



Consolidated Financial Statements

Central Regional Health Authority

March 31, 2017

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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

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We have audited the accompanying consolidated financial statements of Central Regional Health Authority which comprise the consolidated statement of financial position as at March 31, 2017 and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the 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.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the consolidated financial statements 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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Central Regional Health Authority as at March 31, 2017 and the results of its consolidated operations and changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Gander, Canada

June 20, 2017

Grant Thornton LLP

Chartered Professional Accountants

Central Regional Health Authority Consolidated Statement of Financial Position

March 31 2017 2016

Financial assets		
Cash (Note 3)	\$ 4,613,656	\$ 10,431,922
Receivables (Note 4)	21,444,386	15,957,582
Residents' trust funds held on deposit	789,754	663,030
Cash restricted for security deposits	43,048	40,022
Investments restricted for general endowment purposes (Note 5)	985,928	913,364
Replacement reserve funding (Note 10)	<u>178,804</u>	<u>175,516</u>
	<u>28,055,576</u>	<u>28,181,436</u>
 Liabilities		
Payables and accruals (Note 6)	25,246,128	25,830,184
Employee future benefits		
Accrued vacation pay	14,993,366	16,265,510
Accrued severance pay (Note 7)	31,475,281	31,030,200
Accrued sick pay (Note 7)	17,418,936	16,929,710
Deferred grants (Note 8)	18,493,472	20,534,777
Long-term debt (Note 9)	9,272,905	10,605,429
Trust funds payable	789,754	663,030
Security deposits liability	43,048	40,022
Replacement reserves (Note 10)	178,804	175,516
J.M. Olds scholarship and library funds	<u>83,797</u>	<u>82,980</u>
	<u>117,995,491</u>	<u>122,157,358</u>
Net financial debt	<u>(89,939,915)</u>	<u>(93,975,922)</u>
 Non-financial assets		
Capital assets (Note 11)	55,340,528	54,392,100
Deposits on capital assets	717,787	609,328
Inventories (Note 12)	2,433,834	2,386,331
Prepays (Note 13)	<u>3,418,345</u>	<u>4,705,068</u>
	<u>61,910,494</u>	<u>62,092,827</u>
Accumulated deficit	<u>\$ (28,029,421)</u>	<u>\$ (31,883,095)</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 2017	Actual 2017	Actual 2016
Revenue			
Provincial plan operating	\$ 346,351,686	\$ 346,351,686	\$ 333,818,528
Provincial capital grants	-	6,155,267	3,591,557
Other capital contributions	-	308,884	300,302
MCP	12,587,431	11,440,138	13,012,427
Patient-resident services	13,712,000	13,811,616	14,758,010
CMHC mortgage interest subsidy (Note 14)	54,982	50,503	52,766
Capital project funding	85,782	2,538,228	12,921,284
Recoveries	9,293,502	9,809,745	10,697,425
Cottage operations	1,586,998	1,571,651	1,548,484
Foundations	1,106,000	1,427,007	1,054,928
Other revenue	3,910,295	5,327,960	4,723,741
	<u>388,688,676</u>	<u>398,792,685</u>	<u>396,479,452</u>
Expenditure			
Administration	34,586,592	34,390,729	33,774,833
Community and social services	106,654,314	103,130,452	99,162,760
Support services	64,179,103	63,779,560	65,002,319
Nursing inpatient services	87,805,791	90,995,861	90,779,911
Ambulatory care services	25,768,180	25,882,560	25,139,329
Diagnostic and therapeutic services	48,268,421	47,935,533	47,069,948
Medical services	16,275,329	16,542,546	18,182,819
Educational services	1,322,248	1,233,771	1,546,216
Undistributed	1,135,700	3,296,908	11,821,785
Cottage, operations, including amortization of \$456,020 (2016 - \$512,262)	1,558,772	1,625,751	1,536,694
Foundations, including amortization of \$3,892 (2016 - \$4,096)	1,000,676	982,149	798,415
	<u>388,555,126</u>	<u>389,795,820</u>	<u>394,815,029</u>
Surplus – shareable	<u>133,550</u>	<u>8,996,865</u>	<u>1,664,423</u>
Non-shareable items			
Gain (loss) on disposal of capital assets	-	444,887	(28,971)
Amortization of capital assets	-	(5,924,116)	(5,921,298)
Accrued vacation pay – decrease (increase)	-	1,270,345	(1,061,617)
Accrued severance pay – increase	-	(445,081)	(1,346,870)
Accrued sick pay – increase	-	(489,226)	(638,474)
	-	<u>(5,143,191)</u>	<u>(8,997,230)</u>
Surplus (deficit)			
- shareable and non-shareable	133,550	3,853,674	(7,332,807)
Accumulated deficit			
Beginning of year	-	(31,883,095)	(24,550,288)
End of year	\$ 133,550	\$ (28,029,421)	\$ (31,883,095)

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Changes in Net Financial Debt

March 31	2017	2016
Net debt - beginning of year	<u>\$ (93,975,922)</u>	<u>\$ (87,568,643)</u>
Surplus (deficit)	<u>3,853,674</u>	<u>(7,332,807)</u>
Changes in capital assets		
Acquisition of capital assets	(7,452,118)	(4,016,429)
Amortization of capital assets	6,380,140	6,437,656
(Gain) loss on disposal of capital assets	(444,887)	28,971
Proceeds on disposal of capital assets	568,437	107,049
Deposits on capital assets	<u>(108,459)</u>	<u>(363,518)</u>
(Increase) decrease in net book value of capital assets	<u>(1,056,887)</u>	<u>2,193,729</u>
Changes in non-financial assets		
(Increase) decrease in inventories	(47,503)	58,520
Decrease (increase) in prepaids	<u>1,286,723</u>	<u>(1,326,721)</u>
Decrease (increase) in non-financial assets	<u>1,239,220</u>	<u>(1,268,201)</u>
Decrease (increase) in net debt	<u>4,036,007</u>	<u>(6,407,279)</u>
Net debt, end of year	<u>\$ (89,939,915)</u>	<u>\$ (93,975,922)</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Cash Flows

Year ended March 31	2017	2016
Operating		
Surplus (deficit)	\$ 3,853,674	\$ (7,332,807)
Amortization	6,380,140	6,437,656
(Gain) loss on disposal of capital assets	(444,887)	28,971
Investment gains	<u>(43,984)</u>	<u>(10,191)</u>
	9,744,943	(876,371)
Changes in		
Receivables	(5,486,804)	1,985,938
Payables and accruals	(584,056)	(7,845,436)
Accrued vacation pay	(1,272,144)	1,061,304
Accrued severance pay	445,081	1,346,870
Accrued sick pay	489,226	638,474
Deferred grants	(2,041,305)	(4,488,516)
Inventories	(47,503)	58,519
Prepays	<u>1,286,723</u>	<u>(1,326,720)</u>
Net cash provided from (applied to) operations	<u>2,534,161</u>	<u>(9,445,938)</u>
Financing		
Repayment of long-term debt	(1,332,524)	(1,356,622)
Net changes in J.M. Olds funds	<u>817</u>	<u>(750)</u>
Net cash applied to financing	<u>(1,331,707)</u>	<u>(1,357,372)</u>
Investing		
Additions to capital assets	(7,452,118)	(4,016,429)
Deposits on capital assets	(108,459)	(363,518)
Increase in general endowment fund investments	(28,580)	(23,668)
Proceeds on disposal of capital assets	<u>568,437</u>	<u>107,049</u>
Net cash applied to investing	<u>(7,020,720)</u>	<u>(4,296,566)</u>
Net decrease in cash	<u>(5,818,266)</u>	<u>(15,099,876)</u>
Cash, net of bank indebtedness:		
Beginning	<u>10,431,922</u>	<u>25,531,798</u>
Ending (Note 3)	<u>\$ 4,613,656</u>	<u>\$ 10,431,922</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

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.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

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

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.

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

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.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

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

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

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 capital assets. In accordance with an operating agreement with Newfoundland and Labrador Housing Corporation, certain assets of the North Haven Manor Cottage Units Phase I, II, III, North Haven Manor Cottage Units Phase IV, Valley Vista Cottages, and Bonnews Lodge Apartment Complex are being amortized at a rate equal to the annual principal reduction of the mortgages related to the properties.

Purchased capital assets are recorded at cost. Assets are not amortized until placed in use. Contributed capital assets are recorded at fair value at the date of contribution. 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%
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 capital assets. These funds may only be used as approved by NLHC. Transactions in the reserves are shown in Note 10.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

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

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.

3. Cash	<u>2017</u>	<u>2016</u>
Operating:		
Cash	\$ 16,175	\$ 16,475
Bank – current accounts	<u>2,591,594</u>	<u>8,912,639</u>
	2,607,769	8,929,114
Cash and bank other:		
North Haven Manor Cottage Units Phase I, II, III	259,170	203,624
North Haven Manor Cottage Units Phase IV	23,756	22,726
Valley Vista Cottages	32,891	45,792
Central Northeast Health Foundation	808,702	635,930
South and Central Health Foundation	<u>881,368</u>	<u>594,736</u>
	<u>\$ 4,613,656</u>	<u>\$ 10,431,922</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, 2017 and March 31, 2016.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

4. Receivables	<u>2017</u>	<u>2016</u>
Operating		
Provincial plan grants - operating	\$ 14,126,300	\$ 6,338,500
Patient, rents and other	5,402,497	6,863,906
MCP	1,473,041	1,862,650
Cancer Foundation	461,416	733,022
HST	<u>513,964</u>	<u>557,194</u>
	21,977,218	16,355,272
Allowance for doubtful	<u>(539,383)</u>	<u>(496,201)</u>
	<u>21,437,835</u>	<u>15,859,071</u>
North Haven Manor Cottages Phase I,II,III		
Trade	298	670
Due from NLHC - operating subsidy	<u>1,384</u>	<u>6,270</u>
	<u>1,682</u>	<u>6,940</u>
North Haven Manor Cottages Phase IV		
Accrued interest	<u>401</u>	<u>444</u>
	<u>401</u>	<u>444</u>
Valley Vista Cottages		
Trade	-	335
Due from NLHC - operating subsidy	<u>2,655</u>	<u>4,257</u>
	<u>2,655</u>	<u>4,592</u>
Central Northeast Health Foundation Inc.		
Trade	854	5,565
Capital grant	<u>-</u>	<u>40,000</u>
	<u>854</u>	<u>45,565</u>
South and Central Health Foundation		
Trade	959	970
Capital grant	<u>-</u>	<u>40,000</u>
	<u>959</u>	<u>40,970</u>
	<u>\$ 21,444,386</u>	<u>\$ 15,957,582</u>

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Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2017

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>2017</u>	<u>2016</u>
Central Northeast Health Foundation Inc.	\$ 287,120	\$ 262,311
South and Central Health Foundation	<u>698,808</u>	<u>651,053</u>
	<u>\$ 985,928</u>	<u>\$ 913,364</u>

6. Payables and accruals

	<u>2017</u>	<u>2016</u>
Operating		
Trade	\$ 15,670,727	\$ 18,138,984
Residents comfort fund	80,643	80,073
Accrued - wages	9,417,272	7,551,459
- interest	<u>29,447</u>	<u>31,985</u>
	<u>25,198,089</u>	<u>25,802,501</u>
North Haven Manor Cottage Units Phase I,II,III		
Trade	15,936	4,747
Accrued interest	<u>155</u>	<u>640</u>
	<u>16,091</u>	<u>5,387</u>
North Haven Manor Cottage Units Phase IV		
Trade	1,612	1,613
Accrued interest	401	444
Due to NLHC - operating subsidy	<u>9,586</u>	<u>10,570</u>
	<u>11,599</u>	<u>12,627</u>
Valley Vista Cottages		
Trade	1,500	1,500
Accrued interest	<u>207</u>	<u>462</u>
	<u>1,707</u>	<u>1,962</u>
Bonnews Lodge Apartment Complex		
Trade	2,804	2,491
Accrued interest	548	612
Due to NLHC - operating subsidy	<u>13,583</u>	<u>4,604</u>
	<u>16,935</u>	<u>7,707</u>
South and Central Health Foundation		
Trade	<u>1,707</u>	-
	<u>1,707</u>	-
	<u>\$ 25,246,128</u>	<u>\$ 25,830,184</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

7. Employee future benefits 2017 2016

Future employee benefits related to accrued severance and accrued sick obligations have been calculated based on an actuarial valuation as at March 31, 2016 and extrapolated to March 31, 2017. 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:

Wages and salary escalation	3.75%	3.75%
Interest	3.70%	3.70%

Based on actuarial valuation of the liability, at March 31, 2017 the results for sick leave are:

Accrued sick pay obligation, beginning	\$ 22,438,672	\$ 17,999,871
Current period benefit cost	1,778,536	1,862,700
Benefit payments	(2,597,878)	(2,522,210)
Interest on the accrued benefit obligations	815,069	685,331
Actuarial losses	<u>-</u>	<u>4,412,980</u>
Accrued sick pay obligations, at end	<u>\$ 22,434,399</u>	<u>\$ 22,438,672</u>

Based on actuarial valuation of the liability, at March 31, 2017 the results for severance are:

Accrued benefit obligation, beginning	\$ 30,392,738	\$ 33,140,527
Current period benefit cost	2,135,560	2,378,599
Benefit payments	(2,829,468)	(2,246,598)
Interest on the accrued benefit obligation	1,111,697	943,949
Actuarial gains	<u>-</u>	<u>(3,823,739)</u>
Accrued severance obligation, at end	<u>\$ 30,810,527</u>	<u>\$ 30,392,738</u>

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

Sick benefits

Accrued benefit obligation	\$ 22,434,399	\$ 22,438,672
Unamortized actuarial gains	<u>(5,015,463)</u>	<u>(5,508,962)</u>
Accrued benefit liability	<u>\$ 17,418,936</u>	<u>\$ 16,929,710</u>

Severance benefits

Accrued benefit obligation	\$ 30,810,527	\$ 30,392,738
Unamortized actuarial losses	<u>664,754</u>	<u>637,462</u>
Accrued benefit liability	<u>\$ 31,475,281</u>	<u>\$ 31,030,200</u>

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Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2017

8. Deferred grants	<u>2017</u>	<u>2016</u>
Deferred operating grants	\$ 815,954	\$ 1,347,325
Deferred capital grants	<u>17,677,518</u>	<u>19,187,452</u>
	<u>\$ 18,493,472</u>	<u>\$ 20,534,777</u>

9. Long-term debt	<u>2017</u>	<u>2016</u>
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Operating

0.99% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$11,734, interest included; maturing April 2020, renewable April 2020.

	\$ 427,416	\$ 563,281
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7.5% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$4,574, interest included; maturing July 2023.

	277,772	310,852
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1.59% Canadian Imperial Bank of Commerce deferred demand loan; repayable in equal monthly instalments of \$3,056, plus interest; maturing December 2018.

	64,097	100,769
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3.53% Canadian Imperial Bank of Commerce loan for Carmelite House, unsecured; repayable in equal monthly instalments of \$58,386, interest included; maturing January 2027.

	5,813,756	6,299,814
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2.97% Canadian Imperial Bank of Commerce mortgage on 3 Twomey Dr, Botwood housing; repayable in equal monthly instalments of \$384, interest included; maturing June 2027, renewable July 2018.

	40,737	44,092
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2.89% Canadian Imperial Bank of Commerce mortgage on 145 Commonwealth Ave, Botwood housing; repayable in equal monthly instalments of \$347, interest included; maturing July 2027, renewable August 2018.

	36,888	39,939
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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.

	864,008	915,431
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Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

9. Long-term debt (cont'd)	<u>2017</u>	<u>2016</u>
7.88% Newfoundland and Labrador Housing Corporation mortgage on Authority offices; repayable in equal monthly instalments of \$8,165, interest included; maturing October 2024.	558,607	611,018
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.	212,281	300,592
2.99% Bank of Nova Scotia 1st mortgage on land and building at 1 Newman's Hill, Twillingate; repayable in equal monthly instalments of \$406, interest included; maturing July 2024, renewable May 2017.	31,730	35,912
2.99% Bank of Nova Scotia 1st mortgage on land and building at 42 Howlett's Road, Twillingate; repayable in equal monthly instalments of \$352, interest included; maturing April 2020, renewable May 2017.	12,099	16,210
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, renewable December 2019.	<u>13,006</u>	<u>17,085</u>
	<u>8,352,397</u>	<u>9,254,995</u>
North Haven Manor Cottages Phase I,II,III		
4.25% Industrial Alliance Insurance and Financial Services Inc. mortgage on North Haven Manor Cottages, repaid during the year.	-	76,660
1.64% Newfoundland and Labrador Housing Corporation mortgage on North Haven Manor Cottages; repayable in equal monthly instalments of \$8,541, interest included; maturing November 2018.	<u>168,242</u>	<u>267,234</u>
	<u>168,242</u>	<u>343,894</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

9. Long-term debt (cont'd)	<u>2017</u>	<u>2016</u>
North Haven Manor Cottages Phase IV		
1.81% Newfoundland and Labrador Housing Corporation mortgage on North Haven Manor Cottages; repayable in equal monthly instalments of \$3,046, interest included maturing July 2025, renewable April 2027.	<u>282,562</u>	<u>313,927</u>
Valley Vista Cottages		
2.26% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Cottages, repaid during the year.	-	14,515
1.53% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Cottages; repayable in equal monthly instalments of \$9,738, interest included; maturing December 2017.	<u>86,954</u>	201,534
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.	<u>66,578</u>	<u>122,650</u>
	<u>153,532</u>	<u>338,699</u>
Bonnews Lodge Apartment Complex		
2.04% Newfoundland and Labrador Housing Corporation 1st mortgage on Bonnews Apartment Complex; repayable in equal monthly instalments of \$3,714, interest included; maturing November 2024, renewable April 2019.	<u>316,172</u>	<u>353,914</u>
	<u>\$ 9,272,905</u>	<u>\$ 10,605,429</u>

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

2018	\$ 1,247,927
2019	1,106,260
2020	975,473
2021	844,112
2022	867,998
Thereafter	4,231,135

Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2017

10. Replacement reserves	<u>2017</u>	<u>2016</u>
North Haven Manor Cottages Phase I,II,III		
Balance, beginning	\$ 30,435	\$ 17,635
Add:		
Allocation for year	30,220	30,220
Contributions from Authority	<u>12,900</u>	<u>12,900</u>
	73,555	60,755
Less:		
Approved expenditures	<u>41,885</u>	<u>30,320</u>
Balance, ending	<u>31,670</u>	<u>30,435</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	38	2,477
Add:		
Allocation for year	<u>30,000</u>	<u>30,000</u>
	30,038	32,477
Less:		
Approved expenditures	<u>27,947</u>	<u>32,439</u>
Balance, ending	<u>2,091</u>	<u>38</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>\$ 178,804</u>	<u>\$ 175,516</u>
Funding		
Replacement reserve funds	\$ 33,761	\$ 30,473
Due from Newfoundland and Labrador Housing Corporation	<u>145,043</u>	<u>145,043</u>
	<u>\$ 178,804</u>	<u>\$ 175,516</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

11. Capital assets			2017	2016
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Operating				
Land	\$ 448,826	\$ -	\$ 448,826	\$ 448,832
Land improvements	1,031,546	777,903	253,643	266,993
Buildings and service equipment	67,580,775	48,179,123	19,401,652	18,003,011
Equipment	131,522,523	98,657,159	32,865,364	32,731,998
Equipment under capital lease	2,781,898	2,639,236	142,662	177,713
Motor vehicles	2,968,422	2,244,674	723,748	799,997
Motor vehicles under capital lease	196,503	187,759	8,744	11,644
	<u>206,530,493</u>	<u>152,685,854</u>	<u>53,844,639</u>	<u>52,440,188</u>
North Haven Manor Cottages Phase I, II, III				
Land	16,900	-	16,900	16,900
Land improvements	180,500	146,872	33,628	44,008
Buildings	3,268,158	2,750,584	517,574	698,447
Equipment	113,848	93,624	20,224	26,827
	<u>3,579,406</u>	<u>2,991,080</u>	<u>588,326</u>	<u>786,182</u>
North Haven Manor Cottages Phase IV				
Land	24,571	-	24,571	24,571
Buildings	687,616	414,625	272,991	304,356
	<u>712,187</u>	<u>414,625</u>	<u>297,562</u>	<u>328,927</u>
Valley Vista Cottages				
Land	27,014	-	27,014	27,014
Buildings	3,588,770	3,429,027	159,743	344,910
Equipment	33,262	33,262	-	-
	<u>3,649,046</u>	<u>3,462,289</u>	<u>186,757</u>	<u>371,924</u>
Bonnews Lodge Apartment Complex				
Land	774	-	774	774
Buildings	870,021	556,857	313,164	350,640
Equipment	6,204	3,971	2,233	2,500
	<u>876,999</u>	<u>560,828</u>	<u>316,171</u>	<u>353,914</u>
South and Central Health Foundation				
Land	33,134	-	33,134	33,134
Buildings	119,141	45,202	73,939	77,831
	<u>152,275</u>	<u>45,202</u>	<u>107,073</u>	<u>110,965</u>
	<u>\$ 215,500,406</u>	<u>\$ 160,159,878</u>	<u>\$ 55,340,528</u>	<u>\$ 54,392,100</u>

Book value of capitalized items that have not been amortized is \$952,599.

Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2017

12. Inventories	<u>2017</u>	<u>2016</u>
General stores	\$ 1,106,770	\$ 1,067,817
Drugs	<u>1,327,064</u>	<u>1,318,514</u>
	<u>\$ 2,433,834</u>	<u>\$ 2,386,331</u>

13. Prepaids	<u>2017</u>	<u>2016</u>
Operating		
Equipment maintenance	\$ 1,559,775	\$ 2,206,328
Malpractice and membership fees	63,098	66,177
General insurance	313,021	263,531
Municipal taxes	688,569	691,351
Other	<u>696,902</u>	<u>1,382,436</u>
	3,321,365	4,609,823
Municipal taxes		
North Haven Manor Cottage Units Phase I, II, III	53,102	51,549
North Haven Manor Cottage Units Phase IV	6,215	6,033
Valley Vista Cottages	36,230	36,230
South and Central Health Foundation	<u>1,433</u>	<u>1,433</u>
	<u>\$ 3,418,345</u>	<u>\$ 4,705,068</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 2017 was \$50,503 (2016 - \$52,766) for operating facilities and \$366,227 (2016 - \$363,586) for the Authority's Cottage operations.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2017

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:

2018	\$ 360,386
2019	287,834
2020	231,601
2021	92,126
2022	7,361

16. Contingencies

As of March 31, 2017 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.

Financial Statement Appendix

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Central Regional Health Authority

Operating Statement of Financial Position

March 31	2017	2016
Financial assets		
Cash (Note 3)	\$ 2,607,769	\$ 8,929,114
Receivables (Note 4)	21,437,835	15,859,071
Residents' trust funds held on deposit	789,754	663,030
Due from cottage operations and foundations - net	<u>581,053</u>	<u>531,046</u>
	<u>25,416,411</u>	<u>25,982,261</u>
Liabilities		
Payables and accruals (Note 6)	25,198,089	25,802,501
Employee future benefits		
Accrued vacation pay	14,989,099	16,259,445
Accrued severance pay (Note 7)	31,475,281	31,030,200
Accrued sick pay (Note 7)	17,418,936	16,929,710
Deferred grants (Note 8)	18,493,472	20,534,777
Long-term debt (Note 9)	8,352,397	9,254,995
Trust funds payable	789,754	663,030
J.M Olds scholarship and library funds	<u>83,797</u>	<u>82,981</u>
	<u>116,800,825</u>	<u>120,557,639</u>
Net financial debt	<u>(91,384,414)</u>	<u>(94,575,378)</u>
Non-financial assets		
Capital assets (Note 11)	53,844,639	52,440,188
Deposits on capital assets	717,787	609,330
Inventories (Note 12)	2,433,834	2,386,331
Prepays (Note 13)	<u>3,321,365</u>	<u>4,609,823</u>
	<u>60,317,625</u>	<u>60,045,672</u>
Accumulated deficit	<u>\$ (31,066,789)</u>	<u>\$ (34,529,706)</u>

Central Regional Health Authority

Operating Statement of Operations

Year ended March 31	Budget 2017	Actual 2017	Actual 2016
Revenue			
Provincial plan	\$ 345,846,017	\$ 345,846,017	\$ 333,311,634
Provincial capital grants	-	6,155,267	3,591,557
Other capital contributions	-	308,884	300,302
MCP	12,587,431	11,440,138	13,012,427
Inpatient	1,699,000	1,703,908	2,595,971
Outpatient	3,287,000	3,389,804	3,279,284
Resident	8,726,000	8,717,904	8,882,755
CMHC mortgage interest subsidy (Note 14)	54,982	50,503	52,766
Capital project funding	85,782	2,538,228	12,921,284
National Child Benefit	159,677	159,677	159,677
Early Childhood Development	345,992	345,992	347,217
Recoveries - salaries	1,633,002	2,169,602	2,757,073
- services	636,500	644,270	609,761
- ambulance	254,000	249,084	827,590
- drugs	6,770,000	6,746,788	6,503,001
Other revenue	3,910,295	5,327,962	4,723,741
	<u>385,995,678</u>	<u>395,794,028</u>	<u>393,876,040</u>
Expenditure			
Administration	34,586,592	34,390,729	33,774,833
Community and social services	106,654,314	103,130,452	99,162,760
Support services	64,179,103	63,779,560	65,002,316
Nursing inpatient services	87,805,791	90,995,861	90,779,911
Ambulatory care services	25,768,180	25,882,560	25,139,329
Diagnostic and therapeutic services	48,268,421	47,935,533	47,069,948
Medical services	16,275,329	16,542,546	18,182,819
Educational services	1,322,248	1,233,771	1,546,216
Undistributed	1,135,700	3,296,908	11,821,784
	<u>385,995,678</u>	<u>387,187,920</u>	<u>392,479,916</u>
Surplus – shareable	-	8,606,108	1,396,124
Non-shareable items			
Gain (loss) on disposal of capital assets	-	444,887	(28,971)
Amortization of capital assets	-	(5,924,116)	(5,921,298)
Accrued vacation pay – decrease (increase)	-	1,270,345	(1,061,617)
Accrued severance pay – increase	-	(445,081)	(1,346,870)
Accrued sick pay – increase	-	(489,226)	(638,474)
	-	<u>(5,143,191)</u>	<u>(8,997,230)</u>
Surplus (deficit)- shareable and non-shareable	-	3,462,917	(7,601,106)
Accumulated deficit			
Beginning of year	-	(34,529,706)	(26,928,600)
End of year	\$ -	\$ (31,066,789)	\$ (34,529,706)

Central Regional Health Authority

Operating Statement of Changes in Net Financial Debt

Year ended March 31	2017	2016
Net debt - beginning of year	<u>\$ (94,575,378)</u>	<u>\$ (87,388,455)</u>
Surplus (deficit)	<u> 3,462,917</u>	<u> (7,601,106)</u>
Changes in capital assets		
Acquisition of capital assets	(7,452,118)	(4,016,428)
Amortization of capital assets	5,924,117	5,921,298
(Gain) loss on disposal of capital assets	(444,887)	28,971
Proceeds on disposal of capital assets	568,437	107,049
Deposits on capital assets	<u>(108,457)</u>	<u>(363,518)</u>
(Increase) decrease in net book value of capital assets	<u> (1,512,908)</u>	<u> 1,677,372</u>
Changes in other non-financial assets		
Decrease (increase) in prepaids	1,288,458	(1,321,708)
(Increase) decrease in inventories	<u>(47,503)</u>	<u> 58,519</u>
Decrease (increase) in other non-financial assets	<u> 1,240,955</u>	<u> (1,263,189)</u>
Decrease (Increase) in net debt	<u> 3,190,964</u>	<u> (7,186,923)</u>
Net debt - end of year	<u>\$ (91,384,414)</u>	<u>\$ (94,575,378)</u>

Central Regional Health Authority

Operating Statement of Cash Flows

Year ended March 31

2017

2016

Operating

Surplus (deficit)	\$ 3,462,917	\$ (7,601,106)
Amortization	5,924,117	5,921,298
(Gain) loss on disposal on capital assets	<u>(444,887)</u>	<u>28,971</u>
	8,942,147	(1,650,837)
Changes in		
Receivables	(5,578,764)	2,027,850
Due from cottage operations and Foundations	(50,007)	173,861
Inventories	(47,503)	58,519
Prepays	1,288,458	(1,321,706)
Payables and accruals	(604,412)	(7,848,761)
Accrued vacation pay	(1,270,346)	1,061,617
Accrued severance pay	445,081	1,346,870
Accrued sick pay	489,226	638,474
Deferred grants	<u>(2,041,305)</u>	<u>(4,488,516)</u>
Net cash provided from (applied to) operations	<u>1,572,575</u>	<u>(10,002,629)</u>
Financing		
Repayment of long-term debt	(902,598)	(867,758)
Net changes in J.M. Olds funds	<u>816</u>	<u>(750)</u>
Net cash applied to financing	<u>(901,782)</u>	<u>(868,508)</u>
Investing		
Additions to capital assets	(7,452,118)	(4,016,428)
Deposits on capital assets	(108,457)	(363,519)
Proceeds on disposal of capital assets	<u>568,437</u>	<u>107,049</u>
Net cash applied to investing	<u>(6,992,138)</u>	<u>(4,272,898)</u>
Net decrease in cash and cash equivalents	<u>(6,321,345)</u>	<u>(15,144,035)</u>
Cash, net of bank indebtedness		
Beginning	<u>8,929,114</u>	<u>24,073,149</u>
Ending (Note 3)	<u>\$ 2,607,769</u>	<u>\$ 8,929,114</u>

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

March 31	2017	2016
Financial assets		
Cash (Note 3)	\$ 259,170	\$ 203,624
Receivables (Note 4)	1,682	6,940
Cash restricted for security deposits	21,065	18,464
Replacement reserve cash	<u>31,670</u>	<u>30,435</u>
	<u>313,587</u>	<u>259,463</u>
Liabilities		
Payables and accruals (Note 6)	16,091	5,387
Due to Central Regional Health Authority	155,953	132,651
Long-term debt (Note 9)	168,242	343,894
Security deposit liability	21,065	18,464
Replacement reserves (Note 10)	<u>31,670</u>	<u>30,435</u>
	<u>393,021</u>	<u>530,831</u>
Net financial debt	<u>(79,434)</u>	<u>(271,368)</u>
Non-financial assets		
Capital assets (Note 11)	588,326	786,180
Prepays (Note 13)	<u>53,102</u>	<u>51,549</u>
	<u>641,428</u>	<u>837,729</u>
Accumulated surplus	<u>\$ 561,994</u>	<u>\$ 566,361</u>

Central Regional Health Authority
North Haven Manor Cottages Phase I, II, III
Statement of Operations
 Year ended March 31

	Budget 2017	Actual 2017	Actual 2016
Revenue			
Rentals	\$ 550,524	\$ 546,649	\$ 538,810
NLHC subsidy (Note 14)	<u>183,783</u>	<u>175,556</u>	<u>192,110</u>
	<u>734,307</u>	<u>722,205</u>	<u>730,920</u>
Expenditure			
Administration	9,300	9,300	9,300
Allocation to replacement reserve	30,220	30,220	30,220
Amortization	197,715	197,855	219,166
Heat and light	164,000	146,466	158,930
Insurance	8,200	7,320	6,975
Mortgage interest	4,981	4,233	10,259
Municipal taxes	67,500	68,928	64,247
Office	300	238	53
Professional fees	3,000	2,040	2,000
Repairs and maintenance	90,000	104,350	44,708
Salaries and benefits	142,400	127,982	115,139
Snowclearing	8,900	25,000	20,000
Telephone	<u>2,400</u>	<u>2,640</u>	<u>2,568</u>
	<u>728,916</u>	<u>726,572</u>	<u>683,565</u>
Annual (deficit) surplus	5,391	(4,367)	47,355
Accumulated surplus			
Beginning of year	<u>566,361</u>	<u>566,361</u>	<u>519,006</u>
End of year	<u>\$ 571,752</u>	<u>\$ 561,994</u>	<u>\$ 566,361</u>

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

Year ended March 31	2017	2016
Net debt - beginning of year	\$ (271,368)	\$ (533,717)
Annual (deficit) surplus	(4,367)	47,355
Changes in capital assets		
Amortization of capital assets	<u>197,854</u>	<u>219,166</u>
Decrease in net book value of capital assets	197,854	219,166
Changes in non-financial assets		
Increase in prepaids	<u>(1,553)</u>	<u>(4,172)</u>
Increase in other non-financial assets	(1,553)	(4,172)
Decrease in net debt	191,934	262,349
Net debt - end of year	\$ (79,434)	\$ (271,368)

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

Year ended March 31	2017	2016
Operations		
Annual (deficit) surplus	\$ (4,367)	\$ 47,355
Amortization	<u>197,854</u>	<u>219,166</u>
	193,487	266,521
Changes in		
Receivables	5,258	(644)
Payables and accruals	10,704	541
Due to Central Regional Health Authority	23,302	(15,688)
Prepays	<u>(1,553)</u>	<u>(4,173)</u>
Net cash provided from operations	<u>231,198</u>	<u>246,557</u>
Financing		
Repayment of long-term debt	<u>(175,652)</u>	<u>(195,767)</u>
Net cash applied to financing	<u>(175,652)</u>	<u>(195,767)</u>
Net increase in cash and cash equivalents	55,546	50,790
Cash		
Beginning	<u>203,624</u>	<u>152,834</u>
Ending (Note 3)	<u>\$ 259,170</u>	<u>\$ 203,624</u>

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

March 31	2017	2016
Financial assets		
Cash (Note 3)	\$ 23,756	\$ 22,726
Receivables (Note 4)	401	444
Cash restricted for security deposits	1,032	1,032
Due from NLHC for replacement reserve	<u>82,643</u>	<u>82,643</u>
	<u>107,832</u>	<u>106,845</u>
Liabilities		
Payables and accruals (Note 6)	11,599	12,627
Due to Central Regional Health Authority	18,773	16,576
Long-term debt (Note 9)	282,562	313,927
Security deposit liability	1,032	1,032
Replacement reserve (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>396,609</u>	<u>426,805</u>
Net financial debt	<u>(288,777)</u>	<u>(319,960)</u>
Non-financial assets		
Capital assets (Note 11)	297,562	328,927
Prepays (Note 13)	<u>6,215</u>	<u>6,033</u>
	<u>303,777</u>	<u>334,960</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
2017

Actual
2017

Actual
2016

Revenue

Rentals	\$ 49,944	\$ 47,879	\$ 49,176
NLHC subsidy (Note 14)	<u>49,794</u>	<u>72,516</u>	<u>38,328</u>
	<u>99,738</u>	<u>120,395</u>	<u>87,504</u>

Expenditure

Administration	3,600	3,600	3,600
Amortization	31,365	31,365	30,825
Heat and light	20,364	16,543	18,652
Insurance	1,000	935	790
Mortgage interest	4,978	4,934	5,473
Municipal taxes	8,255	8,067	7,441
Professional fees	2,770	1,620	1,500
Repairs and maintenance	11,100	37,445	3,480
Salaries and benefits	12,000	10,526	11,431
Snowclearing	4,000	5,000	4,000
Telephone	<u>306</u>	<u>360</u>	<u>312</u>
	<u>99,738</u>	<u>120,395</u>	<u>87,504</u>

Annual surplus

- - -

Accumulated surplus

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	2017	2016
Net debt, beginning of year	\$ (319,960)	\$ (350,219)
Annual surplus	—	—
Changes in capital assets		
Amortization of capital assets	<u>31,365</u>	<u>30,825</u>
Decrease in net book value of capital assets	<u>31,365</u>	<u>30,825</u>
Changes in non-financial assets		
Increase in prepaids	<u>(182)</u>	<u>(566)</u>
Increase in non-financial assets	<u>(182)</u>	<u>(566)</u>
Decrease in net debt	<u>31,183</u>	<u>30,259</u>
Net debt, end of year	<u>\$ (288,777)</u>	<u>\$ (319,960)</u>

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

Year ended March 31	2017	2016
Operations		
Annual surplus	\$ -	\$ -
Amortization	<u>31,365</u>	<u>30,825</u>
	31,365	30,825
Changes in		
Receivables	43	45
Prepays	(182)	(566)
Payables and accruals	(1,027)	(1,598)
Due to Central Regional Health Authority	<u>2,196</u>	<u>178</u>
Net cash provided from operations	<u>32,395</u>	<u>28,884</u>
Financing		
Repayment of long-term debt	<u>(31,365)</u>	<u>(30,825)</u>
Net cash applied to financing	<u>(31,365)</u>	<u>(30,825)</u>
Net increase (decrease) in cash and cash equivalents	1,030	(1,941)
Cash		
Beginning	<u>22,726</u>	<u>24,667</u>
Ending (Note 3)	<u>\$ 23,756</u>	<u>\$ 22,726</u>

Central Regional Health Authority
Valley Vista Cottages
Statement of Financial Position

March 31	2017	2016
Financial assets		
Cash (Note 3)	\$ 32,891	\$ 45,792
Receivables (Note 4)	2,655	4,592
Cash restricted for security deposits	20,951	20,526
Replacement reserve cash	<u>2,091</u>	<u>38</u>
	<u>58,588</u>	<u>70,948</u>
Liabilities		
Payables and accruals (Note 6)	1,707	1,962
Due to Central Regional Health Authority	324,479	289,330
Long-term debt (Note 9)	153,532	338,699
Security deposit liability	20,951	20,526
Replacement reserves (Note 10)	<u>2,091</u>	<u>38</u>
	<u>502,760</u>	<u>650,555</u>
Net financial debt	<u>(444,172)</u>	<u>(579,607)</u>
Non-financial assets		
Capital assets (Note 11)	186,757	371,924
Prepays (Note 13)	<u>36,230</u>	<u>36,230</u>
	<u>222,987</u>	<u>408,154</u>
Accumulated deficit	<u>\$ (221,185)</u>	<u>\$ (171,453)</u>

Central Regional Health Authority
Valley Vista Cottages

Statement of Operations

Year ended March 31

	Budget 2017	Actual 2017	Actual 2016
Revenue			
Rentals	\$ 552,660	\$ 540,664	\$ 526,980
NLHC subsidy (Note 14)	<u>36,668</u>	<u>35,066</u>	<u>51,083</u>
	<u>589,328</u>	<u>575,730</u>	<u>578,063</u>
Expenditure			
Allocation to replacement reserve	30,000	30,000	30,000
Amortization	185,152	185,166	225,319
Cable television	16,500	19,409	16,789
Heat and light	143,000	119,514	126,429
Insurance	7,800	7,787	7,506
Lawn care	4,500	4,469	4,320
Mortgage interest	3,942	3,719	7,272
Municipal taxes	46,500	48,087	47,899
Office	1,200	821	936
Professional fees	3,000	1,800	2,000
Repairs and maintenance	53,000	130,634	76,129
Salaries and benefits	65,400	60,931	63,330
Snowclearing	<u>6,500</u>	<u>13,125</u>	<u>5,704</u>
	<u>566,494</u>	<u>625,462</u>	<u>613,633</u>
Annual deficit	22,834	(49,732)	(35,570)
Accumulated deficit			
Beginning of year	<u>(171,453)</u>	<u>(171,453)</u>	<u>(135,883)</u>
End of year	<u>\$ (148,619)</u>	<u>\$ (221,185)</u>	<u>\$ (171,453)</u>

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

Year ended March 31	2017	2016
Net debt - beginning of year	\$ (579,607)	\$ (769,167)
Annual deficit	(49,732)	(35,570)
Changes in capital assets		
Amortization of capital assets	185,167	225,319
Decrease in net book value of capital assets	185,167	225,319
Changes in non-financial assets		
Increase in prepaids	-	(189)
Increase in non-financial assets	-	(189)
Decrease in net debt	135,435	189,560
Net debt - end of year	\$ (444,172)	\$ (579,607)

Central Regional Health Authority
Valley Vista Cottages
Statement of Cash Flows

Year ended March 31	2017	2016
Operations		
Annual deficit	\$ (49,732)	\$ (35,570)
Amortization	<u>185,167</u>	<u>225,319</u>
	135,435	189,749
Changes in		
Receivables	1,937	(335)
Payables and accruals	(255)	(335)
Due to Central Regional Health Authority	35,149	58,940
Prepays	<u>-</u>	<u>(189)</u>
Net cash provided from operations	<u>172,266</u>	<u>247,830</u>
Financing		
Repayment of long-term debt	<u>(185,167)</u>	<u>(225,319)</u>
Net cash applied to financing	<u>(185,167)</u>	<u>(225,319)</u>
Net (decrease) increase in cash and cash equivalents	(12,901)	22,511
Cash		
Beginning	<u>45,792</u>	<u>23,281</u>
Ending (Note 3)	<u>\$ 32,891</u>	<u>\$ 45,792</u>

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

March 31	2017	2016
Financial assets		
Due from Central Regional Health Authority	\$ 16,936	\$ 7,707
Due from NLHC for replacement reserve	<u>62,400</u>	<u>62,400</u>
	<u>79,336</u>	<u>70,107</u>
Liabilities		
Payables and accruals (Note 6)	16,935	7,707
Long-term debt (Note 9)	316,172	353,914
Replacement reserve (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>395,507</u>	<u>424,021</u>
Net financial debt	<u>(316,171)</u>	<u>(353,914)</u>
Non-financial assets		
Capital assets (Note 11)	<u>316,171</u>	<u>353,914</u>
Accumulated surplus	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority
 Bonnews Lodge Apartment Complex
 Statement of Operations

Year ended March 31	Budget 2017	Actual 2017	Actual 2016
Revenue			
Rentals	\$ 62,340	\$ 63,730	\$ 61,521
NLHC subsidy (Note 14)	93,125	81,487	82,066
Surcharges - utilities	3,120	3,100	3,098
- laundry	1,440	1,430	1,430
- other	<u>3,600</u>	<u>3,575</u>	<u>3,882</u>
	<u>163,625</u>	<u>153,322</u>	<u>151,997</u>
Expenditure			
Administration allowance	9,932	9,272	10,106
Amortization	37,742	37,742	36,952
Fire and safety	1,100	2,544	1,869
Heat and light	22,750	20,226	21,948
Insurance	700	720	709
Mortgage interest	6,828	6,764	7,553
Municipal taxes	8,676	9,900	8,937
Professional fees	2,400	2,400	2,400
Repairs and maintenance	57,512	47,620	45,541
Snowclearing	<u>15,985</u>	<u>16,134</u>	<u>15,982</u>
	<u>163,625</u>	<u>153,322</u>	<u>151,997</u>
Annual surplus	-	-	-
Accumulated surplus			
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	2017	2016
Net debt - beginning of year	\$ (353,914)	\$ (390,866)
Annual surplus	_____ -	_____ -
Changes in capital assets		
Amortization of capital assets	<u>37,743</u>	<u>36,952</u>
Decrease in net book value of capital assets	<u>37,743</u>	<u>36,952</u>
Decrease in net debt	<u>37,743</u>	<u>36,952</u>
Net debt - end of year	<u>\$ (316,171)</u>	<u>\$ (353,914)</u>

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

Year ended March 31	2017	2016
Operations		
Annual surplus	\$ -	\$ -
Amortization	<u>37,743</u>	<u>36,952</u>
	37,743	36,952
Changes in		
Payables and accruals	9,228	(4,717)
Due to Central Regional Health Authority	<u>(9,229)</u>	<u>4,717</u>
Net cash provided from operations	<u>37,742</u>	<u>36,952</u>
Financing		
Repayment of long-term debt	<u>(37,742)</u>	<u>(36,952)</u>
Net cash applied to financing	<u>(37,742)</u>	<u>(36,952)</u>
Net increase in cash and cash equivalents	-	-
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	2017	2016
Financial assets		
Cash (Note 3)	\$ 808,702	\$ 635,930
Receivables (Note 4)	854	45,565
Investments restricted for general endowment fund (Note 5)	<u>287,120</u>	<u>262,311</u>
	<u>1,096,676</u>	<u>943,806</u>
Liabilities		
Accrued payable	1,707	-
Accrued vacation pay	2,255	2,711
Due to Central Regional Health Authority	<u>50,843</u>	<u>61,074</u>
	<u>54,805</u>	<u>63,785</u>
Accumulated surplus	<u>\$ 1,041,871</u>	<u>\$ 880,021</u>

Central Regional Health Authority
Central Northeast Health Foundation Inc.

Statement of Operations	Budget	Actual	Actual
Year ended March 31	2017	2017	2016
Revenue			
Donations	\$ 362,000	\$ 472,892	\$ 426,272
Staff lottery	47,500	43,422	48,183
Gift shop	160,500	125,803	-
Endowment fund			
Investment income	5,000	5,299	12,976
Investment gains	3,000	14,042	2,429
Grants	27,000	39,000	40,000
Interest and recoveries	<u>6,000</u>	<u>11,112</u>	<u>6,722</u>
	<u>611,000</u>	<u>711,570</u>	<u>536,582</u>
Expenditure			
Donations for the purchase of			
Capital equipment	180,000	143,979	225,420
Minor equipment	50,000	137,176	62,789
Patient comfort items	66,500	19,341	15,903
Healing Garden	-	-	1,104
Gift shop	133,776	109,551	-
Office	9,000	2,150	1,964
Other supplies and expenses	24,000	31,864	31,217
Salaries and benefits	100,000	105,567	92,875
Travel	<u>600</u>	<u>92</u>	<u>502</u>
	<u>563,876</u>	<u>549,720</u>	<u>431,774</u>
Annual surplus	47,124	161,850	104,808
Accumulated surplus			
Beginning of year	<u>880,021</u>	<u>880,021</u>	<u>775,213</u>
End of year	<u>\$ 927,145</u>	<u>\$ 1,041,871</u>	<u>\$ 880,021</u>

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

Year ended March 31	2017	2016
Net assets – beginning of year	\$ 880,021	\$ 775,213
Annual surplus	<u>161,850</u>	<u>104,808</u>
Net assets – end of year	<u>\$ 1,041,871</u>	<u>\$ 880,021</u>

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

Year ended March 31	2017	2016
Operations		
Annual surplus	\$ 161,850	\$ 104,808
Investment gains	<u>(14,042)</u>	<u>(7,656)</u>
	147,808	97,152
Change in		
Receivables	44,712	(17,508)
Due from Central Regional Health Authority	(10,232)	(71,264)
Accrued payables	1,707	-
Accrued vacation pay	<u>(455)</u>	<u>(146)</u>
Net cash provided from operations	<u>183,540</u>	<u>8,234</u>
Investing		
Endowment fund investments		
Contributions	(5,469)	(3,970)
Reinvested income	<u>(5,299)</u>	<u>(7,749)</u>
Net cash applied to investing	<u>(10,768)</u>	<u>(11,719)</u>
Net increase (decrease) in cash and cash equivalents	172,772	(3,485)
Cash		
Beginning of year	<u>635,930</u>	<u>639,415</u>
End of year (Note 3)	<u>\$ 808,702</u>	<u>\$ 635,930</u>

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

March 31	2017	2016
Financial assets		
Cash (Note 3)	\$ 881,368	\$ 594,737
Capital grant receivable (Note 4)	959	40,970
Investments restricted for general endowment fund (Note 5)	<u>698,808</u>	<u>651,053</u>
	<u>1,581,135</u>	<u>1,286,760</u>
Liabilities		
Accrued vacation pay	2,011	3,355
Due to Central Regional Health Authority	<u>47,943</u>	<u>39,123</u>
	<u>49,954</u>	<u>42,478</u>
Net financial assets	<u>1,531,181</u>	<u>1,244,282</u>
Non-financial assets		
Capital assets (Note 11)	107,073	110,965
Prepays (Note 13)	<u>1,433</u>	<u>1,433</u>
	<u>108,506</u>	<u>112,398</u>
Accumulated surplus	<u>\$ 1,639,687</u>	<u>\$ 1,356,680</u>

Central Regional Health Authority
South and Central Health Foundation

Statement of Operations

Year ended March 31	Budget 2017	Actual 2017	Actual 2016
Revenue			
Donations	\$ 335,900	\$ 532,900	\$ 368,364
Staff lottery	63,000	64,366	69,642
Grants	60,000	45,760	40,000
Endowment fund			
Investment income	10,000	12,773	7,945
Investment gains	4,000	29,942	2,535
Rentals	15,600	14,300	15,600
Interest and recoveries	<u>6,500</u>	<u>15,395</u>	<u>14,260</u>
	<u>495,000</u>	<u>715,436</u>	<u>518,346</u>
Expenditure			
Donations for the purchase of			
Capital equipment	200,000	164,905	36,186
Minor equipment	15,500	92,949	84,814
Patient comfort items	76,500	29,720	97,281
Other supplies and expenses	32,600	32,530	33,194
Rental expenses, including amortization of \$3,892 (2016 -\$4,096)	6,200	5,803	5,921
Salaries and benefits	<u>106,000</u>	<u>106,522</u>	<u>109,245</u>
	<u>436,800</u>	<u>432,429</u>	<u>366,641</u>
Annual surplus	58,200	283,007	151,705
Accumulated surplus			
Beginning of year	<u>1,356,680</u>	<u>1,356,680</u>	<u>1,204,975</u>
End of year	<u>\$ 1,414,880</u>	<u>\$ 1,639,687</u>	<u>\$ 1,356,680</u>

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

Year ended March 31	2017	2016
Net assets – beginning of year	\$ 1,244,282	\$ 1,088,568
Annual Surplus	283,007	151,705
Changes in capital assets		
Amortization of capital assets	<u>3,892</u>	<u>4,096</u>
Decrease in net book value of capital assets	<u>3,892</u>	<u>4,096</u>
Changes in other non-financial assets		
Increase in prepaids	<u>-</u>	<u>(87)</u>
Increase in other non-financial assets	<u>-</u>	<u>(87)</u>
Increase in net assets	286,899	155,714
Net assets – end of year	\$ 1,531,181	\$ 1,244,282

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

Year ended March 31	2017	2016
Operations		
Annual surplus	\$ 283,007	\$ 151,705
Amortization	3,892	4,096
Investment gains	<u>(29,942)</u>	<u>(2,535)</u>
	256,957	153,266
Change in		
Prepays	-	(87)
Due to Central Regional Health Authority	8,820	(141,312)
Capital grant receivable	40,011	(23,470)
Accrued vacation pay	<u>(1,344)</u>	<u>(163)</u>
Net cash provided by (applied to) operations	<u>304,444</u>	<u>(11,766)</u>
Investing		
Endowment fund investments		
Contributions	(5,040)	(4,005)
Reinvested income	<u>(12,773)</u>	<u>(7,945)</u>
Net cash applied to investing	<u>(17,813)</u>	<u>(11,950)</u>
Net increase (decrease) in cash and cash equivalents	286,631	(23,716)
Cash		
Beginning of year	<u>594,737</u>	<u>618,453</u>
End of year (Note 3)	<u>\$ 881,368</u>	<u>\$ 594,737</u>



Grant Thornton

Supplementary Financial Information

Central Regional Health Authority

March 31, 2017

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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 the National Child Benefit (NCB) and Early Childhood Development (ECD) and deferred operating revenue as at March 31, 2017 and the year then ended are derived from the audited consolidated financial statements of Central Regional Health Authority as at March 31, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated June 20, 2017.

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, 2017 are a fair summary of those financial statements.

Gander, Canada

June 20, 2017



Chartered Professional Accountants

Central Regional Health Authority
Expenditures - Operating/Shareable
Schedule 1

Year ended March 31 2017 2016

Administration		
General administration	\$ 13,781,686	\$ 11,536,247
Finance	3,984,312	3,906,957
Personnel services	3,455,352	3,527,357
Systems support	6,882,682	8,409,460
Other	<u>6,286,697</u>	<u>6,394,812</u>
	<u>34,390,729</u>	<u>33,774,833</u>
 Community and social services		
Mental health and addictions	9,711,948	9,522,264
Community support	87,732,955	84,035,664
Health promotion and protection	<u>5,685,549</u>	<u>5,604,832</u>
	<u>103,130,452</u>	<u>99,162,760</u>
 Support services		
Housekeeping	9,288,428	9,368,210
Laundry and linen	2,341,794	2,334,980
Plant services	18,751,599	19,493,096
Patient food services	13,536,296	13,400,820
Other	<u>19,861,443</u>	<u>20,405,210</u>
	<u>63,779,560</u>	<u>65,002,316</u>
 Nursing inpatient services		
Acute care	53,414,073	52,395,487
Long-term care	<u>37,581,788</u>	<u>38,384,424</u>
	<u>90,995,861</u>	<u>90,779,911</u>
 Ambulatory care services		
	<u>25,882,560</u>	<u>25,139,329</u>
 Diagnostic and therapeutic services		
Clinical laboratory	14,585,883	14,429,920
Diagnostic imaging	10,677,336	10,574,945
Other	<u>22,672,314</u>	<u>22,065,083</u>
	<u>47,935,533</u>	<u>47,069,948</u>
 Medical services		
	<u>16,542,546</u>	<u>18,182,819</u>
 Education		
	<u>1,233,771</u>	<u>1,546,216</u>
 Undistributed		
Capital projects	2,252,277	10,601,765
Municipal taxes	864,827	892,924
Bad debts	<u>179,804</u>	<u>327,095</u>
	<u>3,296,908</u>	<u>11,821,784</u>
	<u>\$ 387,187,920</u>	<u>\$ 392,479,916</u>

Central Regional Health Authority

Revenue and Expenditure for Government Reporting - Operating Schedule 2

Year ended March 31

2017

2016

Revenue

Provincial plan	\$ 345,846,017	\$ 333,311,634
Capital equipment grants	6,155,267	3,591,557
Other capital contributions	308,884	300,302
MCP	11,440,138	13,012,427
Inpatient	1,703,908	2,595,971
Outpatient	3,389,804	3,279,284
Resident	8,717,904	8,882,755
Mortgage interest subsidy	50,503	52,766
Capital project funding	2,538,228	12,921,284
National Child Benefit	159,677	159,677
Early Childhood Development	345,992	347,217
Recoveries - salaries	2,169,602	2,757,073
- services	644,270	609,761
- ambulance	249,084	827,590
- drugs	6,746,788	6,503,001
Other revenue	<u>5,327,962</u>	<u>4,723,741</u>
	<u>395,794,028</u>	<u>393,876,040</u>

Expenditure

Salaries	198,161,321	196,591,770
Employee benefits	39,112,002	39,165,757
Supplies - plant operations and maintenance	5,995,796	6,272,686
- drugs	10,389,976	10,174,246
- medical and surgical	9,962,765	9,769,733
- other	10,132,269	10,606,486
Direct client costs - MHA, CS, HP, and CC	68,021,943	64,142,111
Other shareable expenses		
- sundry	11,592,952	11,451,947
- equipment expense	10,710,728	10,361,243
- contracted-out services	14,239,092	14,249,674
- building, grounds and equipment expense	8,505,326	19,293,219
Long-term debt - interest	363,749	401,046
- principal	<u>902,598</u>	<u>867,758</u>
	<u>388,090,517</u>	<u>393,347,676</u>
	7,703,511	528,364
Capital equipment grants	(6,155,267)	(3,591,557)
Other capital contributions	<u>(308,884)</u>	<u>(300,302)</u>
Surplus (deficit) for government reporting	1,239,360	(3,363,495)
Long-term debt principal	902,597	867,758
	<u>-</u>	<u>-</u>
Surplus (deficit) before non-shareable items	<u>\$ 2,141,957</u>	<u>\$ (2,495,737)</u>

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

Year ended March 31	2017	2016
Surplus (deficit) before non-shareable items (cont'd)	<u>2,141,957</u>	<u>(2,495,737)</u>
Non-shareable items		
Gain (loss) on disposal of capital assets	\$ 444,887	\$ (28,971)
Capital equipment grants	6,155,267	3,591,557
Other capital contributions	308,884	300,302
Amortization of capital assets	(5,924,117)	(5,921,298)
Accrued vacation pay – decrease (increase)	1,270,346	(1,061,617)
Accrued severance pay - increase	(445,081)	(1,346,870)
Accrued sick pay - increase	<u>(489,226)</u>	<u>(638,474)</u>
	<u>1,320,960</u>	<u>(5,105,371)</u>
Surplus (deficit)	<u>\$ 3,462,917</u>	<u>\$ (7,601,108)</u>

Central Regional Health Authority

Funding and Expenditure for Government Reporting - Capital

Schedule 3

Year ended March 31

2017

2016

Source of funds

Deferred capital grants from prior year		
Capital equipment	\$ 10,840,871	\$ 10,209,523
Capital projects	<u>6,526,715</u>	<u>-</u>
	17,367,586	10,209,523
Provincial grants in current year		
Capital equipment	762,230	4,834,100
Capital projects	6,262,300	-
Construction in progress	31,491	-
Capital grant reallocated to operating fund for		
Minor equipment purchased	(411,594)	(611,195)
Renovation and repair projects	(2,034,495)	-
Transfers to other projects	(50,000)	-
Deferred capital grants from current year		
Capital equipment	(6,729,249)	(10,840,871)
Capital projects	<u>(8,249,435)</u>	<u>-</u>
Provincial funding used in current year	6,948,834	3,591,557
Other contributions		
Health foundation donations	308,884	261,606
Allocation of proceeds from sale of land	-	29,789
Other	<u>194,400</u>	<u>38,696</u>
Total funding	<u>7,452,118</u>	<u>3,921,648</u>
Expenditure		
Equipment, vehicles and land purchased	6,499,519	4,016,428
Construction in progress	<u>952,599</u>	<u>-</u>
Total expenditure	<u>7,452,118</u>	<u>4,016,428</u>
Deficit on capital purchases	<u>\$ -</u>	<u>\$ (94,780)</u>

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

Year ended March 31	2017	2016
Current assets		
Cash	\$ 2,607,769	\$ 8,929,114
Receivables	21,437,835	15,859,071
Due from cottage operations and foundations	581,053	531,046
Inventory	2,433,834	2,386,331
Prepaid expenses	<u>3,321,365</u>	<u>4,609,823</u>
Total current assets	<u>30,381,856</u>	<u>32,315,385</u>
Current liabilities		
Payables and accruals	25,198,089	25,802,501
Deferred grants and donations	<u>18,493,472</u>	<u>20,534,777</u>
	<u>43,691,561</u>	<u>46,337,278</u>
Accumulated deficit	<u>\$ (13,309,705)</u>	<u>\$ (14,021,893)</u>
 Reconciliation of accumulated operating deficit		
Balance, beginning	\$ (14,021,893)	\$ (10,276,609)
Surplus (deficit) for government reporting	1,239,360	(3,363,495)
Deposits on capital assets	(108,457)	(363,518)
Construction in progress	(952,599)	-
Proceeds from disposal of capital assets	568,437	107,049
Reallocation of funding applied in a prior year	(35,369)	-
Allocation of proceeds from sale on land	-	(29,790)
Deficit on capital purchases	-	(94,780)
J. M. Olds funds spent - net	<u>816</u>	<u>(750)</u>
Balance, ending	<u>\$ (13,309,705)</u>	<u>\$ (14,021,893)</u>

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

Year ended March 31	2017	2016
Accumulated operating deficit – end of year per Schedule 4A	\$ (13,309,705)	\$ (14,021,893)
Adjustments		
Add		
Capital assets	52,892,040	52,440,188
Construction in progress	952,599	-
Deposits on capital assets	<u>717,787</u>	<u>609,328</u>
	<u>41,252,721</u>	<u>39,027,623</u>
Less		
Accrued vacation pay	(14,989,099)	(16,259,445)
Accrued severance pay	(31,475,281)	(31,030,200)
Accrued sick pay	(17,418,936)	(16,929,710)
Long-term debt	(8,352,397)	(9,254,995)
J.M. Olds scholarship and library funds	<u>(83,797)</u>	<u>(82,980)</u>
	<u>(72,319,510)</u>	<u>(73,557,330)</u>
Accumulated deficit per statement of financial position	<u>\$ (31,066,789)</u>	<u>\$ (34,529,707)</u>

Central Regional Health Authority
Deferred Revenue for the National Child Benefit (NCB) and Early Childhood Development (ECD)
Schedule 5

Year Ended March 31, 2017

Initiative	Funding		Total Available for Year	Expenses			Deferred Revenue March 31 2017
	Deferred From Prior Year	Allocated For Current Year		Gross Expenses	Excess Expenses (Deficit)	Net Expenses	
NCB							
Autism Services-Social worker	\$ -	\$ 65,000	\$ 65,000	\$ (65,000)	-	\$ (65,000)	\$ -
Mental health	-	77,427	77,427	(77,427)	-	(77,427)	-
Non-specific	-	17,250	17,250	(17,250)	-	(17,250)	-
Total NCB	-	159,677	159,677	(159,677)	-	(159,677)	-
ECD							
Child management specialists	217,653	218,000	435,653	(218,000)	-	(218,000)	217,653
Child care consultants	304,717	127,992	432,709	(127,992)	-	(127,992)	304,717
Non-specific	-	-	-	-	-	-	-
Total ECD	522,370	345,992	868,362	(345,992)	-	(345,992)	522,370
Total NCB and ECD	\$ 522,370	\$ 505,669	\$ 1,028,039	\$ (505,669)	-	\$ (505,669)	\$ 522,370

Central Regional Health Authority
Deferred Operating Revenue
Schedule 6

Year ended March 31	2017	2016
Deferred operating grants	\$ 806,012	\$ 1,339,884
Deferred provincial grants		-
Other deferred revenue (various accounts)	<u>9,942</u>	<u>7,441</u>
	<u>\$ 815,954</u>	<u>\$ 1,347,325</u>
