



Consolidated Financial Statements

Central Regional Health Authority

March 31, 2019

Contents

	Page
Statement of Responsibility	1
Independent Auditors' Report	2-3
Consolidated	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Financial Debt	6
Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8-22
Financial Statement Appendix	23-51


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 auditor's 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, 2019, and the consolidated statements of operations, change in net debt and cash flow 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, 2019, and its results of operations, its changes in its net 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

June 18, 2019



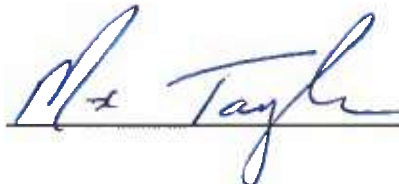
Chartered Professional Accountants

Central Regional Health Authority
Consolidated Statement of Financial Position

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 15,439,390	\$ 10,222,093
Receivables (Note 4)	13,504,798	20,303,620
Residents' trust funds held on deposit	593,844	658,690
Cash restricted for security deposits	48,209	44,912
Investments restricted for general endowment purposes (Note 5)	1,129,527	1,073,205
Replacement reserve funding (Note 10)	<u>158,550</u>	<u>194,892</u>
	<u>30,874,318</u>	<u>32,497,412</u>
Liabilities		
Payables and accruals (Note 6)	29,604,864	28,277,092
Employee future benefits		
Accrued vacation pay	13,876,494	14,508,033
Accrued severance pay (Note 7)	11,586,348	33,102,737
Accrued sick pay (Note 7)	18,156,956	17,882,975
Deferred grants and revenue (Note 8)	23,177,721	23,050,780
Long-term debt (Note 9)	6,855,854	8,001,964
Trust funds payable	593,844	658,690
Security deposits liability	48,209	44,912
Replacement reserves (Note 10)	158,550	194,892
J.M. Olds scholarship and library funds	<u>84,227</u>	<u>83,949</u>
	<u>104,143,067</u>	<u>125,806,024</u>
Net financial debt	<u>(73,268,749)</u>	<u>(93,308,612)</u>
Non-financial assets		
Tangible capital assets (Note 11)	57,540,215	57,327,297
Deposits on tangible capital assets	172,291	72,870
Inventories (Note 12)	2,503,257	2,118,801
Prepays (Note 13)	<u>4,124,374</u>	<u>3,950,089</u>
	<u>64,340,137</u>	<u>63,469,057</u>
Accumulated deficit	<u>\$ (8,928,612)</u>	<u>\$ (29,839,555)</u>

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 2019	Actual 2019	Actual 2018
Revenue			
Provincial plan operating	\$ 359,970,593	\$ 359,970,593	\$ 346,431,522
Provincial capital grants	-	7,689,260	4,350,256
Other capital contributions	-	147,253	533,133
MCP	11,408,074	11,006,269	11,246,490
Patient-resident services	13,325,000	14,282,345	13,297,427
CMHC mortgage interest subsidy (Note 14)	50,000	50,503	50,503
Capital project funding	1,503,329	3,337,801	4,172,291
Recoveries	10,297,862	10,740,581	10,552,756
Cottage operations	1,542,972	1,466,781	1,489,088
Foundations	1,001,600	1,184,593	1,051,967
Other revenue	4,005,358	5,270,358	4,323,572
	<u>403,104,788</u>	<u>415,146,337</u>	<u>397,499,005</u>
Expenditure			
Administration	38,092,989	37,149,274	33,169,843
Community and social services	108,740,768	105,214,426	103,649,830
Support services	69,455,141	69,717,717	63,279,987
Nursing inpatient services	94,687,275	95,854,472	91,771,834
Ambulatory care services	26,861,745	27,277,490	26,479,026
Diagnostic and therapeutic services	54,187,499	52,043,001	48,306,971
Medical services	15,462,187	15,102,604	15,666,108
Educational services	1,561,998	1,328,040	1,332,072
Undistributed	1,067,000	4,496,754	5,279,018
Cottage, operations, including amortization of \$160,721 (2018 - \$336,994)	1,419,154	1,475,332	1,630,453
Foundations, including amortization of \$3,512 (2018 - \$3,697)	930,800	797,595	1,346,929
	<u>412,466,556</u>	<u>410,456,705</u>	<u>391,912,071</u>
Surplus (Deficit) – shareable	<u>\$ (9,361,768)</u>	<u>4,689,632</u>	<u>5,586,934</u>
Non-shareable items			
Gain (loss) on disposal of tangible capital assets		118,398	(24,312)
Amortization of tangible capital assets		(5,774,411)	(5,769,258)
Accrued vacation pay – decrease		634,916	487,997
Accrued severance pay – decrease (increase)		21,516,389	(1,627,456)
Accrued sick pay – increase		(273,981)	(464,039)
		<u>16,221,311</u>	<u>(7,397,068)</u>
Surplus (deficit) - shareable and non-shareable		20,910,943	(1,810,134)
Accumulated deficit			
Beginning of year		<u>(29,839,555)</u>	<u>(28,029,421)</u>
End of year		<u>\$ (8,928,612)</u>	<u>\$ (29,839,555)</u>

See accompanying notes to the consolidated financial statements

6

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

March 31	2019	2018
Net debt - beginning of year	<u>\$ (93,308,612)</u>	<u>\$ (89,939,915)</u>
Surplus (deficit)	<u>20,910,943</u>	<u>(1,810,134)</u>
Changes in tangible capital assets		
Acquisition of tangible capital assets	(6,268,603)	(8,177,485)
Amortization of tangible capital assets	5,938,644	6,109,949
(Gain) loss on disposal of tangible capital assets	(118,398)	24,312
Proceeds on disposal of tangible capital assets	235,438	56,457
(Increase) decrease in deposits on tangible capital assets	<u>(99,420)</u>	<u>644,917</u>
Increase in net book value of tangible capital assets	<u>(312,339)</u>	<u>(1,341,850)</u>
Changes in non-financial assets		
(Increase) decrease in inventories	(384,456)	315,033
Increase in prepaids	<u>(174,285)</u>	<u>(531,746)</u>
(Increase) decrease in non-financial assets	<u>(558,741)</u>	<u>(216,713)</u>
Decrease (increase) in net debt	<u>20,039,863</u>	<u>(3,368,697)</u>
Net debt, end of year	<u>\$ (73,268,749)</u>	<u>\$ (93,308,612)</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Cash Flows

Year ended March 31	2019	2018
Operations		
Surplus (deficit)	\$ 20,910,943	\$ (1,810,134)
Amortization	5,938,644	6,109,949
Loss (gain) on disposal of tangible capital assets	(118,398)	24,312
Investment loss	3,344	16,026
	<u>26,734,533</u>	<u>4,340,153</u>
Changes in		
Receivables	6,798,822	1,140,766
Payables and accruals	1,327,772	3,030,964
Accrued vacation pay	(631,539)	(485,333)
Accrued severance pay	(21,516,389)	1,627,456
Accrued sick pay	273,981	464,039
Deferred grants	126,941	4,557,308
Inventories	(384,456)	315,033
Prepays	(174,285)	(531,746)
	<u>12,555,380</u>	<u>14,458,640</u>
Net cash provided from operations	12,555,380	14,458,640
Financing		
Repayment of long-term debt	(1,146,110)	(1,270,941)
Net change in J.M. Olds funds	277	152
	<u>(1,145,833)</u>	<u>(1,270,789)</u>
Net cash applied to financing	(1,145,833)	(1,270,789)
Investing		
Acquisition of tangible capital assets	(6,268,603)	(8,177,485)
(Increase) decrease in deposits on tangible capital assets	(99,420)	644,917
Increase in general endowment fund investments	(59,665)	(103,303)
Proceeds on disposal of tangible capital assets	235,438	56,457
	<u>(6,192,250)</u>	<u>(7,579,414)</u>
Net cash applied to investing	(6,192,250)	(7,579,414)
Net increase in cash	5,217,297	5,608,437
Cash, net of bank indebtedness:		
Beginning	<u>10,222,093</u>	<u>4,613,656</u>
Ending (Note 3)	<u>\$ 15,439,390</u>	<u>\$ 10,222,093</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

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, 2019

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. An estimate for the provision of employees with less than nine years of service has been determined by actuarial analysis.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

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

Severance and sick pay liability (cont'd.)

An actuarially 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, 2019

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, obligations under capital lease, 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, 2019

3. Cash	<u>2019</u>	<u>2018</u>
Operating:		
Cash	\$ 15,675	\$ 15,925
Bank – current accounts	<u>13,491,141</u>	<u>8,274,369</u>
	13,506,816	8,290,294
Cash and bank other:		
North Haven Manor Cottage Units Phase I, II, III	222,682	356,818
North Haven Manor Cottage Units Phase IV	31,879	13,994
Valley Vista Cottages	18,784	22,014
Central Northeast Health Foundation Inc.	787,730	695,855
South and Central Health Foundation	<u>871,499</u>	<u>843,118</u>
	<u>\$15,439,390</u>	<u>\$10,222,093</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, 2019 and March 31, 2018.

Central Regional Health Authority Notes to the Consolidated Financial Statements

March 31, 2019

4. Receivables	<u>2019</u>	<u>2018</u>
Operating		
Provincial grants - operating	\$ 7,467,400	\$13,554,737
Patient, rents and other	4,183,048	4,559,282
MCP	1,619,170	1,667,416
Cancer Foundation	381,652	464,611
HST	<u>632,000</u>	<u>601,360</u>
	14,283,270	20,847,406
Allowance for doubtful	<u>(909,217)</u>	<u>(664,630)</u>
	<u>13,374,053</u>	<u>20,182,776</u>
North Haven Manor Cottages Phase I, II, III		
Trade	-	217
Due from NLHC - operating subsidy	<u>-</u>	<u>1,500</u>
	<u>-</u>	<u>1,717</u>
North Haven Manor Cottages Phase IV		
Trade	145	-
Due from NLHC - operating subsidy	6,679	1,057
Accrued interest	<u>336</u>	<u>385</u>
	<u>7,160</u>	<u>1,442</u>
Valley Vista Cottages		
Due from NLHC - operating subsidy	<u>-</u>	<u>1,071</u>
	<u>-</u>	<u>1,071</u>
Bonnews Lodge Apartment Complex		
Due from NLHC – operating	<u>27,686</u>	<u>-</u>
Central Northeast Health Foundation Inc.		
Trade	899	5,703
Capital grant	<u>45,000</u>	<u>55,000</u>
	<u>45,899</u>	<u>60,703</u>
South and Central Health Foundation		
Trade	-	911
Capital grant	<u>50,000</u>	<u>55,000</u>
	<u>50,000</u>	<u>55,911</u>
	<u>\$13,504,798</u>	<u>\$20,303,620</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

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>2019</u>	<u>2018</u>
Central Northeast Health Foundation Inc.	\$ 374,228	\$ 358,214
South and Central Health Foundation	<u>755,299</u>	<u>714,991</u>
	<u>\$ 1,129,527</u>	<u>\$ 1,073,205</u>

6. Payables and accruals

	<u>2019</u>	<u>2018</u>
Operating		
Trade	\$18,873,812	\$17,492,748
Residents comfort fund	88,342	83,580
Accrued - wages	10,598,057	10,642,304
- interest	<u>20,262</u>	<u>22,784</u>
	<u>29,580,473</u>	<u>28,241,416</u>
North Haven Manor Cottage Units Phase I, II, III		
Trade	1,800	1,800
Accrued interest	<u>-</u>	<u>55</u>
	<u>1,800</u>	<u>1,855</u>
North Haven Manor Cottage Units Phase IV		
Trade	1,612	1,612
Accrued interest	336	386
Due to NLHC - operating subsidy	<u>10,538</u>	<u>-</u>
	<u>12,486</u>	<u>1,998</u>
Valley Vista Cottages		
Trade	1,500	1,500
Accrued interest	<u>-</u>	<u>14</u>
	<u>1,500</u>	<u>1,514</u>
Bonnews Lodge Apartment Complex		
Trade	3,577	11,918
Accrued interest	433	481
Due to NLHC - operating subsidy	<u>3,030</u>	<u>11,482</u>
	<u>7,040</u>	<u>23,881</u>
Central Northeast Health Foundation Inc.		
Trade	<u>1,565</u>	<u>6,428</u>
	<u>1,565</u>	<u>6,428</u>
	<u>\$29,604,864</u>	<u>\$28,277,092</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

7. Employee future benefits

Future employee benefits related to accrued severance and accrued sick obligations have been calculated based on an actuarial valuation as at March 31, 2018 and extrapolated to March 31, 2019. 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>2019</u>	<u>2018</u>
Wages and salary escalation	0.75%	0.75%
Interest	3.05%	3.30%

Based on actuarial valuation of the liability, at March 31, 2019 the results for sick leave are:

Accrued sick pay obligation, beginning	\$20,347,504	\$22,434,399
Current period benefit cost	1,629,918	1,831,893
Benefit payments	(2,283,651)	(2,675,814)
Interest on the accrued benefit obligations	640,205	814,461
Actuarial gains	<u>(324,823)</u>	<u>(2,057,435)</u>
Accrued sick pay obligations, at end	<u>\$20,009,153</u>	<u>\$20,347,504</u>

Based on actuarial valuation of the liability, at March 31, 2019 the results for severance are:

Accrued benefit obligation, beginning	\$31,709,730	\$30,810,527
Current period benefit cost	711,070	2,199,628
Benefit payments	(23,896,161)	(2,716,642)
Interest on the accrued benefit obligation	703,909	1,130,424
Actuarial losses (gains)	717,171	(2,832,606)
Settlement losses	<u>647,080</u>	<u>3,118,399</u>
Accrued severance obligation, at end	<u>\$10,592,799</u>	<u>\$31,709,730</u>

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

Sick benefits

Accrued benefit obligation	\$20,009,153	\$20,347,504
Unamortized actuarial gains	<u>(1,852,197)</u>	<u>(2,464,529)</u>
Accrued benefit liability	<u>\$18,156,956</u>	<u>\$17,882,975</u>

Severance benefits

Accrued benefit obligation	\$10,592,799	\$31,709,730
Unamortized actuarial losses	<u>993,549</u>	<u>1,393,007</u>
Accrued benefit liability	<u>\$11,586,348</u>	<u>\$33,102,737</u>

Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2019

8. Deferred grants and revenue	<u>2019</u>	<u>2018</u>
Operating		
Deferred operating grants	\$ 925,755	\$ 1,346,013
Deferred capital grants	<u>22,145,588</u>	<u>21,704,767</u>
	23,071,343	23,050,780
North Haven Manor Cottages Phase I, II, III	10,078	-
Central Northeast Health Foundation, Inc	45,000	-
South and Central Health Foundation	<u>51,300</u>	<u>-</u>
	<u>\$23,177,721</u>	<u>\$23,050,780</u>

9. Long-term debt	<u>2019</u>	<u>2018</u>
Operating		
0.99% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$11,734, interest included; maturing April 2020.	\$ 151,649	\$ 290,213
7.5% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$4,574, interest included; maturing July 2023.	203,947	242,217
1.59% Canadian Imperial Bank of Commerce deferred demand loan; repayable in equal monthly instalments of \$3,056, plus interest; paid in full 2018/19	-	27,425
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.	4,748,454	5,286,317
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.	33,807	37,282
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.	30,562	33,748

Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2019

9. Long-term debt (cont'd.)	<u>2019</u>	<u>2018</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.	748,587	808,560
7.88% Newfoundland and Labrador Housing Corporation mortgage on Authority offices; repayable in equal monthly instalments of \$8,165, interest included; maturing November 2024.	441,119	502,099
1.82% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Senior Citizens Home; repayable in equal monthly instalments of \$7,752, interest included; maturing July 2019.	30,810	122,368
2.80% Bank of Nova Scotia 1st mortgage on land and building at 1 Newman's Hill, Twillingate; repayable in equal monthly instalments of \$403, interest included; paid in full 2018/19	-	28,061
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.	4,478	8,503
2.69% Bank of Nova Scotia 1st mortgage on land and building at 30 Smith's Lane, Twillingate; repayable in equal monthly instalments of \$349, interest included; maturing July 2020.	5,472	9,451
	<u>6,398,885</u>	<u>7,396,244</u>
North Haven Manor Cottages Phase I, II, III		
1.64% Newfoundland and Labrador Housing Corporation mortgage on North Haven Manor Cottages; repayable in equal monthly instalments of \$8,541, interest included; paid in full 2018/19.	-	67,610
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.	218,580	250,867

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

9. Long-term debt (cont'd.)	<u>2019</u>	<u>2018</u>
Valley Vista Cottages		
1.67% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Cottages; repayable in equal monthly instalments of \$4,807, interest included; maturing May 2018.	-	9,569
	-	9,569
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>238,389</u>	<u>277,674</u>
	<u>\$ 6,855,854</u>	<u>\$ 8,001,964</u>

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

2020	\$ 982,924
2021	847,726
2022	866,202
2023	899,753
2024	899,025
Thereafter	2,360,224

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

10. Replacement reserves	<u>2019</u>	<u>2018</u>
North Haven Manor Cottages Phase I, II, III		
Balance, beginning	\$ 45,827	\$ 31,670
Add:		
Allocation for year	30,220	30,220
Contributions from Authority	<u>12,900</u>	<u>12,900</u>
	88,947	74,790
Less:		
Approved expenditures	<u>85,264</u>	<u>28,963</u>
Balance, ending	<u>3,683</u>	<u>45,827</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	4,022	2,091
Add:		
Allocation for year	<u>30,000</u>	<u>30,000</u>
	34,022	32,091
Less:		
Approved expenditures	<u>24,198</u>	<u>28,069</u>
Balance, ending	<u>9,824</u>	<u>4,022</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>
	<u>\$ 158,550</u>	<u>\$ 194,892</u>
Funding		
Replacement reserve funds	\$ 13,507	\$ 49,849
Due from Newfoundland and Labrador Housing Corporation	<u>145,043</u>	<u>145,043</u>
	<u>\$ 158,550</u>	<u>\$ 194,892</u>

Central Regional Health Authority
Notes to the Consolidated Financial Statements
March 31, 2019

11. Tangible capital assets			2019	2018
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Operating				
Land	\$ 430,281	\$ -	\$ 430,281	\$ 448,826
Land improvements	1,031,546	802,633	228,913	240,963
Buildings and service equipment	74,524,914	50,228,030	24,296,884	22,401,502
Equipment	137,515,605	107,008,660	30,506,945	32,273,591
Equipment under capital lease	2,781,898	2,685,867	96,031	116,271
Motor vehicles	3,308,670	2,324,071	984,599	683,951
Motor vehicles under capital lease	196,503	190,906	5,597	6,995
	<u>219,789,417</u>	<u>163,240,167</u>	<u>56,549,250</u>	<u>56,172,099</u>
North Haven Manor Cottages Phase I, II, III				
Land	16,900	-	16,900	16,900
Land improvements	180,500	174,702	5,798	27,810
Buildings	3,268,158	2,901,091	367,067	405,701
Equipment	113,848	111,464	2,384	16,236
	<u>3,579,406</u>	<u>3,187,257</u>	<u>392,149</u>	<u>466,647</u>
North Haven Manor Cottages Phase IV				
Land	24,571	-	24,571	24,571
Buildings	687,616	478,638	208,978	241,265
	<u>712,187</u>	<u>478,638</u>	<u>233,549</u>	<u>265,836</u>
Valley Vista Cottages				
Land	27,014	-	27,014	27,014
Buildings	3,588,770	3,588,770	-	14,652
Equipment	33,262	33,262	-	-
	<u>3,649,046</u>	<u>3,622,032</u>	<u>27,014</u>	<u>41,666</u>
Bonnews Lodge Apartment Complex				
Land	774	-	774	774
Buildings	870,022	634,089	235,933	274,939
Equipment	6,204	4,522	1,682	1,960
	<u>877,000</u>	<u>638,611</u>	<u>238,389</u>	<u>277,673</u>
South and Central Health Foundation				
Land	33,134	-	33,134	33,134
Buildings	119,141	52,411	66,730	70,242
	<u>152,275</u>	<u>52,411</u>	<u>99,864</u>	<u>103,376</u>
	<u>\$ 228,759,331</u>	<u>\$ 171,219,116</u>	<u>\$ 57,540,215</u>	<u>\$ 57,327,297</u>

Book value of capitalized items that have not been amortized is \$2,678,784 (2018 - \$4,246,694).

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

12. Inventories	<u>2019</u>	<u>2018</u>
General stores	\$ 1,003,591	\$ 966,795
Drugs	<u>1,499,666</u>	<u>1,152,006</u>
	<u>\$ 2,503,257</u>	<u>\$ 2,118,801</u>

13. Prepaids	<u>2019</u>	<u>2018</u>
Operating		
Equipment maintenance	\$ 1,250,055	\$ 1,125,659
Malpractice and membership fees	59,480	62,607
General insurance	311,230	282,715
Municipal taxes	704,810	691,828
Other	<u>1,695,691</u>	<u>1,690,276</u>
	4,021,266	3,853,085
Municipal taxes		
North Haven Manor Cottage Units Phase I, II, III	57,005	53,102
North Haven Manor Cottage Units Phase IV	6,636	6,216
Valley Vista Cottages	37,887	36,230
South and Central Health Foundation	<u>1,580</u>	<u>1,456</u>
	<u>\$ 4,124,374</u>	<u>\$ 3,950,089</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 2019 was \$50,503 (2018 - \$50,503) for operating facilities and \$297,259 (2018 - \$297,846) for the Authority's Cottage operations.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2019

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:

2020	\$ 383,997
2021	253,902
2022	166,166
2023	131,929
2024	62,225

16. Contingencies

As of March 31, 2019 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. Subsequent event

On May 30, 2019 there was an announcement, effective March 31, 2018 there will be a curtailment of severance benefits for nurses. Management is currently estimating the impact on the severance liability as presented in Note 7 to the financial statements.

Financial Statement Appendix

	Page
Operating	
Statement of Financial Position	24
Statement of Operations	25
Statement of Changes in Net Financial Debt	26
Statement of Cash Flows	27
North Haven Manor Cottages Phase I,II, III	
Statement of Financial Position	28
Statement of Operations	29
Statement of Changes in Net Financial Debt	30
Statement of Cash Flows	31
North Haven Manor Cottages Phase IV	
Statement of Financial Position	32
Statement of Operations	33
Statement of Changes in Net Financial Debt	34
Statement of Cash Flows	35
Valley Vista Cottages	
Statement of Financial Position	36
Statement of Operations	37
Statement of Changes in Net Financial Debt	38
Statement of Cash Flows	39
Bonnews Lodge Apartment Complex	
Statement of Financial Position	40
Statement of Operations	41
Statement of Changes in Net Financial Debt	42
Statement of Cash Flows	43
Central Northeast Health Foundation Inc.	
Statement of Financial Position	44
Statement of Operations	45
Statement of Changes in Net Financial Assets	46
Statement of Cash Flows	47
South and Central Health Foundation	
Statement of Financial Position	48
Statement of Operations	49
Statement of Changes in Net Financial Assets	50
Statement of Cash Flows	51

Central Regional Health Authority

Operating Statement of Financial Position

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 13,506,816	\$ 8,290,294
Receivables (Note 4)	13,374,053	20,182,776
Residents' trust funds held on deposit	593,844	658,690
Due from cottage operations and foundations - net	<u>709,387</u>	<u>1,128,682</u>
	<u>28,184,100</u>	<u>30,260,442</u>
Liabilities		
Payables and accruals (Note 6)	29,580,473	28,241,416
Employee future benefits		
Accrued vacation pay	13,866,186	14,501,102
Accrued severance pay (Note 7)	11,586,348	33,102,737
Accrued sick pay (Note 7)	18,156,956	17,882,975
Deferred grants (Note 8)	23,071,343	23,050,780
Long-term debt (Note 9)	6,398,885	7,396,244
Trust funds payable	593,844	658,690
J.M Olds scholarship and library funds	<u>84,227</u>	<u>83,949</u>
	<u>103,338,262</u>	<u>124,917,893</u>
Net financial debt	<u>(75,154,162)</u>	<u>(94,657,451)</u>
Non-financial assets		
Tangible capital assets (Note 11)	56,549,249	56,172,099
Deposits on tangible capital assets	172,291	72,870
Inventories (Note 12)	2,503,257	2,118,801
Prepays (Note 13)	<u>4,021,266</u>	<u>3,853,085</u>
	<u>63,246,063</u>	<u>62,216,855</u>
Accumulated deficit	<u>\$ (11,908,099)</u>	<u>\$ (32,440,596)</u>

Central Regional Health Authority Operating Statement of Operations

Year ended March 31	Budget 2019	Actual 2019	Actual 2018
Revenue			
Provincial plan	\$ 359,970,593	\$ 359,970,593	\$ 345,909,152
Provincial capital grants	-	7,689,260	4,350,256
Other capital contributions	-	147,253	533,133
MCP	11,408,074	11,006,269	11,246,490
Inpatient	1,150,000	1,957,851	1,124,478
Outpatient	3,108,000	3,293,989	3,108,715
Resident	9,067,000	9,030,506	9,064,234
CMHC mortgage interest subsidy (Note 14)	50,000	50,503	50,503
Capital project funding	1,503,329	3,337,801	4,172,291
Early Childhood Development	-	-	522,369
Recoveries - salaries	2,148,862	3,032,516	2,403,840
- services	654,000	626,060	653,580
- ambulance	280,000	309,170	279,929
- drugs	7,215,000	6,772,835	7,215,407
Other revenue	4,005,358	5,270,358	4,323,574
	<u>400,560,216</u>	<u>412,494,964</u>	<u>394,957,951</u>
Expenditure			
Administration	38,092,989	37,149,274	33,169,848
Community and social services	108,740,768	105,214,426	103,649,830
Support services	69,455,141	69,717,717	63,279,987
Nursing inpatient services	94,687,275	95,854,472	91,771,834
Ambulatory care services	26,861,745	27,277,490	26,479,026
Diagnostic and therapeutic services	54,187,499	52,043,001	48,306,971
Medical services	15,462,187	15,102,604	15,666,108
Educational services	1,561,998	1,328,040	1,332,072
Undistributed	1,067,000	4,496,754	5,279,018
	<u>410,116,602</u>	<u>408,183,778</u>	<u>388,934,690</u>
Surplus – shareable	<u>\$ (9,556,386)</u>	<u>4,311,186</u>	<u>6,023,261</u>
Non-shareable items			
Gain (loss) on disposal of tangible capital assets		118,398	(24,312)
Amortization of tangible capital assets		(5,774,411)	(5,769,258)
Accrued vacation pay – decrease		634,916	487,997
Accrued severance pay – decrease (increase)		21,516,389	(1,627,456)
Accrued sick pay – increase		(273,981)	(464,039)
		<u>16,221,311</u>	<u>(7,397,068)</u>
Surplus (deficit) - shareable and non-shareable		20,532,497	(1,373,807)
Accumulated deficit			
Beginning of year		<u>(32,440,596)</u>	<u>(31,066,789)</u>
End of year		<u>\$ (11,908,099)</u>	<u>\$ (32,440,596)</u>

Central Regional Health Authority

Operating Statement of Changes in Net Financial Debt

Year ended March 31

2019

2018

Net debt - beginning of year	\$ (94,657,451)	\$ (91,384,414)
Surplus (deficit)	<u>20,532,497</u>	<u>(1,373,807)</u>
Changes in tangible capital assets		
Acquisition of tangible capital assets	(6,268,603)	(8,177,485)
Amortization of tangible capital assets	5,774,412	5,769,258
(Gain) loss on disposal of tangible capital assets	(118,398)	24,312
Proceeds on disposal of tangible capital assets	235,438	56,457
(Increase) decrease in deposits on tangible capital assets	<u>(99,420)</u>	<u>644,915</u>
Increase in net book value of tangible capital assets	<u>(476,571)</u>	<u>(1,682,543)</u>
Changes in other non-financial assets		
Increase in prepaids	(168,181)	(531,720)
(Increase) decrease in inventories	<u>(384,456)</u>	<u>315,033</u>
(Increase) decrease in other non-financial assets	<u>(552,637)</u>	<u>(216,687)</u>
Decrease (increase) in net debt	<u>19,503,289</u>	<u>(3,273,037)</u>
Net debt - end of year	<u>\$ (75,154,162)</u>	<u>\$ (94,657,451)</u>

Central Regional Health Authority

Operating Statement of Cash Flows

Year ended March 31

2019

2018

	2019	2018
Operations		
Surplus (deficit)	\$20,532,497	\$ (1,373,807)
Amortization	5,774,412	5,769,258
(Gain) loss on disposal on tangible capital assets	(118,398)	24,312
	26,188,511	4,419,763
Changes in		
Receivables	6,808,723	1,255,059
Due from cottage operations and Foundations	419,297	(547,629)
Payables and accruals	1,339,058	3,043,327
Accrued vacation pay	(634,916)	(487,997)
Accrued severance pay	(21,516,389)	1,627,456
Accrued sick pay	273,981	464,039
Deferred grants	20,563	4,557,308
Inventories	(384,456)	315,033
Prepays	(168,181)	(531,720)
Net cash provided from operations	<u>12,346,189</u>	<u>14,114,639</u>
Financing		
Repayment of long-term debt	(997,359)	(956,153)
Net change in J.M. Olds funds	277	152
Net cash applied to financing	<u>(997,082)</u>	<u>(956,001)</u>
Investing		
Acquisition of tangible capital assets	(6,268,603)	(8,177,487)
(Increase) decrease in deposits on tangible capital assets	(99,420)	644,917
Proceeds on disposal of tangible capital assets	235,438	56,457
Net cash applied to investing	<u>(6,132,585)</u>	<u>(7,476,113)</u>
Net increase in cash	5,216,522	5,682,525
Cash, net of bank indebtedness		
Beginning	<u>8,290,294</u>	<u>2,607,769</u>
Ending (Note 3)	<u>\$13,506,816</u>	<u>\$ 8,290,294</u>

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

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 222,682	\$ 356,818
Receivables (Note 4)	-	1,717
Cash restricted for security deposits	22,543	20,949
Replacement reserve funding (Note 10)	<u>3,683</u>	<u>45,827</u>
	<u>248,908</u>	<u>425,311</u>
Liabilities		
Payables and accruals (Note 6)	1,800	1,855
Deferred revenue	10,078	-
Due to Central Regional Health Authority	331,890	365,827
Long-term debt (Note 9)	-	67,610
Security deposit liability	22,543	20,949
Replacement reserves (Note 10)	<u>3,683</u>	<u>45,827</u>
	<u>369,994</u>	<u>502,068</u>
Net financial debt	<u>(121,086)</u>	<u>(76,757)</u>
Non-financial assets		
Tangible capital assets (Note 11)	392,149	466,647
Prepays (Note 13)	<u>57,005</u>	<u>53,102</u>
	<u>449,154</u>	<u>519,749</u>
Accumulated surplus	<u>\$ 328,068</u>	<u>\$ 442,992</u>

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

Year ended March 31	Budget 2019	Actual 2019	Actual 2018
Revenue			
Rentals	\$ 570,664	\$ 502,702	\$ 532,310
NLHC subsidy (Note 14)	<u>135,162</u>	<u>126,649</u>	<u>138,074</u>
	<u>705,826</u>	<u>629,351</u>	<u>670,384</u>
Expenditure			
Administration	9,300	9,300	9,300
Allocation to replacement reserve	30,220	30,220	30,220
Amortization	87,822	74,498	121,679
Heat and light	173,500	162,858	150,300
Insurance	8,200	8,298	6,595
Mortgage interest	416	199	1,064
Municipal taxes	66,800	71,758	70,481
Office	300	410	283
Professional fees	3,000	2,400	2,400
Repairs and maintenance	110,000	203,906	246,362
Salaries and benefits	155,400	134,928	105,562
Snowclearing	9,000	42,500	42,500
Telephone	<u>2,400</u>	<u>3,000</u>	<u>2,640</u>
	<u>656,358</u>	<u>744,275</u>	<u>789,386</u>
Annual deficit	\$ 49,468	(114,924)	(119,002)
Accumulated surplus			
Beginning of year		<u>442,992</u>	<u>561,994</u>
End of year		<u>\$ 328,068</u>	<u>\$ 442,992</u>

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

Year ended March 31	2019	2018
Net debt - beginning of year	<u>\$ (76,757)</u>	<u>\$ (79,434)</u>
Annual deficit	<u>(114,924)</u>	<u>(119,002)</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>74,498</u>	<u>121,679</u>
Decrease in net book value of tangible capital assets	<u>74,498</u>	<u>121,679</u>
Changes in non-financial assets		
Increase in prepaids	<u>(3,903)</u>	<u>-</u>
Increase in other non-financial assets	<u>(3,903)</u>	<u>-</u>
(Increase) decrease in net debt	<u>(44,329)</u>	<u>2,677</u>
Net debt - end of year	<u>\$ (121,086)</u>	<u>\$ (76,757)</u>

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

Year ended March 31	2019	2018
Operations		
Annual deficit	\$ (114,924)	\$ (119,002)
Amortization	<u>74,498</u>	<u>121,679</u>
	(40,426)	2,677
Changes in		
Receivables	1,717	(35)
Payables and accruals	(55)	(14,236)
Deferred revenue	10,078	-
Due to Central Regional Health Authority	(33,937)	209,874
Prepays	<u>(3,903)</u>	<u>-</u>
Net cash (applied to) provided from operations	<u>(66,526)</u>	<u>198,280</u>
Financing		
Repayment of long-term debt	<u>(67,610)</u>	<u>(100,632)</u>
Net cash applied to financing	<u>(67,610)</u>	<u>(100,632)</u>
Net (decrease) increase in cash	(134,136)	97,648
Cash		
Beginning	<u>356,818</u>	<u>259,170</u>
Ending (Note 3)	<u>\$ 222,682</u>	<u>\$ 356,818</u>

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

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 31,879	\$ 13,994
Receivables (Note 4)	7,160	1,442
Cash restricted for security deposits	383	667
Replacement reserve funding (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>122,065</u>	<u>98,746</u>
Liabilities		
Payables and accruals (Note 6)	12,486	1,998
Due to Central Regional Health Authority	33,158	19,622
Long-term debt (Note 9)	218,580	250,867
Security deposit liability	383	667
Replacement reserve (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>347,250</u>	<u>355,797</u>
Net financial debt	<u>(225,185)</u>	<u>(257,051)</u>
Non-financial assets		
Tangible capital assets (Note 11)	233,549	265,836
Prepays (Note 13)	<u>6,636</u>	<u>6,215</u>
	<u>240,185</u>	<u>272,051</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 2019	Actual 2019	Actual 2018
Revenue			
Rentals	\$ 49,080	\$ 49,146	\$ 46,138
NLHC subsidy (Note 14)	<u>55,301</u>	<u>48,363</u>	<u>52,073</u>
	<u>104,381</u>	<u>97,509</u>	<u>98,211</u>
Expenditure			
Administration	3,600	3,600	3,600
Amortization	32,287	32,287	31,726
Heat and light	19,070	17,943	16,219
Insurance	1,000	954	746
Mortgage interest	4,245	4,211	4,821
Municipal taxes	8,249	8,387	8,249
Professional fees	3,070	2,020	1,620
Repairs and maintenance	11,000	5,934	9,935
Salaries and benefits	11,000	11,313	10,435
Snowclearing	10,500	10,500	10,500
Telephone	<u>360</u>	<u>360</u>	<u>360</u>
	<u>104,381</u>	<u>97,509</u>	<u>98,211</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	2019	2018
Net debt, beginning of year	<u>\$ (257,051)</u>	<u>\$ (288,777)</u>
Annual surplus	<u>-</u>	<u>-</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>32,287</u>	<u>31,726</u>
Decrease in net book value of tangible capital assets	<u>32,287</u>	<u>31,726</u>
Changes in non-financial assets		
Increase in prepaids	<u>(421)</u>	<u>-</u>
Increase in non-financial assets	<u>(421)</u>	<u>-</u>
Decrease in net debt	<u>31,866</u>	<u>31,726</u>
Net debt, end of year	<u>\$ (225,185)</u>	<u>\$ (257,051)</u>

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

Year ended March 31	2019	2018
Operations		
Annual surplus	\$ -	\$ -
Amortization	<u>32,287</u>	<u>31,726</u>
	32,287	31,726
Changes in		
Receivables	(5,718)	(1,041)
Prepays	(421)	-
Payables and accruals	10,488	(9,601)
Due to Central Regional Health Authority	<u>13,536</u>	<u>849</u>
Net cash provided from operations	<u>50,172</u>	<u>21,933</u>
Financing		
Repayment of long-term debt	<u>(32,287)</u>	<u>(31,695)</u>
Net cash applied to financing	<u>(32,287)</u>	<u>(31,695)</u>
Net increase (decrease) in cash	17,885	(9,762)
Cash		
Beginning	<u>13,994</u>	<u>23,756</u>
Ending (Note 3)	<u>\$ 31,879</u>	<u>\$ 13,994</u>

Central Regional Health Authority
Valley Vista Cottages
Statement of Financial Position

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 18,784	\$ 22,014
Receivables (Note 4)	-	1,071
Cash restricted for security deposits	25,283	23,296
Replacement reserve funding (Note 10)	<u>9,824</u>	<u>4,022</u>
	<u>53,891</u>	<u>50,403</u>
Liabilities		
Payables and accruals (Note 6)	1,500	1,514
Due to Central Regional Health Authority	219,359	333,446
Long-term debt (Note 9)	-	9,569
Security deposit liability	25,283	23,296
Replacement reserves (Note 10)	<u>9,824</u>	<u>4,022</u>
	<u>255,966</u>	<u>371,847</u>
Net financial debt	<u>(202,075)</u>	<u>(321,444)</u>
Non-financial assets		
Tangible capital assets (Note 11)	27,014	41,666
Prepays (Note 13)	<u>37,887</u>	<u>36,230</u>
	<u>64,901</u>	<u>77,896</u>
Accumulated deficit	<u>\$ (137,174)</u>	<u>\$ (243,548)</u>

Central Regional Health Authority
Valley Vista Cottages

Statement of Operations

Year ended March 31

	Budget 2019	Actual 2019	Actual 2018
Revenue			
Rentals	\$ 565,760	\$ 553,880	\$ 543,152
NLHC subsidy (Note 14)	<u>3,215</u>	<u>-</u>	<u>23,943</u>
	<u>568,975</u>	<u>553,880</u>	<u>567,095</u>
Expenditure			
Allocation to replacement reserve	30,000	30,000	30,000
Amortization	14,125	14,652	145,091
Cable television	20,000	19,656	18,656
Heat and light	135,000	131,838	121,162
Insurance	8,000	8,796	7,111
Lawn care	7,000	6,551	6,876
Mortgage interest	300	32	1,174
Municipal taxes	50,000	48,630	48,087
Office	800	873	714
Professional fees	2,400	2,400	2,400
Repairs and maintenance	140,000	107,220	130,589
Salaries and benefits	73,000	63,858	64,251
Snow clearing	<u>14,000</u>	<u>13,000</u>	<u>13,347</u>
	<u>494,625</u>	<u>447,506</u>	<u>589,458</u>
Annual surplus (deficit)	\$ 74,350	106,374	(22,363)
Accumulated deficit			
Beginning of year		<u>(243,548)</u>	<u>(221,185)</u>
End of year		<u>\$ (137,174)</u>	<u>\$ (243,548)</u>

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

Year ended March 31	2019	2018
Net debt - beginning of year	<u>\$ (321,444)</u>	<u>\$ (444,172)</u>
Annual surplus (deficit)	<u>106,374</u>	<u>(22,363)</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>14,652</u>	<u>145,091</u>
Decrease in net book value of tangible capital assets	<u>14,652</u>	<u>145,091</u>
Changes in non-financial assets		
Decrease in prepaids	<u>(1,657)</u>	<u>-</u>
Decrease in non-financial assets	<u>(1,657)</u>	<u>-</u>
Decrease in net debt	<u>119,369</u>	<u>122,728</u>
Net debt - end of year	<u>\$ (202,075)</u>	<u>\$ (321,444)</u>

Central Regional Health Authority
Valley Vista Cottages
Statement of Cash Flows

Year ended March 31

2019

2018

Operations

Annual surplus (deficit)	\$ 106,374	\$ (22,363)
Amortization	<u>14,652</u>	<u>145,091</u>

	121,026	122,728
--	----------------	---------

Changes in

Receivables	1,071	1,584
-------------	-------	-------

Payables and accruals	(14)	(193)
-----------------------	------	-------

Prepays	(1,657)	-
---------	---------	---

Due to Central Regional Health Authority	<u>(114,086)</u>	<u>8,967</u>
--	------------------	--------------

Net cash provided from operations

	<u>6,340</u>	<u>133,086</u>
--	--------------	----------------

Financing

Repayment of long-term debt	<u>(9,570)</u>	<u>(143,963)</u>
-----------------------------	----------------	------------------

Net cash applied to financing

	<u>(9,570)</u>	<u>(143,963)</u>
--	----------------	------------------

Net decrease in cash

	(3,230)	(10,877)
--	----------------	----------

Cash

Beginning	<u>22,014</u>	<u>32,891</u>
-----------	---------------	---------------

Ending (Note 3)	<u>\$ 18,784</u>	<u>\$ 22,014</u>
-----------------	------------------	------------------

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

March 31	2019	2018
Financial assets		
Due from Central Regional Health Authority	\$ -	\$ 23,881
Receivables (Note 4)	27,686	-
Replacement reserve funding (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>90,086</u>	<u>86,281</u>
Liabilities		
Payables and accruals (Note 6)	7,040	23,881
Long-term debt (Note 9)	238,839	277,673
Due to Central Regional Health Authority	20,646	-
Replacement reserve (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>328,925</u>	<u>363,954</u>
Net financial debt	<u>(238,839)</u>	<u>(277,673)</u>
Non-financial assets		
Tangible capital assets (Note 11)	<u>238,839</u>	<u>277,673</u>
Accumulated surplus	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority
Bonnews Lodge Apartment Complex
Statement of Operations

Year ended March 31	Budget 2019	Actual 2019	Actual 2018
Revenue			
Rentals	\$ 66,360	\$ 58,484	\$ 63,187
NLHC subsidy (Note 14)	89,270	119,676	82,289
Surcharges - utilities	3,120	3,015	3,030
- laundry	1,440	1,390	1,398
- other	3,600	3,475	3,494
	<u>163,790</u>	<u>186,040</u>	<u>153,398</u>
Expenditure			
Administration allowance	9,932	9,566	9,806
Amortization	39,284	39,284	38,498
Fire and safety	2,500	9,137	1,826
Heat and light	21,606	22,545	20,487
Insurance	720	720	720
Mortgage interest	5,286	5,238	6,005
Municipal taxes	9,900	9,900	9,900
Professional fees	2,400	2,400	2,400
Repairs and maintenance	56,012	74,750	51,256
Snowclearing	16,150	12,500	12,500
	<u>163,790</u>	<u>186,040</u>	<u>153,398</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	2019	2018
Net debt - beginning of year	<u>\$ (277,673)</u>	<u>\$ (316,171)</u>
Annual surplus	<u> -</u>	<u> -</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u> 39,284</u>	<u> 38,498</u>
Decrease in net book value of tangible capital assets	<u> 39,284</u>	<u> 38,498</u>
Decrease in net debt	<u> 39,284</u>	<u> 38,498</u>
Net debt - end of year	<u>\$ (238,389)</u>	<u>\$ (277,673)</u>

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

Year ended March 31

2019

2018

Operations

Annual surplus	\$ -	\$ -
Amortization	<u>39,284</u>	<u>38,498</u>
	39,284	38,498
Changes in		
Receivables	(27,686)	-
Payables and accruals	(16,841)	6,946
Due from Central Regional Health Authority	<u>44,527</u>	<u>(6,945)</u>

Net cash provided from operations

<u>39,284</u>	<u>38,499</u>
---------------	---------------

Financing

Repayment of long-term debt	<u>(39,284)</u>	<u>(38,499)</u>
-----------------------------	-----------------	-----------------

Net cash applied to financing

<u>(39,284)</u>	<u>(38,499)</u>
-----------------	-----------------

Net increase in cash

-	-
---	---

Cash

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

Central Regional Health Authority
 Central Northeast Health Foundation Inc.
 Statement of Financial Position

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 787,730	\$ 695,855
Receivables (Note 4)	45,899	60,703
Investments restricted for general endowment fund (Note 5)	<u>374,228</u>	<u>358,214</u>
	<u>1,207,857</u>	<u>1,114,772</u>
Liabilities		
Accrued payable (Note 6)	1,565	6,428
Accrued vacation pay	6,743	3,821
Deferred grant (Note 8)	45,000	-
Due to Central Regional Health Authority	<u>42,427</u>	<u>73,205</u>
	<u>95,735</u>	<u>83,454</u>
Net financial assets and accumulated surplus	<u>\$ 1,112,122</u>	<u>\$ 1,031,318</u>

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

Year ended March 31	Budget 2019	Actual 2019	Actual 2018
Revenue			
Donations and fundraising	\$ 362,000	\$ 352,383	\$ 357,217
Staff lottery	50,000	50,197	50,717
Gift shop	115,000	114,028	116,978
Endowment fund			
Investment income	5,000	7,748	5,870
Investment gains (losses)	2,000	3,181	(2,724)
Grants	10,000	-	55,000
Interest and recoveries	<u>6,000</u>	<u>26,325</u>	<u>16,474</u>
	<u>550,000</u>	<u>553,862</u>	<u>599,532</u>
Expenditure			
Donations for the purchase of			
Capital equipment	200,000	95,918	244,585
Minor equipment	50,000	61,746	109,486
Patient comfort items	20,500	3,221	16,045
Gift shop	97,000	105,570	100,192
Office	8,000	1,652	1,403
Other supplies, fundraising and expenses	20,000	34,129	28,666
Salaries and benefits	125,000	170,297	109,291
Travel	<u>600</u>	<u>525</u>	<u>417</u>
	<u>521,100</u>	<u>473,058</u>	<u>610,085</u>
Annual surplus (deficit)	\$ 28,900	80,804	(10,553)
Accumulated surplus			
Beginning of year		<u>1,031,318</u>	<u>1,041,871</u>
End of year		<u>\$ 1,112,122</u>	<u>\$ 1,031,318</u>

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

Year ended March 31	2019	2018
Net assets – beginning of year	\$ 1,031,318	\$ 1,041,871
Annual surplus (deficit)	<u>80,804</u>	<u>(10,553)</u>
Net assets – end of year	<u>\$ 1,112,122</u>	<u>\$ 1,031,318</u>

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

Year ended March 31	2019	2018
Operations		
Annual surplus (deficit)	\$ 80,804	\$ (10,553)
Investment (losses) gains	<u>(3,181)</u>	<u>2,725</u>
	77,623	(7,828)
Change in		
Receivables	14,804	(59,849)
Due from Central Regional Health Authority	(30,778)	22,362
Accrued payables	(4,864)	4,721
Deferred grant	45,000	-
Accrued vacation pay	<u>2,922</u>	<u>1,566</u>
Net cash provided from (applied to) operations	<u>104,707</u>	<u>(39,028)</u>
Investing		
Endowment fund investments		
Contributions	(5,084)	(67,949)
Reinvested income	<u>(7,748)</u>	<u>(5,870)</u>
Net cash applied to investing	<u>(12,832)</u>	<u>(73,819)</u>
Net increase (decrease) in cash	91,875	(112,847)
Cash		
Beginning of year	<u>695,855</u>	<u>808,702</u>
End of year (Note 3)	<u>\$ 787,730</u>	<u>\$ 695,855</u>

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

March 31	2019	2018
Financial assets		
Cash (Note 3)	\$ 871,499	\$ 843,118
Capital grant receivable (Note 4)	50,000	55,911
Investments restricted for general endowment fund (Note 5)	<u>755,299</u>	<u>714,991</u>
	<u>1,676,798</u>	<u>1,614,020</u>
Liabilities		
Accrued vacation pay	3,567	3,110
Deferred grant (Note 8)	50,000	-
Deferred rental income (Note 8)	1,300	-
Due to Central Regional Health Authority	<u>61,906</u>	<u>360,463</u>
	<u>116,773</u>	<u>363,573</u>
Net financial assets	<u>1,560,025</u>	<u>1,250,447</u>
Non-financial assets		
Tangible capital assets (Note 11)	99,864	103,376
Prepays (Note 13)	<u>1,580</u>	<u>1,456</u>
	<u>101,444</u>	<u>104,832</u>
Accumulated surplus	<u>\$ 1,661,469</u>	<u>\$ 1,355,279</u>

Central Regional Health Authority
 South and Central Health Foundation
 Statement of Operations

Year ended March 31	Budget 2019	Actual 2019	Actual 2018
Revenue			
Donations and fundraising	\$ 301,000	\$ 497,918	\$ 286,165
Staff lottery	60,000	67,477	61,394
Grants	60,000	-	55,000
Endowment fund			
Investment income	10,000	16,861	24,960
Investment (loss)	4,000	(6,525)	(13,307)
Rentals	15,600	15,600	15,600
Interest and recoveries	<u>1,000</u>	<u>39,400</u>	<u>22,624</u>
	<u>451,600</u>	<u>630,731</u>	<u>452,436</u>
Expenditure			
Donations for the purchase of			
Capital equipment	200,000	51,336	256,397
Minor equipment	15,000	66,381	147,496
Patient comfort items	46,500	33,745	148,429
Fundraising and other supplies and expenses	32,000	34,860	61,977
Rental expenses, including amortization of \$3,512 (2018 -\$3,697)	6,200	5,495	5,616
Salaries and benefits	<u>110,000</u>	<u>132,724</u>	<u>116,929</u>
	<u>409,700</u>	<u>324,541</u>	<u>736,844</u>
Annual surplus (deficit)	\$ 41,900	306,190	(284,408)
Accumulated surplus			
Beginning of year		<u>1,355,279</u>	<u>1,639,687</u>
End of year		<u>\$ 1,661,469</u>	<u>\$ 1,355,279</u>

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

Year ended March 31	2019	2018
Net assets – beginning of year	<u>\$ 1,250,447</u>	<u>\$ 1,531,181</u>
Annual surplus (deficit)	<u>306,190</u>	<u>(284,408)</u>
Changes in tangible capital assets		
Amortization of tangible capital assets	<u>3,512</u>	<u>3,697</u>
Decrease in net book value of tangible capital assets	<u>3,512</u>	<u>3,697</u>
Changes in other non-financial assets		
Prepays	<u>(124)</u>	<u>(23)</u>
Increase in other non-financial assets	<u>(124)</u>	<u>(23)</u>
Increase (decrease) in net assets	<u>309,578</u>	<u>(280,734)</u>
Net assets – end of year	<u>\$ 1,560,025</u>	<u>\$ 1,250,447</u>

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

Year ended March 31	2019	2018
Operations		
Annual surplus (deficit)	\$ 306,190	\$ (284,408)
Amortization	3,512	3,697
Investment loss	<u>6,525</u>	<u>13,307</u>
	316,227	(267,404)
Change in		
Prepays	(124)	(23)
Due to Central Regional Health Authority	(298,557)	312,520
Receivables	5,911	(54,952)
Deferred grant	50,000	-
Deferred rental income	1,300	-
Accrued vacation pay	<u>457</u>	<u>1,099</u>
Net cash provided by (applied to) operations	<u>75,214</u>	<u>(8,760)</u>
Investing		
Endowment fund investments		
Contributions	(29,972)	(4,530)
Reinvested income	<u>(16,861)</u>	<u>(24,960)</u>
Net cash applied to investing	<u>(46,833)</u>	<u>(29,490)</u>
Net increase (decrease) in cash	28,381	(38,250)
Cash		
Beginning of year	<u>843,118</u>	<u>881,368</u>
End of year (Note 3)	<u>\$ 871,499</u>	<u>\$ 843,118</u>



Supplementary Financial Information

Central Regional Health Authority

March 31, 2019

Contents

	Page
Independent auditors' comments on supplementary financial information	1
Expenditures - operating/shareable Schedule 1	2
Revenue and expenditure for government reporting - operating Schedule 2	3-4
Funding and expenditure for government reporting - capital Schedule 3	5
Reconciliation of accumulated operating deficit for government reporting Schedule 4A	6
Schedule 4B	7
Deferred operating revenue Schedule 6	8

Independent Auditors' Comments on Supplementary Financial Information

Grant Thornton LLP
15 International Place
St. John's, NL
A1A 0L4

T +1 709 778 8800
F +1 709 722 7892
www.GrantThornton.ca

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, 2019 and the year then ended are derived from the audited consolidated financial statements of Central Regional Health Authority as at March 31, 2019. We expressed an unmodified audit opinion on those financial statements in our report dated June 18, 2019.

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, 2019 are a fair summary of those financial statements.

St. John's, Canada



June 18, 2019

Chartered Professional Accountants

Central Regional Health Authority

Expenditures - Operating/Shareable

Schedule 1

Year ended March 31

2019

2018

Administration

General administration	\$ 13,009,779	\$ 11,253,145
Finance	4,740,976	4,092,488
Personnel services	4,016,702	3,532,404
Systems support	7,912,936	8,153,381
Other	7,468,881	6,138,430
	<u>37,149,274</u>	<u>33,169,848</u>

Community and social services

Mental health and addictions	11,128,371	9,734,957
Community support	88,264,871	88,316,245
Health promotion and protection	5,821,184	5,598,628
	<u>105,214,426</u>	<u>103,649,830</u>

Support services

Housekeeping	10,353,787	9,423,872
Laundry and linen	2,577,237	2,215,969
Plant services	20,881,203	18,479,808
Patient food services	14,825,868	13,491,981
Other	21,079,622	19,668,357
	<u>69,717,717</u>	<u>63,279,987</u>

Nursing inpatient services

Acute care	55,264,440	54,271,119
Long-term care	40,590,032	37,500,713
	<u>95,854,472</u>	<u>91,771,832</u>

Ambulatory care services

	<u>27,277,490</u>	<u>26,479,026</u>
--	-------------------	-------------------

Diagnostic and therapeutic services

Clinical laboratory	15,053,718	14,307,771
Diagnostic imaging	12,088,481	10,651,942
Other	24,900,802	23,347,258
	<u>52,043,001</u>	<u>48,306,971</u>

Medical services

	<u>15,102,604</u>	<u>15,666,108</u>
--	-------------------	-------------------

Education

	<u>1,328,040</u>	<u>1,332,070</u>
--	------------------	------------------

Undistributed

Capital projects	3,116,467	4,008,810
Municipal taxes	879,422	868,830
Bad debts	500,865	401,378
	<u>4,496,754</u>	<u>5,279,018</u>

	<u>4,496,754</u>	<u>5,279,018</u>
	<u>\$ 408,183,778</u>	<u>\$ 388,934,690</u>

Central Regional Health Authority

Revenue and Expenditure for Government Reporting - Operating Schedule 2

Year ended March 31

2019

2018

Revenue

Provincial plan	\$ 359,970,593	\$ 345,909,152
Capital equipment grants	7,689,260	4,350,256
Other capital contributions	147,253	533,133
MCP	11,006,269	11,246,490
Inpatient	1,957,851	1,124,478
Outpatient	3,293,989	3,108,715
Resident	9,030,506	9,064,234
Mortgage interest subsidy	50,503	50,503
Capital project funding	3,337,801	4,172,291
Early Childhood Development	-	522,369
Recoveries - salaries	3,032,516	2,403,840
- services	626,060	653,580
- ambulance	309,170	279,929
- drugs	6,772,835	7,215,407
Other revenue	<u>5,270,358</u>	<u>4,323,572</u>
	<u>412,494,964</u>	<u>394,957,949</u>

Expenditure

Salaries	215,910,277	195,595,386
Employee benefits	38,573,084	38,007,366
Supplies - plant operations and maintenance	6,568,119	6,024,433
- drugs	11,190,072	11,436,145
- medical and surgical	10,405,997	9,684,864
- other	10,047,908	10,286,712
Direct client costs - MHA, CS, HP, and CC	68,124,746	69,423,298
Other shareable expenses		
- sundry	9,197,663	9,739,468
- equipment expense	9,811,514	9,977,368
- contracted-out services	18,760,347	18,165,422
- building, grounds and equipment expense	9,339,088	10,321,528
Long-term debt - interest	254,962	272,703
- principal	<u>973,057</u>	<u>956,153</u>
	<u>409,156,834</u>	<u>389,890,846</u>

	3,338,130	5,067,103
Capital equipment grants	(7,689,260)	(4,350,256)
Other capital contributions	<u>(147,253)</u>	<u>(533,133)</u>
(Deficit) surplus for government reporting	(4,498,383)	183,714
Long-term debt principal	<u>973,057</u>	<u>956,153</u>
(Deficit) surplus before non-shareable items	<u>\$ (3,525,326)</u>	<u>\$ 1,139,867</u>

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

Year ended March 31	2019	2018
(Deficit) surplus before non-shareable items (cont'd)	<u>\$ (3,525,326)</u>	<u>\$ 1,139,867</u>
Non-shareable items		
(Loss) gain on disposal of capital assets	118,398	(24,312)
Capital equipment grants	7,689,260	4,350,256
Other capital contributions	147,253	533,138
Amortization of capital assets	(5,774,412)	(5,769,258)
Accrued vacation pay – decrease	634,916	487,997
Accrued severance pay – increase	21,516,389	(1,627,456)
Accrued sick pay – increase	<u>(273,981)</u>	<u>(464,039)</u>
	<u>24,057,823</u>	<u>(2,513,674)</u>
Surplus (deficit)	<u>\$ 20,532,497</u>	<u>\$ (1,373,807)</u>

Central Regional Health Authority

Funding and Expenditure for Government Reporting - Capital

Schedule 3

Year ended March 31	2019	2018
Source of funds		
Deferred capital grants from prior year		
Capital equipment	\$ 5,799,369	\$ 6,729,249
Capital projects	<u>10,263,451</u>	<u>8,249,435</u>
	16,062,820	14,978,684
Provincial grants in current year		
Capital equipment	2,447,700	2,571,100
Capital projects	8,831,700	9,511,000
Construction in progress	359,547	123,007
Capital grant reallocated to operating fund for		
Minor equipment purchased	(166,212)	-
Renovation and repair projects	(3,018,395)	(3,825,515)
Transfers from other projects	69,177	354,047
Deferred capital grants from current year		
Capital equipment	(5,554,561)	(5,799,369)
Capital projects	<u>(13,006,732)</u>	<u>(10,263,451)</u>
Provincial funding used in current year	6,025,044	7,649,503
Other contributions		
Health foundation donations	147,253	500,982
Other	<u>96,306</u>	<u>27,000</u>
Total funding	<u>6,268,603</u>	<u>8,177,485</u>
Expenditure		
Capital assets	2,955,379	4,345,125
Construction in progress	<u>3,313,224</u>	<u>3,832,360</u>
Total expenditure	<u>6,268,603</u>	<u>8,177,485</u>
Deficit on capital purchases	\$ -	\$ -

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

Year ended March 31	2019	2018
Current assets		
Cash	\$ 13,506,816	\$ 8,290,294
Receivables	13,374,053	20,182,776
Due from cottage operations and foundations	709,385	1,128,682
Inventory	2,503,257	2,118,801
Prepaid expenses	<u>4,021,266</u>	<u>3,853,085</u>
Total current assets	<u>34,114,777</u>	<u>35,573,638</u>
Current liabilities		
Payables and accruals	29,580,473	28,241,416
Deferred grants and donations	<u>23,071,343</u>	<u>23,050,780</u>
	<u>52,651,816</u>	<u>51,292,196</u>
Accumulated deficit	<u>\$ (18,537,039)</u>	<u>\$ (15,718,558)</u>
Reconciliation of accumulated operating deficit		
Balance, beginning	\$ (15,718,560)	\$ (13,309,705)
(Deficit) surplus for government reporting	(4,498,384)	183,714
Deposits on capital assets	(99,421)	644,915
Construction in progress	1,567,910	(3,294,093)
Proceeds from disposal of capital assets	235,440	56,457
Mortgage prepayment	(24,301)	-
J. M. Olds funds spent - net	<u>277</u>	<u>152</u>
Balance, ending	<u>\$ (18,537,039)</u>	<u>\$ (15,718,560)</u>

7

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

Year ended March 31	2019	2018
Accumulated operating deficit – end of year per Schedule 4A	\$ (18,537,039)	\$ (15,718,560)
Adjustments		
Add		
Capital assets	53,870,465	51,925,405
Construction in progress	2,678,785	4,246,694
Deposits on capital assets	<u>172,291</u>	<u>72,870</u>
	<u>38,184,502</u>	<u>40,526,409</u>
Less		
Accrued vacation pay	(13,866,186)	(14,501,102)
Accrued severance pay	(11,586,348)	(33,102,737)
Accrued sick pay	(18,156,956)	(17,882,975)
Long-term debt	(6,398,885)	(7,396,244)
J.M. Olds scholarship and library funds	<u>(84,226)</u>	<u>(83,949)</u>
	<u>(50,092,601)</u>	<u>(72,967,007)</u>
Accumulated deficit per operating statement of financial position	\$ (11,908,099)	\$ (32,440,598)

Central Regional Health Authority

Deferred Operating Revenue

Schedule 6

Year ended March 31

	2019	2018
Deferred operating grants	\$ 891,794	\$ 1,329,889
Other deferred revenue (various accounts)	<u>33,961</u>	<u>16,124</u>
	<u>\$ 925,755</u>	<u>\$ 1,346,013</u>
