	<b>69,157,369</b>	65,532,734
Deposits on tangible capital assets	-	83,225
Inventories (Note 11)	<b>3,591,114</b>	4,770,662
Prepays (Note 12)	<b>2,841,294</b>	3,206,817
	<b><u>75,589,777</u></b>	<u>73,593,438</u>

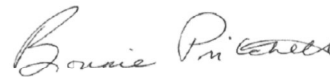
**Accumulated deficit****\$ (31,119,409)** \$ (25,804,967)

Commitments (Note 14)  
Contingencies (Note 15)  
COVID-19 (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 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Provincial plan operating	\$ 352,956,707	\$ 380,537,945	\$ 340,501,886
Provincial capital grants	4,000,000	16,373,456	10,235,577
Other capital contributions	-	465,320	289,124
MCP	11,981,878	10,903,667	11,639,394
Patient-resident services	12,800,000	13,222,573	12,420,411
Capital project funding	2,440,000	5,511,947	3,426,703
Recoveries	10,332,460	12,089,218	12,288,309
Cottage operations	1,571,644	1,470,574	1,530,700
Other revenue	2,744,600	2,955,453	3,178,595
	<u>398,827,289</u>	<u>443,530,153</u>	<u>395,510,699</u>
<b>Expenditure</b>			
Administration	48,946,926	48,216,971	33,698,496
Community and social services	115,062,398	119,012,139	112,830,567
Support services	67,461,892	74,350,014	67,490,917
Nursing inpatient services	93,820,122	94,775,988	88,034,625
Ambulatory care services	25,972,051	27,900,296	25,858,693
Diagnostic and therapeutic services	50,895,433	50,670,471	46,636,608
Medical services	15,364,876	15,960,993	16,740,742
Educational services	1,220,945	789,825	1,006,719
Undistributed	1,224,500	5,753,444	4,635,121
Cottage, operations, including amortization of \$92,878 (2021 - \$92,323)	1,536,644	1,460,557	1,388,787
	<u>421,505,787</u>	<u>438,890,698</u>	<u>398,321,275</u>
<b>Surplus (deficit) – shareable</b>	<u>(22,678,498)</u>	<u>4,639,455</u>	<u>(2,810,576)</u>
<b>Non-shareable items</b>			
(Loss) gain on disposal of tangible capital assets	-	(15,457)	49,799
Amortization of tangible capital assets	(6,000,000)	(6,927,015)	(5,981,867)
Accrued vacation pay – increase	(500,000)	(2,599,135)	(3,376,239)
Accrued severance pay – (increase) decrease	-	(21,782)	311,071
Accrued sick pay – increase	(500,000)	(390,508)	(186,558)
	<u>(7,000,000)</u>	<u>(9,953,897)</u>	<u>(9,183,794)</u>
<b>Deficit - shareable and non-shareable</b>	<u>(29,678,498)</u>	<u>(5,314,442)</u>	<u>(11,994,370)</u>
<b>Accumulated deficit</b>			
Beginning of year	(25,804,967)	(25,804,967)	(11,260,618)
Adjustment for Foundations	-	-	(2,549,979)
	<u>(25,804,967)</u>	<u>(25,804,967)</u>	<u>(13,810,597)</u>
End of year	<u>\$ (55,483,465)</u>	<u>\$ (31,119,409)</u>	<u>\$ (25,804,967)</u>

See accompanying notes to the consolidated financial statements



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

March 31	Budget 2022	Actual 2022	Actual 2021
<b>Net debt - beginning of year</b>	<b>\$ (99,398,405)</b>	<b>\$ (99,398,405)</b>	\$(77,285,019)
Adjustment for Foundations	-	-	(2,549,979)
	<b>(99,398,405)</b>	<b>(99,398,405)</b>	(79,834,998)
<b>Deficit</b>	<b><u>(29,678,498)</u></b>	<b><u>(5,314,442)</u></b>	<b><u>(11,994,370)</u></b>
<b>Changes in tangible capital assets</b>			
Acquisition of tangible capital assets	<b>(10,200,000)</b>	<b>(10,660,208)</b>	(12,058,916)
Amortization of tangible capital assets	<b>6,000,000</b>	<b>7,020,116</b>	6,074,188
Adjustment for Foundations	-	-	96,528
Loss (gain) on disposal of tangible capital assets	-	<b>15,457</b>	(49,799)
Proceeds on disposal of tangible capital assets	-	-	69,426
Decrease in deposits on tangible capital assets	<b>83,225</b>	<b>83,225</b>	43,391
<b>Increase in net book value of tangible capital assets</b>	<b><u>(4,116,775)</u></b>	<b><u>(3,541,410)</u></b>	<b><u>(5,825,182)</u></b>
<b>Changes in non-financial assets</b>			
Decrease (increase) in inventories	<b>1,179,548</b>	<b>1,179,548</b>	(1,921,739)
Decrease in prepaids	<b>365,524</b>	<b>365,523</b>	176,305
Prepaids – adjustment for Foundations	-	-	1,579
<b>Increase (decrease) in non-financial assets</b>	<b><u>1,545,072</u></b>	<b><u>1,545,071</u></b>	<b><u>(1,743,855)</u></b>
<b>Increase in net debt</b>	<b><u>(32,250,198)</u></b>	<b><u>(7,310,781)</u></b>	<b><u>(19,563,407)</u></b>
<b>Net debt, end of year</b>	<b><u>\$(131,648,603)</u></b>	<b><u>\$(106,709,186)</u></b>	<b><u>\$(99,398,405)</u></b>

See accompanying notes to the consolidated financial statements

# Central Regional Health Authority

## Consolidated Statement of Cash Flows

Year ended March 31	2022	2021
<b>Operations</b>		
Deficit	\$ (5,314,442)	\$ (11,994,370)
Adjustment for Foundations	-	(2,549,979)
Amortization	7,020,116	6,074,188
Gain on disposal of tangible capital assets	15,457	(49,799)
	<u>1,721,131</u>	<u>(8,519,960)</u>
Changes in		
Receivables	2,892,520	(4,899,810)
Payables and accruals	5,163,445	7,983,582
Accrued vacation pay	2,599,135	3,362,713
Accrued severance pay	21,782	(311,071)
Accrued sick pay	390,508	186,558
Deferred grants	(4,394,639)	7,896,259
Inventories	1,179,548	(1,921,739)
Prepays	365,523	177,884
	<u>9,938,953</u>	<u>3,954,416</u>
<b>Net cash provided from operations</b>	<b>9,938,953</b>	<b>3,954,416</b>
<b>Financing</b>		
Repayment of long-term debt	(868,295)	(846,055)
Net change in J.M. Olds funds	1,141	352
	<u>(867,154)</u>	<u>(845,703)</u>
<b>Net cash applied to financing</b>	<b>(867,154)</b>	<b>(845,703)</b>
<b>Investing</b>		
Acquisition of tangible capital assets	(10,660,208)	(12,058,916)
Adjustment for Foundations – capital assets	-	96,528
Decrease in deposits on tangible capital assets	83,225	43,391
Decrease in general endowment fund investments	-	1,193,104
Proceeds on disposal of tangible capital assets	-	69,426
	<u>(10,576,983)</u>	<u>(10,656,467)</u>
<b>Net cash applied to investing</b>	<b>(10,576,983)</b>	<b>(10,656,467)</b>
<b>Net decrease in cash</b>	<b>(1,505,184)</b>	<b>(7,547,754)</b>
<b>Cash, net of bank indebtedness:</b>		
Beginning	<u>(4,331,818)</u>	<u>3,215,936</u>
Ending (Note 3)	<u>\$ (5,837,002)</u>	<u>\$ (4,331,818)</u>

See accompanying notes to the consolidated financial statements

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# Central Regional Health Authority

## Notes to the Consolidated Financial Statements

March 31, 2022

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### 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.

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### 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

In the previous year, upon completion of the reporting entity assessment and reviewing the indicators of control applicable under the accounting standards, Central Health concluded that the indicators of control were not met for the Central Northeast Health Foundation Inc. and South and Central Health Foundation (the “Foundations”). For accounting purposes, control is defined as the power to govern the financial and operating policies of another organization with expected benefits or the risk of loss to Government from the other organization’s activities. Therefore, the Foundations are not included in Central Health’s consolidated statements.

#### **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.

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# Central Regional Health Authority

## Notes to the Consolidated Financial Statements

March 31, 2022

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

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. The results of the sick accrual do not reflect the unknown impacts of the COVID-19 pandemic nor related measures to slow the spread of the disease.

#### **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.

#### **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.

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# Central Regional Health Authority

## Notes to the Consolidated Financial Statements

March 31, 2022

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

#### 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 pay out 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, 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. In May 2020, 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, 2021 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.

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

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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

**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 – 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.

**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 9.

**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. Current year pension expenditures totaled \$15,067,144 (2021 - \$14,650,599).

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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

**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-arm's 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, long-term debt, trust funds payable, security deposits, replacement reserves and scholarship and library funds payable.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net annual surplus.

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**3. Cash**

	<u>2022</u>	<u>2021</u>
Operating:		
Cash	\$ 16,014	\$ 16,175
Bank – current accounts	<u>(6,362,838)</u>	<u>(4,719,246)</u>
	<b>(6,346,824)</b>	(4,703,071)
Cash and bank other:		
North Haven Manor Cottage Units Phase I, II, III	<b>304,270</b>	255,062
North Haven Manor Cottage Units Phase IV	<b>29,886</b>	39,102
Valley Vista Cottages	<u><b>175,666</b></u>	<u>77,089</u>
	<b><u>\$ (5,837,002)</u></b>	<b><u>\$ (4,331,818)</u></b>

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. The balance outstanding on this line of credit at March 31, 2022 is \$6,469,894 which is included in the current accounts balance above (2021 - \$4,968,024). Interest is being charged at prime less 1.11% on any overdraft.

See accompanying notes to the consolidated financial statements

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# Central Regional Health Authority

## Notes to the Consolidated Financial Statements

March 31, 2022

### 4. Receivables

	<u>2022</u>	<u>2021</u>
Operating		
Provincial grants - operating	\$ 5,679,902	\$ 9,994,044
Patient, rents and other	7,691,942	6,977,464
MCP	810,880	367,097
Cancer Foundation	520,618	611,144
Foundations	421,737	128,122
HST	<u>1,711,370</u>	<u>1,049,450</u>
	<b>16,836,449</b>	19,127,321
Allowance for doubtful	<u>(1,815,542)</u>	<u>(1,241,119)</u>
	<b><u>15,020,907</u></b>	<b><u>17,886,202</u></b>
North Haven Manor Cottages Phase I, II, III		
Trade	<u>1,694</u>	<u>15</u>
North Haven Manor Cottages Phase IV		
Trade	16	-
Due from NLHC - operating subsidy	3,200	-
Accrued interest	<u>182</u>	<u>234</u>
	<b><u>3,398</u></b>	<b><u>234</u></b>
Valley Vista Cottages		
Trade	8,952	9,307
Allowance for doubtful	<u>(8,952)</u>	<u>(8,952)</u>
	<u>-</u>	<u>355</u>
Bonnews Lodge Apartment Complex		
Due from NLHC – operating	<u>-</u>	<u>31,713</u>
	<b><u>\$15,025,999</u></b>	<b><u>\$17,918,519</u></b>

See accompanying notes to the consolidated financial statements



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Central Regional Health Authority  
Notes to the Consolidated Financial Statements

March 31, 2022

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<b>5. Payables and accruals</b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Operating		
Trade	<b>\$26,536,263</b>	\$23,807,088
Residents comfort fund	<b>97,557</b>	98,509
Accrued - wages	<b>15,305,748</b>	12,848,670
- interest	<b>12,590</b>	15,090
	<b><u>41,952,158</u></b>	<u>36,769,357</u>
North Haven Manor Cottage Units Phase I, II, III		
Trade	<b>1,800</b>	1,800
North Haven Manor Cottage Units Phase IV		
Trade	<b>1,613</b>	1,613
Accrued interest	<b>182</b>	234
Due to NLHC - operating subsidy	<b>-</b>	14,262
	<b><u>1,795</u></b>	<u>16,109</u>
Valley Vista Cottages		
Trade	<b>1,500</b>	1,500
Bonnews Lodge Apartment Complex		
Trade	<b>4,404</b>	4,054
Accrued interest	<b>211</b>	287
Due to NLHC - operating subsidy	<b>3,487</b>	8,803
	<b><u>8,102</u></b>	<u>13,144</u>
	<b><u>\$41,965,355</u></b>	<u>\$36,801,910</u>

See accompanying notes to the consolidated financial statements

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## Central Regional Health Authority

### Notes to the Consolidated Financial Statements

March 31, 2022

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#### 6. Employee future benefits

Future employee benefits related to accrued sick obligations have been calculated based on an actuarial valuation as at March 31, 2021 and extrapolated to March 31, 2022. 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>2022</u>	<u>2021</u>
Wages and salary escalation	3.50%	2.75%
Interest	3.57%	3.11%

Based on actuarial valuation of the liability, at March 31, 2022 the results for sick leave are:

Accrued sick pay obligation, beginning	\$19,204,894	\$19,429,483
Current period benefit cost	1,651,351	1,699,643
Benefit payments	(2,038,933)	(2,401,433)
Interest on the accrued benefit obligations	570,958	620,055
Actuarial gains	<u>(1,146,298)</u>	<u>(142,854)</u>
Accrued sick pay obligations, at end	<u>\$18,241,972</u>	<u>\$19,204,894</u>

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

#### Sick benefits

Accrued benefit obligation	\$18,241,972	\$19,204,894
Unamortized actuarial gains	<u>768,044</u>	<u>(585,386)</u>
Accrued benefit liability	<u>\$19,010,016</u>	<u>\$18,619,508</u>

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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7. Deferred grants and revenue	<u>2022</u>	<u>2021</u>
<b>Operating</b>		
Deferred operating grants	<b>\$ 3,199,360</b>	\$ 3,334,307
Deferred capital grants	<b><u>25,488,524</u></b>	<u>29,748,216</u>
	<b><u>\$28,687,884</u></b>	<b><u>\$33,082,523</u></b>
<hr/>		
8. Long-term debt	<u>2022</u>	<u>2021</u>
<b>Operating</b>		
7.5% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$4,574, interest included; maturing July 2023.	<b>\$ 70,687</b>	\$ 118,417
2.67% Canadian Imperial Bank of Commerce loan for Carmelite House, unsecured; repayable in equal monthly instalments of \$56,108, interest included; maturing January 2027.	<b>3,043,964</b>	3,628,721
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.	<b>22,758</b>	26,883
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.	<b>20,714</b>	24,207
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 August 2027.	<b>537,696</b>	613,579
7.88% Newfoundland and Labrador Housing Corporation mortgage on Authority offices; repayable in equal monthly instalments of \$8,165, interest included; maturing August 2024.	<b><u>227,620</u></b>	<u>304,103</u>
	<b><u>3,923,439</u></b>	<b><u>4,715,910</u></b>

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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8. Long-term debt (cont'd.)	<u>2022</u>	<u>2021</u>
<b>North Haven Manor Cottages Phase IV</b>		
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>118,153</u>	<u>152,234</u>
<b>Bonnews Lodge Apartment Complex</b>		
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>115,781</u>	<u>157,524</u>
	<u>\$ 4,157,373</u>	<u>\$5,025,668</u>

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

2023	\$899,753
2024	899,053
2025	855,940
2026	772,601
2027	672,400
Thereafter	57,626

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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<b>9. Replacement reserves</b>	<b><u>2022</u></b>	<b><u>2021</u></b>
North Haven Manor Cottages Phase I, II, III		
Balance, beginning	\$ 52,667	\$ 34,099
Add:		
Allocation for year	30,220	30,220
Contributions from Authority	<u>12,900</u>	<u>12,900</u>
	<b>95,787</b>	77,219
Less:		
Approved expenditures	<u>35,705</u>	<u>24,552</u>
Balance, ending	<u>60,082</u>	<u>52,667</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	33,882	19,474
Add:		
Allocation for year	30,000	30,000
Interest	<u>98</u>	<u>28</u>
	<b>63,980</b>	49,502
Less:		
Approved expenditures	<u>10,924</u>	<u>15,620</u>
Balance, ending	<u>53,056</u>	<u>33,882</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>
	<b>\$ 258,181</b>	<b>\$ 231,592</b>
Funding		
Replacement reserve funds	\$ 113,138	\$ 86,549
Due from Newfoundland and Labrador Housing Corporation	<u>145,043</u>	<u>145,043</u>
	<b>\$ 258,181</b>	<b>\$ 231,592</b>

See accompanying notes to the consolidated financial statements

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements

March 31, 2022

10. Tangible capital assets

	<u>Land</u>	<u>Land improvements</u>	<u>Building and service equipment</u>	<u>Equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
<b>March 31, 2022</b>						
<b>Cost</b>						
Opening balance	\$ 499,541	\$ 1,212,046	\$91,047,218	\$151,435,365	\$ 3,888,503	<b>\$ 248,082,673</b>
Additions	-	-	2,898,455	7,308,859	452,894	<b>10,660,208</b>
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(143,954)</u>	<b><u>(143,954)</u></b>
Closing balance	<u>499,541</u>	<u>1,212,046</u>	<u>93,945,673</u>	<u>158,744,224</u>	<u>4,197,443</u>	<b><u>258,598,927</u></b>
<b>Accumulated amortization</b>						
Opening balance	-	1,000,221	60,301,987	118,618,171	2,629,560	<b>182,549,939</b>
Additions	-	10,591	1,663,065	5,007,185	339,275	<b>7,020,116</b>
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(128,497)</u>	<b><u>(128,497)</u></b>
Closing balance	<u>-</u>	<u>1,010,812</u>	<u>61,965,052</u>	<u>123,625,356</u>	<u>2,840,338</u>	<b><u>189,441,558</u></b>
Net book value	<u>\$ 499,541</u>	<u>\$ 201,234</u>	<u>\$31,980,621</u>	<u>\$35,118,868</u>	<u>\$ 1,357,105</u>	<b><u>\$ 69,157,369</u></b>

## Central Regional Health Authority

### Notes to the Consolidated Financial Statements

March 31, 2022

#### 10. Tangible capital assets (cont'd.)

	<u>Land</u>	<u>Land improvements</u>	<u>Building and service equipment</u>	<u>Equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
<b>March 31, 2021</b>						
<b>Cost</b>						
Opening balance	\$ 532,675	\$ 1,212,046	\$87,026,149	\$144,175,653	\$ 3,683,077	\$ 236,629,600
Adjustment for Foundations	(33,134)	-	(119,141)	-	-	(152,275)
Additions	-	-	4,140,210	7,259,712	658,994	12,058,916
Disposals	-	-	-	-	(453,568)	(453,568)
Closing balance	<u>499,541</u>	<u>1,212,046</u>	<u>91,047,218</u>	<u>151,435,365</u>	<u>3,888,503</u>	<u>248,082,673</u>
<b>Accumulated amortization</b>						
Opening balance	-	989,072	59,104,044	114,123,727	2,748,596	176,965,439
Adjustment for Foundations	-	-	(55,747)	-	-	(55,747)
Additions	-	11,149	1,253,690	4,494,444	314,734	6,074,017
Disposals	-	-	-	-	(433,770)	(433,770)
Closing balance	<u>-</u>	<u>1,000,221</u>	<u>60,301,987</u>	<u>118,618,171</u>	<u>2,629,560</u>	<u>182,549,939</u>
Net book value	<u>\$ 499,541</u>	<u>\$ 211,825</u>	<u>\$30,745,231</u>	<u>\$32,817,194</u>	<u>\$ 1,258,943</u>	<u>\$ 65,532,734</u>

Book value of capitalized items that have not been amortized is \$1,989,888 (2021- \$9,850,819).

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**Central Regional Health Authority**  
**Notes to the Consolidated Financial Statements**  
 March 31, 2022

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<b>11. Inventories</b>	<u><b>2022</b></u>	<u><b>2021</b></u>
General stores	<b>\$ 1,806,560</b>	\$ 3,095,328
Drugs	<u><b>1,784,554</b></u>	<u>1,675,334</u>
	<u><b>\$ 3,591,114</b></u>	<u>\$ 4,770,662</u>

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<b>12. Prepaids</b>	<u><b>2022</b></u>	<u><b>2021</b></u>
Operating		
Equipment maintenance	<b>\$ 497,875</b>	\$ 567,859
Malpractice and membership fees	<b>57,193</b>	6,440
General insurance	<b>379,434</b>	336,843
Municipal taxes	<b>740,726</b>	723,176
Workers' Compensation	<b>29,403</b>	-
Other	<u><b>1,037,297</b></u>	<u>1,475,499</u>
	<b>2,741,928</b>	3,109,817
Municipal taxes		
North Haven Manor Cottage Units Phase I, II, III	<b>54,794</b>	53,288
North Haven Manor Cottage Units Phase IV	<b>7,023</b>	6,817
Valley Vista Cottages	<u><b>37,549</b></u>	<u>36,895</u>
	<u><b>\$ 2,841,294</b></u>	<u>\$ 3,206,817</u>

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**13. 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 2022 was \$266,307 (2021 - \$295,471) for the Authority's Cottage operations.

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**14. 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:

2023	\$ 226,450
2024	162,947
2025	139,369
2026	99,024
2027	19,030

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# Central Regional Health Authority

## Notes to the Consolidated Financial Statements

March 31, 2022

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### **15. Contingencies**

As of March, 31 2022, 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.

During the year, on October 30, 2021, a cyber incident impacted critical IT systems supporting healthcare providers in Newfoundland and Labrador. The incident disrupted the Authority's systems which have now been restored. The investigation into the nature and impact of the incident is still ongoing.

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### **16. Impacts of COVID-19**

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

During the year, the organization had to manage many operational challenges due to the global pandemic. In response, Central Health reduced services several times throughout the year during high alert levels and setup numerous testing, assessment, and vaccination clinics throughout the region, as well as new COVID inpatient and ICU units in one of its acute care centers. Central Health was provided additional funding to help offset the extra costs of staffing, equipment and personal protective equipment requirements due to ongoing public health measures. A provincial warehouse was setup under Eastern Health for storing personal protective equipment, therefore, Central Health's inventory has not significantly increased. Central Health had a small amount of donated inventory on hand including covid rapid test kits at year end which were immaterial and have not been recorded in the financial statements. Central Health also had a small amount of COVID vaccine inventory on hand with costing unavailable at year end.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Authority for future periods.

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Central Regional Health Authority  
Notes to the Consolidated Financial Statements  
March 31, 2022

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17. Expenditures by object	<u>2022</u>	<u>2021</u>
<b>Expenditure</b>		
Salaries	<b>\$ 206,786,920</b>	\$ 195,880,267
Employee benefits	<b>38,894,369</b>	35,926,999
Supplies		
- plant operations and maintenance	<b>8,162,453</b>	6,109,740
- drugs	<b>12,631,257</b>	11,763,621
- medical and surgical	<b>11,735,508</b>	9,629,578
- other	<b>17,151,296</b>	13,518,162
Direct client costs - MHA, CS, HP, and CC	<b>75,247,535</b>	72,707,689
Other shareable expenses		
- sundry	<b>21,086,945</b>	11,722,064
- equipment expense	<b>7,637,257</b>	6,630,201
- contracted-out services	<b>23,954,667</b>	21,059,031
- building, grounds and equipment expense	<b>13,978,978</b>	11,791,194
Long-term debt - interest	<b>162,957</b>	193,940
Cottage operations	<b><u>1,460,556</u></b>	<u>1,388,789</u>
	<b><u>\$ 438,890,698</u></b>	<b><u>\$ 398,321,275</u></b>

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18. Financial instruments

The Authority, as part of its operations, carries a number of financial instruments. It is management's opinion the Authority is not exposed to significant interest, currency, liquidity or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values.

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# Central Regional Health Authority

## Appendix

March 31, 2022

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### Financial Statement Appendix

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# Central Regional Health Authority

## Operating Statement of Financial Position

March 31	2022	2021
<b>Financial assets</b>		
Receivables (Note 4)	\$ 15,020,907	\$ 17,886,202
Residents' trust funds held on deposit	639,412	704,526
Due from cottage operations and foundations - net	<u>531,362</u>	<u>425,366</u>
	<u>16,191,681</u>	<u>19,016,094</u>
<b>Liabilities</b>		
Bank indebtedness (Note 3)	6,346,824	4,703,071
Payables and accruals (Note 5)	41,952,158	36,769,357
Employee future benefits		
Accrued vacation pay	20,761,864	18,162,729
Accrued severance pay	1,229,377	1,207,595
Accrued sick pay (Note 6)	19,010,016	18,619,508
Deferred grants (Note 7)	28,687,884	33,082,523
Long-term debt (Note 8)	3,923,439	4,715,910
Trust funds payable	639,412	704,526
J.M. Olds scholarship and library funds	<u>86,314</u>	<u>85,173</u>
	<u>122,637,288</u>	<u>118,050,392</u>
<b>Net financial debt</b>	<u>(106,445,607)</u>	<u>(99,034,298)</u>
<b>Non-financial assets</b>		
Tangible capital assets	68,543,268	64,825,757
Deposits on tangible capital assets	-	83,225
Inventories (Note 11)	3,591,114	4,770,662
Prepays (Note 12)	<u>2,741,928</u>	<u>3,109,817</u>
	<u>74,876,310</u>	<u>72,789,461</u>
<b>Accumulated deficit</b>	<u>\$ (31,569,297)</u>	<u>\$ (26,244,837)</u>

## Central Regional Health Authority Operating Statement of Operations

Year ended March 31	Budget 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Provincial plan	\$ 352,956,707	\$ 380,537,945	\$ 340,501,886
Provincial capital grants	4,000,000	16,373,456	10,235,577
Other capital contributions	-	465,320	289,124
MCP	11,981,878	10,903,667	11,639,394
Inpatient	1,200,000	1,500,894	1,544,143
Outpatient	2,500,000	2,481,725	2,152,170
Resident	9,100,000	9,239,954	8,724,098
CMHC mortgage interest subsidy (Note 13)	35,000	-	-
Capital project funding	2,440,000	5,511,947	3,426,703
Recoveries - salaries	1,297,460	3,494,510	3,911,642
- services	630,000	618,490	537,139
- ambulance	283,000	294,012	290,661
- drugs	8,122,000	7,682,206	7,548,867
Other revenue	2,744,600	2,955,453	3,178,595
	<u>397,290,645</u>	<u>442,059,579</u>	<u>393,979,999</u>
<b>Expenditure</b>			
Administration	48,946,926	48,216,971	33,698,496
Community and social services	115,062,398	119,012,139	112,830,567
Support services	67,461,892	74,350,014	67,490,917
Nursing inpatient services	93,820,122	94,775,988	88,034,625
Ambulatory care services	25,972,051	27,900,296	25,858,693
Diagnostic and therapeutic services	50,895,433	50,670,471	46,636,608
Medical services	15,364,876	15,960,993	16,740,742
Educational services	1,220,945	789,825	1,006,719
Undistributed	1,224,500	5,753,444	4,635,121
	<u>419,969,143</u>	<u>437,430,141</u>	<u>396,932,488</u>
<b>Surplus (deficit) – shareable</b>	<u>(22,678,498)</u>	<u>4,629,438</u>	<u>(2,952,489)</u>
<b>Non-shareable items</b>			
(Loss) gain on disposal of tangible capital assets	-	(15,457)	49,799
Amortization of tangible capital assets	(6,000,000)	(6,927,015)	(5,981,867)
Accrued vacation pay – increase	(500,000)	(2,599,136)	(3,376,239)
Accrued severance pay – (increase) decrease	-	(21,782)	311,071
Accrued sick pay – increase	(500,000)	(390,508)	(186,558)
	<u>(7,000,000)</u>	<u>(9,953,898)</u>	<u>(9,183,794)</u>
<b>Deficit - shareable and non-shareable</b>	<u>(29,678,498)</u>	<u>(5,324,460)</u>	<u>(12,136,283)</u>
<b>Accumulated deficit</b>			
Beginning of year	<u>(26,244,837)</u>	<u>(26,244,837)</u>	<u>(14,108,554)</u>
End of year	<u>\$ (55,923,335)</u>	<u>\$ (31,569,297)</u>	<u>\$ (26,244,837)</u>

# Central Regional Health Authority

## Operating Statement of Changes in Net Financial Debt

Year ended March 31

2022

2021

<b>Net debt - beginning of year</b>	<b><u>\$ (99,034,298)</u></b>	<b><u>\$ (79,130,220)</u></b>
<b>Deficit</b>	<b><u>(5,324,460)</u></b>	<b><u>(12,136,283)</u></b>
<b>Changes in tangible capital assets</b>		
Acquisition of tangible capital assets	<b>(10,660,208)</b>	(12,058,917)
Amortization of tangible capital assets	<b>6,927,015</b>	5,981,865
(Loss) gain on disposal of tangible capital assets	<b>15,457</b>	(49,799)
Proceeds on disposal of tangible capital assets	<b>-</b>	69,426
Decrease in deposits on tangible capital assets	<b><u>83,225</u></b>	<u>43,391</u>
<b>Increase in net book value of tangible capital assets</b>	<b><u>(3,634,511)</u></b>	<u>(6,014,034)</u>
<b>Changes in other non-financial assets</b>		
Decrease in prepaids	<b>367,890</b>	167,978
Decrease (increase) in inventories	<b><u>1,179,548</u></b>	<u>(1,921,739)</u>
<b>Decrease (increase) in other non-financial assets</b>	<b><u>1,547,438</u></b>	<u>(1,753,761)</u>
<b>Increase in net debt</b>	<b><u>(7,411,309)</u></b>	<u>(19,904,078)</u>
<b>Net debt - end of year</b>	<b><u>\$(106,445,607)</u></b>	<b><u>\$ (99,034,298)</u></b>

# Central Regional Health Authority

## Operating Statement of Cash Flows

Year ended March 31

2022

2021

**Operations**

Deficit	\$ (5,324,460)	\$(12,136,283)
Amortization	6,927,015	5,981,865
Gain on disposal on tangible capital assets	<u>15,457</u>	<u>(49,799)</u>

**1,618,012** (6,204,217)

## Changes in

Receivables	2,865,295	(5,053,665)
Due from cottage operations & foundations	(105,996)	266,460
Payables and accruals	5,182,801	7,964,306
Accrued vacation pay	2,599,136	3,376,239
Accrued severance pay	21,782	(311,071)
Accrued sick pay	390,508	186,558
Deferred grants	(4,394,416)	8,026,067
Inventories	1,179,548	(1,921,739)
Prepays	<u>367,890</u>	<u>167,978</u>

Net cash provided from operations

**9,724,560** 6,496,916

**Financing**

Repayment of long-term debt	(792,471)	(771,704)
Net change in J.M. Olds funds	<u>1,141</u>	<u>352</u>

Net cash applied to financing

**(791,330)** (771,352)

**Investing**

Acquisition of tangible capital assets	(10,660,208)	(12,058,917)
Decrease in deposits on tangible capital assets	83,225	43,391
Proceeds from disposal of tangible capital assets	<u>-</u>	<u>69,426</u>

Net cash applied to investing

**(10,576,983)** (11,946,100)

Net decrease in cash

**(1,643,753)** (6,220,536)

**Cash, net of bank indebtedness**

Beginning (4,703,071) 1,517,465

Ending (Note 3) \$ (6,346,824) \$(4,703,071)

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

March 31	2022	2021
<b>Financial assets</b>		
Cash (Note 3)	\$ 304,270	\$ 255,062
Receivables (Note 4)	1,694	15
Cash restricted for security deposits	31,572	29,132
Replacement reserve funding (Note 9)	<u>60,082</u>	<u>52,667</u>
	<u>397,618</u>	<u>336,876</u>
<b>Liabilities</b>		
Payables and accruals (Note 5)	1,800	1,800
Deferred revenue	-	-
Due to Central Regional Health Authority	210,309	216,321
Security deposit liability	31,572	29,132
Replacement reserves (Note 9)	<u>60,082</u>	<u>52,667</u>
	<u>303,763</u>	<u>299,920</u>
<b>Net financial surplus</b>	<u>93,855</u>	<u>36,956</u>
<b>Non-financial assets</b>		
Tangible capital assets	338,184	355,236
Prepays (Note 12)	<u>54,794</u>	<u>53,288</u>
	<u>392,978</u>	<u>408,524</u>
<b>Accumulated surplus</b>	<u>\$ 486,833</u>	<u>\$ 445,480</u>



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

Year ended March 31	Budget 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Rentals	\$ 571,500	\$ 526,868	\$ 537,439
NLHC subsidy (Note 13)	<u>117,660</u>	<u>110,238</u>	<u>121,142</u>
	<u>689,160</u>	<u>637,106</u>	<u>658,581</u>
<b>Expenditure</b>			
Administration	9,300	9,300	9,300
Allocation to replacement reserve	30,220	30,220	30,220
Amortization	17,054	17,054	17,972
Heat and light	173,000	159,116	143,484
Insurance	8,300	12,317	9,143
Municipal taxes	73,100	71,220	77,848
Office	500	512	512
Professional fees	2,400	2,400	2,400
Repairs and maintenance	185,391	106,344	122,456
Salaries and benefits	144,395	141,590	125,207
Snow clearing	42,500	42,500	51,128
Telephone	<u>3,000</u>	<u>3,180</u>	<u>3,120</u>
	<u>689,160</u>	<u>595,753</u>	<u>592,790</u>
<b>Annual surplus</b>	-	41,353	65,791
<b>Accumulated surplus</b>			
Beginning of year	<u>445,480</u>	<u>445,480</u>	<u>379,689</u>
End of year	<u>\$ 445,480</u>	<u>\$ 486,833</u>	<u>\$ 445,480</u>

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

Year ended March 31	2022	2021
<b>Net surplus (debt) - beginning of year</b>	<b>\$ 36,956</b>	<b>\$ (53,929)</b>
<b>Annual surplus</b>	<b>41,353</b>	<b>65,791</b>
<b>Changes in tangible capital assets</b>		
Amortization of tangible capital assets	<u>17,052</u>	<u>17,972</u>
<b>Decrease in net book value of tangible capital assets</b>	<u>17,052</u>	<u>17,972</u>
<b>Changes in non-financial assets</b>		
(Increase) decrease in prepaids	<u>(1,506)</u>	<u>7,122</u>
<b>(Increase) decrease in other non-financial assets</b>	<u>(1,506)</u>	<u>7,122</u>
<b>Increase in net surplus</b>	<u>56,899</u>	<u>90,885</u>
<b>Net surplus - end of year</b>	<b><u>\$ 93,855</u></b>	<b><u>\$ 36,956</u></b>

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

Year ended March 31	2022	2021
<b>Operations</b>		
Annual surplus	\$ 41,351	\$ 65,791
Amortization	<u>17,054</u>	<u>17,972</u>
	<b>58,405</b>	83,763
Changes in		
Receivables	(1,679)	2,462
Deferred revenue	-	(9,808)
Due to Central Regional Health Authority	(6,012)	33,043
Prepays	<u>(1,506)</u>	<u>7,122</u>
<b>Net cash provided from (applied to) operations</b>	<u><b>49,208</b></u>	<u>116,582</u>
<b>Net increase in cash</b>	<b>49,208</b>	116,582
Cash		
Beginning	<u>255,062</u>	<u>138,480</u>
Ending (Note 3)	<u><b>\$ 304,270</b></u>	<u>\$ 255,062</u>

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

March 31	2022	2021
<b>Financial assets</b>		
Cash (Note 3)	\$ 29,886	\$ 39,102
Receivables (Note 4)	3,398	234
Cash restricted for security deposits	1,429	1,429
Replacement reserve funding (Note 9)	<u>82,643</u>	<u>82,643</u>
	<u>117,356</u>	<u>123,408</u>
<b>Liabilities</b>		
Payables and accruals (Note 5)	1,795	16,109
Due to Central Regional Health Authority	38,481	30,013
Long-term debt (Note 8)	118,153	152,234
Security deposit liability	1,429	1,429
Replacement reserve (Note 9)	<u>82,643</u>	<u>82,643</u>
	<u>242,501</u>	<u>282,428</u>
<b>Net financial debt</b>	<u>(125,145)</u>	<u>(159,020)</u>
<b>Non-financial assets</b>		
Tangible capital assets	133,122	167,203
Prepays (Note 12)	<u>7,023</u>	<u>6,817</u>
	<u>140,145</u>	<u>174,020</u>
<b>Accumulated surplus</b>	<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 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Rentals	\$ 52,800	\$ 53,323	\$ 52,316
NLHC subsidy (Note 13)	<u>55,878</u>	<u>58,209</u>	<u>50,023</u>
	<u>108,678</u>	<u>111,532</u>	<u>102,339</u>
<b>Expenditure</b>			
Administration	3,600	3,600	3,600
Amortization	34,081	34,081	33,479
Heat and light	19,350	18,622	16,664
Insurance	1,056	1,421	1,052
Mortgage interest	2,468	2,415	3,019
Municipal taxes	9,048	9,116	9,259
Office supplies	450	-	400
Professional fees	1,620	1,620	1,620
Repairs and maintenance	15,420	18,880	9,562
Salaries and benefits	10,685	10,877	10,597
Snow clearing	10,500	10,500	12,607
Telephone	<u>400</u>	<u>400</u>	<u>480</u>
	<u>108,678</u>	<u>111,532</u>	<u>102,339</u>
<b>Annual surplus</b>	-	-	-
<b>Accumulated surplus</b>			
Beginning of year	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
End of year	<u>\$ 15,000</u>	<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	2022	2021
<b>Net debt, beginning of year</b>	<b><u>\$ (159,020)</u></b>	<b><u>\$ (192,710)</u></b>
<b>Annual surplus</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Changes in tangible capital assets</b>		
Amortization of tangible capital assets	<b><u>34,081</u></b>	<b><u>33,479</u></b>
<b>Decrease in net book value of tangible capital assets</b>	<b><u>34,081</u></b>	<b><u>33,479</u></b>
<b>Changes in non-financial assets</b>		
(Increase) decrease in prepaids	<b><u>(206)</u></b>	<b><u>211</u></b>
<b>(Increase) decrease in non-financial assets</b>	<b><u>(206)</u></b>	<b><u>211</u></b>
<b>Decrease in net debt</b>	<b><u>33,875</u></b>	<b><u>33,690</u></b>
<b>Net debt, end of year</b>	<b><u>\$ (125,145)</u></b>	<b><u>\$ (159,020)</u></b>

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

Year ended March 31	2022	2021
<b>Operations</b>		
Amortization	\$ <u>34,081</u>	\$ <u>33,479</u>
Changes in		
Receivables	(3,164)	4,686
Prepays	(206)	211
Payables and accruals	(14,314)	11,624
Due to Central Regional Health Authority	<u>8,468</u>	<u>12,229</u>
<b>Net cash provided from operations</b>	<u>24,865</u>	<u>62,229</u>
<b>Financing</b>		
Repayment of long-term debt	<u>(34,081)</u>	<u>(33,479)</u>
<b>Net cash applied to financing</b>	<u>(34,081)</u>	<u>(33,479)</u>
<b>Net (decrease) increase in cash</b>	<b>(9,216)</b>	<b>28,750</b>
<b>Cash</b>		
Beginning	<u>39,102</u>	<u>10,352</u>
Ending (Note 3)	<u>\$ 29,886</u>	<u>\$ 39,102</u>

Central Regional Health Authority  
Valley Vista Cottages  
Statement of Financial Position

March 31	2022	2021
<b>Financial assets</b>		
Cash (Note 3)	\$ 175,666	\$ 77,089
Receivables (Note 4)	-	355
Cash restricted for security deposits	27,288	26,243
Replacement reserve funding (Note 9)	<u>53,056</u>	<u>33,882</u>
	<u>256,010</u>	<u>137,569</u>
<b>Liabilities</b>		
Payables and accruals (Note 5)	1,500	1,500
Due to Central Regional Health Authority	290,675	160,463
Security deposit liability	27,288	26,243
Replacement reserves (Note 9)	<u>53,056</u>	<u>33,882</u>
	<u>372,519</u>	<u>222,088</u>
<b>Net financial debt</b>	<u>(116,509)</u>	<u>(84,519)</u>
<b>Non-financial assets</b>		
Tangible capital assets	27,014	27,014
Prepays (Note 12)	<u>37,549</u>	<u>36,895</u>
	<u>64,563</u>	<u>63,909</u>
<b>Accumulated deficit</b>	<u>\$ (51,946)</u>	<u>\$ (20,610)</u>



Central Regional Health Authority  
Valley Vista Cottages  
Statement of Operations

Year ended March 31	Budget 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Rentals	<u>\$ 566,120</u>	<u>\$ 555,839</u>	<u>\$ 572,177</u>
<b>Expenditure</b>			
Allocation to replacement reserve	30,000	30,000	30,000
Bad debts	-	-	-
Cable television	24,000	23,188	22,120
Heat and light	150,000	130,327	121,362
Insurance	12,000	13,425	9,970
Lawn care	8,500	4,078	4,465
Municipal taxes	55,000	49,183	49,963
Office	500	528	879
Professional fees	2,400	2,400	2,400
Repairs and maintenance	175,000	215,770	145,264
Salaries and benefits	83,720	82,275	72,328
Snow clearing	<u>25,000</u>	<u>36,000</u>	<u>37,304</u>
	<u>566,120</u>	<u>587,174</u>	<u>496,055</u>
<b>Annual (deficit) surplus</b>	-	(31,335)	76,122
<b>Accumulated deficit</b>			
Beginning of year	<u>(20,611)</u>	<u>(20,611)</u>	<u>(96,733)</u>
End of year	<u>\$ (20,611)</u>	<u>\$ (51,946)</u>	<u>\$ (20,611)</u>

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

Year ended March 31	2022	2021
<b>Net debt - beginning of year</b>	<b><u>\$ (84,519)</u></b>	<b><u>\$ (161,636)</u></b>
<b>Annual surplus</b>	<b><u>(31,336)</u></b>	<b><u>76,122</u></b>
<b>Changes in non-financial assets</b>		
(Increase) decrease in prepaids	<b><u>(654)</u></b>	<b><u>995</u></b>
<b>(Increase) decrease in non-financial assets</b>	<b><u>(654)</u></b>	<b><u>995</u></b>
<b>Decrease in net debt</b>	<b><u>(31,990)</u></b>	<b><u>77,117</u></b>
<b>Net debt - end of year</b>	<b><u>\$ (116,509)</u></b>	<b><u>\$ (84,519)</u></b>

Central Regional Health Authority  
Valley Vista Cottages  
Statement of Cash Flows

Year ended March 31	2022	2022
<b>Operations</b>		
Annual surplus	\$ (31,336)	\$ 76,122
Changes in		
Receivables	355	(355)
Prepays	(654)	995
Due to Central Regional Health Authority	<u>130,212</u>	<u>(18,808)</u>
<b>Net cash provided from operations</b>	<u>98,577</u>	<u>57,954</u>
<b>Net increase (decrease) in cash</b>	<b>98,577</b>	<b>57,954</b>
<b>Cash</b>		
Beginning	<u>77,089</u>	<u>19,135</u>
Ending (Note 3)	<u>\$ 175,666</u>	<u>\$ 77,089</u>

Central Regional Health Authority  
Bonnews Lodge Apartment Complex  
Statement of Financial Position

March 31	2022	2021
<b>Financial assets</b>		
Receivables (Note 4)	\$ -	\$ 31,713
Due from Central Regional Health Authority	8,102	-
Replacement reserve funding (Note 9)	<u>62,400</u>	<u>62,400</u>
	<u>70,502</u>	<u>94,113</u>
<b>Liabilities</b>		
Payables and accruals (Note 5)	8,102	13,144
Long-term debt (Note 8)	115,781	157,524
Due to Central Regional Health Authority	-	18,569
Replacement reserve (Note 9)	<u>62,400</u>	<u>62,400</u>
	<u>186,283</u>	<u>251,637</u>
<b>Net financial debt</b>	<u>(115,781)</u>	<u>(157,524)</u>
<b>Non-financial assets</b>		
Tangible capital assets	<u>115,781</u>	<u>157,524</u>
<b>Accumulated surplus</b>	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority  
Bonnews Lodge Apartment Complex  
Statement of Operations

Year ended March 31	Budget 2022	Actual 2022	Actual 2021
<b>Revenue</b>			
Rentals	\$ 65,304	\$ 60,417	\$ 65,302
NLHC subsidy (Note 13)	99,497	97,860	124,306
Surcharges - utilities	3,120	2,990	3,060
- laundry	1,440	1,380	1,410
- other	3,325	3,450	3,525
	<u>172,686</u>	<u>166,097</u>	<u>197,603</u>
<b>Expenditure</b>			
Administration allowance	13,210	12,210	10,919
Amortization	41,743	41,743	40,872
Fire and safety	1,675	1,634	1,431
Heat and light	25,500	23,461	22,869
Insurance	2,520	3,391	2,888
Mortgage interest	2,955	2,879	3,752
Municipal taxes	8,952	10,245	9,900
Professional fees	2,400	2,400	2,400
Repairs and maintenance	53,981	48,384	82,822
Snow clearing	19,750	19,750	19,750
	<u>172,686</u>	<u>166,097</u>	<u>197,603</u>
<b>Annual surplus</b>	-	-	-
<b>Accumulated surplus</b>			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Year ended March 31

**2022****2021**

<b>Net debt - beginning of year</b>	<b><u>\$ (157,524)</u></b>	<b><u>\$ (198,396)</u></b>
<b>Annual surplus</b>	<u>          -</u>	<u>          -</u>
<b>Changes in tangible capital assets</b>		
Amortization of tangible capital assets	<u>    <b>41,743</b></u>	<u>    40,872</u>
<b>Decrease in net book value of tangible capital assets</b>	<u>    <b>41,743</b></u>	<u>    40,872</u>
<b>Decrease in net debt</b>	<u>    <b>41,743</b></u>	<u>    40,872</u>
<b>Net debt - end of year</b>	<b><u>\$ (115,781)</u></b>	<b><u>\$ (157,524)</u></b>

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

Year ended March 31

2022

2021

**Operations**

Amortization	\$ <u>41,743</u>	\$ <u>40,872</u>
	41,743	40,872
Changes in		
Receivables	31,713	24,168
Payables and accruals	(5,042)	8,685
Due from Central Regional Health Authority	<u>(26,671)</u>	<u>(32,853)</u>

**Net cash provided from operations**

	<u>41,743</u>	<u>40,872</u>
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**Financing**

Repayment of long-term debt	<u>(41,743)</u>	<u>(40,872)</u>
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**Net cash applied to financing**

	<u>(41,743)</u>	<u>(40,872)</u>
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**Net increase in cash**

	-	-
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**Cash**

Beginning	<u>-</u>	<u>-</u>
Ending (Note 3)	<u>\$ -</u>	<u>\$ -</u>



Supplementary Financial Information

Central Regional Health Authority

March 31, 2022



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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, 2022 and the year then ended are derived from the audited consolidated financial statements of Central Regional Health Authority as at March 31, 2022. We expressed an unmodified audit opinion on those financial statements in our report dated June 28, 2022.

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, 2022 are a fair summary of those financial statements.

St. John's, Canada  
June 28, 2022



Chartered Professional Accountants

Central Regional Health Authority  
Expenditures – Operating/Sharable  
Schedule 1

Year ended March 31

2022

2021

**Administration**

General administration	\$ 13,420,329	\$ 11,782,054
Finance	4,224,003	4,120,653
Personnel services	4,479,526	3,862,641
Systems support	22,021	67,964
Other	<u>26,071,092</u>	<u>13,865,184</u>
	<u>48,216,971</u>	<u>33,698,496</u>

**Community and social services**

Mental health and addictions	13,079,094	11,493,785
Community support	98,307,878	95,420,126
Health promotion and protection	<u>7,625,167</u>	<u>5,916,656</u>
	<u>119,012,139</u>	<u>112,830,567</u>

**Support services**

Housekeeping	11,062,888	10,076,011
Laundry and linen	2,510,468	2,290,558
Plant services	24,344,547	21,362,993
Patient food services	14,693,638	13,220,421
Other	<u>21,738,473</u>	<u>20,540,934</u>
	<u>74,350,014</u>	<u>67,490,917</u>

**Nursing inpatient services**

Acute care	53,256,942	50,355,351
Long-term care	<u>41,519,046</u>	<u>37,679,274</u>
	<u>94,775,988</u>	<u>88,034,625</u>

**Ambulatory care services**

	<u>27,900,296</u>	<u>25,858,693</u>
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**Diagnostic and therapeutic services**

Clinical laboratory	15,609,782	14,598,075
Diagnostic imaging	10,586,407	9,792,040
Other	<u>24,474,282</u>	<u>22,246,493</u>
	<u>50,670,471</u>	<u>46,636,608</u>

**Medical services**

	<u>15,960,993</u>	<u>16,740,742</u>
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**Education services**

	<u>789,825</u>	<u>1,006,719</u>
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**Undistributed**

Capital projects	4,021,372	3,262,725
Municipal taxes	919,586	917,631
Bad debts	<u>812,486</u>	<u>454,765</u>
	<u>5,753,444</u>	<u>4,635,121</u>

	<u>\$ 437,430,141</u>	<u>\$ 396,932,488</u>
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Central Regional Health Authority  
 Revenue and Expenditure for Government Reporting - Operating  
 Schedule 2

Year ended March 31

2022

2021

**Revenue**

Provincial plan	<b>\$ 380,537,945</b>	\$ 340,501,886
Capital equipment grants	<b>16,373,456</b>	10,235,577
Other capital contributions	<b>465,320</b>	289,124
MCP	<b>10,903,667</b>	11,639,394
Inpatient	<b>1,500,894</b>	1,544,143
Outpatient	<b>2,481,725</b>	2,152,170
Resident	<b>9,239,954</b>	8,724,098
Capital project funding	<b>5,511,947</b>	3,426,703
Recoveries - salaries	<b>3,494,510</b>	3,911,642
- services	<b>618,490</b>	537,139
- ambulance	<b>294,012</b>	290,661
- drugs	<b>7,682,206</b>	7,548,867
Other revenue	<b>2,955,453</b>	3,178,595
	<b><u>442,059,579</u></b>	<u>393,979,999</u>

**Expenditures**

Salaries	<b>206,786,919</b>	195,880,269
Employee benefits	<b>38,894,369</b>	35,926,999
Supplies - plant operations and maintenance	<b>8,162,453</b>	6,109,740
- drugs	<b>12,631,257</b>	11,763,621
- medical and surgical	<b>11,735,508</b>	9,629,578
- other	<b>17,151,296</b>	13,518,162
Direct client costs - MHA, CS, HP, and CC	<b>75,247,535</b>	72,707,689
Other shareable expenses		
- sundry	<b>21,086,945</b>	11,722,064
- equipment expense	<b>7,637,257</b>	6,630,201
- contracted-out services	<b>23,954,667</b>	21,059,031
- building, grounds and equipment expense	<b>13,978,978</b>	11,791,194
Long-term debt - interest	<b>162,957</b>	193,940
- principal	<b>792,153</b>	771,703
	<b><u>438,222,294</u></b>	<u>397,704,191</u>

**3,837,285** (3,724,192)Capital equipment grants **(16,373,456)** (10,235,577)Other capital contributions **(465,320)** (289,124)Deficit for government reporting **(13,001,491)** (14,248,893)Long-term debt principal **792,153** 771,703**Deficit before non-shareable items** **\$ (12,209,338)** \$ (13,477,190)

Central Regional Health Authority  
 Revenue and Expenditure for Government Reporting - Operating  
 Schedule 2

Year ended March 31	2022	2021
<b>Deficit before non-shareable items (cont'd.)</b>	<b><u>\$ (12,209,338)</u></b>	<b><u>\$ (13,477,190)</u></b>
Non-shareable items		
(Loss) gain on disposal of tangible capital assets	(15,457)	49,799
Capital equipment grants	16,373,456	10,235,577
Other capital contributions	465,320	289,124
Amortization of tangible capital assets	(6,927,015)	(5,981,867)
Accrued vacation pay – increase	(2,599,136)	(3,376,239)
Accrued severance pay – (increase) decrease	(21,782)	311,071
Accrued sick pay – increase	<u>(390,508)</u>	<u>(186,558)</u>
	<u>(6,884,878)</u>	<u>1,341,079</u>
<b>Deficit</b>	<b><u>\$ (5,324,460)</u></b>	<b><u>\$ (12,136,283)</u></b>

Central Regional Health Authority  
Funding and Expenditure for Government Reporting - Capital  
Schedule 3

Year ended March 31 2022 2021

**Source of funds**

Deferred capital grants from prior year		
Capital equipment	\$ 9,282,898	\$ 4,994,780
Capital projects	<u>11,234,295</u>	<u>11,715,763</u>
	<b>20,517,193</b>	16,710,543
Provincial grants in current year		
Capital equipment	<b>6,817,500</b>	11,295,137
Capital projects	<b>11,205,000</b>	7,520,000
Construction in progress	<b>(1,421,570)</b>	1,036,249
Capital grant reallocated to operating fund for		
Minor equipment purchased	<b>(1,469,415)</b>	(138,800)
Renovation and repair projects	<b>(4,021,371)</b>	(3,250,948)
Transfers from other projects	<b>(432,636)</b>	(908,696)
Deferred capital grants from current year		
Capital equipment	<b>(7,641,122)</b>	(9,282,898)
Capital projects	<b>(15,114,642)</b>	<u>(11,234,295)</u>
<b>Provincial funding used in current year</b>	<b>8,438,937</b>	11,746,292
Other contributions		
Health foundation donations	<b>465,320</b>	289,124
Other	<b>73,588</b>	<u>23,501</u>
<b>Total funding</b>	<b><u>8,977,845</u></b>	<u>12,058,917</u>
<b>Expenditure</b>		
Capital assets	<b>6,079,390</b>	7,918,707
Construction in progress	<b>2,898,455</b>	<u>4,140,210</u>
<b>Total expenditure</b>	<b><u>8,977,845</u></b>	<u>12,058,917</u>
<b>Deficit on capital purchases</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

Central Regional Health Authority  
 Reconciliation of Accumulated Operating Deficit for  
 Government Reporting  
 Schedule 4A

Year ended March 31	2022	2021
<b>Current assets</b>		
Receivables	\$ 15,020,907	\$ 17,886,202
Due from cottage operations	531,362	425,366
Inventory	3,591,114	4,770,662
Prepaid expenses	2,741,928	3,109,817
<b>Total current assets</b>	<b>21,885,311</b>	<b>26,192,047</b>
<b>Current liabilities</b>		
Bank overdraft	6,346,824	4,703,071
Payables and accruals	41,952,158	36,769,357
Deferred grants and donations	28,687,884	33,082,523
	<b>76,986,866</b>	<b>74,554,951</b>
<b>Accumulated deficit</b>	<b>\$ (55,101,555)</b>	<b>\$ (48,362,904)</b>
<b>Reconciliation of accumulated operating deficit</b>		
<b>Balance, beginning</b>	<b>\$ (48,362,904)</b>	<b>\$ (32,692,961)</b>
Deficit for government reporting	(13,001,491)	(14,248,893)
Deposits on capital assets	83,225	43,391
Construction in progress	7,862,253	(3,335,469)
P3 equipment purchased by department	(1,683,779)	1,801,250
Proceeds from disposal of capital assets	-	69,426
J. M. Olds funds spent - net	1,141	352
<b>Balance, ending</b>	<b>\$ 55,101,555</b>	<b>\$ (48,362,904)</b>

Central Regional Health Authority  
 Accumulated Operating Deficit for Government Reporting  
 Schedule 4B

Year ended March 31

2022

2021

<b>Accumulated operating deficit – end of year per Schedule 4A</b>	<b>\$ (55,101,555)</b>	<b>\$ (48,362,904)</b>
<b>Adjustments</b>		
<b>Add</b>		
Capital assets	66,553,380	54,974,938
Construction in progress	1,989,888	9,850,819
Deposits on capital assets	-	83,225
	<u>13,441,713</u>	<u>16,546,078</u>
<b>Less</b>		
Accrued vacation pay	(20,761,864)	(18,162,729)
Accrued severance pay	(1,229,377)	(1,207,595)
Accrued sick pay	(19,010,016)	(18,619,508)
Long-term debt	(3,923,439)	(4,715,910)
J.M. Olds scholarship and library funds	(86,314)	(85,173)
	<u>(45,011,010)</u>	<u>(42,790,915)</u>
<b>Accumulated deficit per operating statement of financial position</b>	<b>\$ (31,569,297)</b>	<b>\$ (26,244,837)</b>



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Central Regional Health Authority  
Deferred Operating Revenue  
Schedule 5

Year ended March 31	2022	2021
Deferred operating grants	\$ 3,162,383	\$ 3,303,480
Other deferred revenue (various accounts)	<u>36,977</u>	<u>30,827</u>
	<u>\$ 3,199,360</u>	<u>\$ 3,334,307</u>

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