



Consolidated Financial Statements

Central Regional Health Authority

March 31, 2018

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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, 2018 and the consolidated statements of operations, changes in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

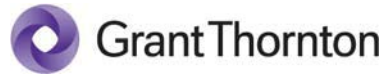
Management's responsibility for the financial statements

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, 2018 and the results of its consolidated operations and changes in net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Gander, Canada
June 26, 2018

Grant Thornton LLP

Chartered Professional Accountants

Central Regional Health Authority

Consolidated Statement of Financial Position

March 31 2018 2017

Financial assets

Cash (Note 3)	\$ 10,222,093	\$ 4,613,656
Receivables (Note 4)	20,303,620	21,444,386
Residents' trust funds held on deposit	658,690	789,754
Cash restricted for security deposits	44,912	43,048
Investments restricted for general endowment purposes (Note 5)	1,073,205	985,928
Replacement reserve funding (Note 10)	<u>194,892</u>	<u>178,804</u>
	<u>32,497,412</u>	<u>28,055,576</u>

Liabilities

Payables and accruals (Note 6)	28,277,092	25,246,128
Employee future benefits		
Accrued vacation pay	14,508,033	14,993,366
Accrued severance pay (Note 7)	33,102,737	31,475,281
Accrued sick pay (Note 7)	17,882,975	17,418,936
Deferred grants (Note 8)	23,050,780	18,493,472
Long-term debt (Note 9)	8,001,964	9,272,905
Trust funds payable	658,690	789,754
Security deposits liability	44,912	43,048
Replacement reserves (Note 10)	194,892	178,804
J.M. Olds scholarship and library funds	<u>83,949</u>	<u>83,797</u>
	<u>125,806,024</u>	<u>117,995,491</u>

Net financial debt (93,308,612) (89,939,915)

Non-financial assets

Capital assets (Note 11)	57,327,297	55,340,528
Deposits on capital assets	72,870	717,787
Inventories (Note 12)	2,118,801	2,433,834
Prepays (Note 13)	<u>3,950,089</u>	<u>3,418,345</u>
	<u>63,469,057</u>	<u>61,910,494</u>

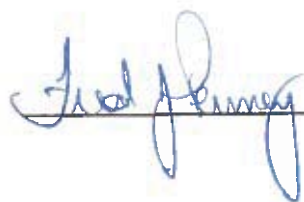
Accumulated deficit \$ (29,839,555) \$ (28,029,421)

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 2018	Actual 2018	Actual 2017
Revenue			
Provincial plan operating	\$ 345,909,152	\$ 346,431,522	\$ 346,351,686
Provincial capital grants	-	4,350,256	6,155,267
Other capital contributions	-	533,133	308,884
MCP	10,854,744	11,246,490	11,440,138
Patient-resident services	13,237,000	13,297,427	13,811,616
CMHC mortgage interest subsidy (Note 14)	50,000	50,503	50,503
Capital project funding	1,541,818	4,172,291	2,538,228
Recoveries	9,604,700	10,552,756	9,809,745
Cottage operations	1,556,141	1,489,088	1,571,651
Foundations	1,085,600	1,051,967	1,427,007
Other revenue	<u>3,304,000</u>	<u>4,323,572</u>	<u>5,327,960</u>
	387,143,155	397,499,005	398,792,685
Expenditure			
Administration	35,156,397	33,169,843	34,390,729
Community and social services	104,229,500	103,649,830	103,130,452
Support services	63,461,456	63,279,987	63,779,560
Nursing inpatient services	89,421,603	91,771,834	90,995,861
Ambulatory care services	25,441,196	26,479,026	25,882,560
Diagnostic and therapeutic services	48,838,721	48,306,971	47,935,533
Medical services	15,548,745	15,666,108	16,542,546
Educational services	1,339,796	1,332,072	1,233,771
Undistributed	1,064,000	5,279,018	3,296,908
Cottage, operations, including amortization of \$336,994 (2017 - \$452,129)	1,467,318	1,630,453	1,625,751
Foundations, including amortization of \$3,697 (2017 - \$3,892)	<u>1,050,800</u>	<u>1,346,929</u>	<u>982,149</u>
	387,019,532	391,912,071	389,795,820
Surplus – shareable	\$ 123,623	5,586,934	8,996,865
Non-shareable items			
(Loss) gain on disposal of capital assets		(24,312)	444,887
Amortization of capital assets		(5,769,258)	(5,924,116)
Accrued vacation pay – decrease		487,997	1,270,345
Accrued severance pay – increase		(1,627,456)	(445,081)
Accrued sick pay – increase		<u>(464,039)</u>	<u>(489,226)</u>
		(7,397,068)	(5,143,191)
(Deficit) surplus			
- shareable and non-shareable		(1,810,134)	3,853,674
Accumulated deficit			
Beginning of year		<u>(28,029,421)</u>	<u>(31,883,095)</u>
End of year		\$ (29,839,555)	\$ (28,029,421)

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Changes in Net Financial Debt

March 31	2018	2017
Net debt - beginning of year	<u>\$ (89,939,915)</u>	<u>\$ (93,975,922)</u>
(Deficit) surplus	<u>(1,810,134)</u>	<u>3,853,674</u>
Changes in capital assets		
Acquisition of capital assets	(8,177,485)	(7,452,118)
Amortization of capital assets	6,109,949	6,380,140
Loss (gain) on disposal of capital assets	24,312	(444,887)
Proceeds on disposal of capital assets	56,457	568,437
Deposits on capital assets	<u>644,917</u>	<u>(108,459)</u>
Increase in net book value of capital assets	<u>(1,341,850)</u>	<u>(1,056,887)</u>
Changes in non-financial assets		
Decrease (increase) in inventories	315,033	(47,503)
(Increase) decrease in prepaids	<u>(531,746)</u>	<u>1,286,723</u>
(Increase) decrease in non-financial assets	<u>(216,713)</u>	<u>1,239,220</u>
(Increase) decrease in net debt	<u>(3,368,697)</u>	<u>4,036,007</u>
Net debt, end of year	<u>\$ (93,308,612)</u>	<u>\$ (89,939,915)</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Consolidated Statement of Cash Flows

Year ended March 31	2018	2017
Operations		
(Deficit) surplus	\$ (1,810,134)	\$ 3,853,674
Amortization	6,109,949	6,380,140
Loss (gain) on disposal of capital assets	24,312	(444,887)
Investment loss (gain)	<u>16,026</u>	<u>(43,984)</u>
	4,340,153	9,744,943
Changes in		
Receivables	1,140,766	(5,486,804)
Payables and accruals	3,030,964	(584,056)
Accrued vacation pay	(485,333)	(1,272,144)
Accrued severance pay	1,627,456	445,081
Accrued sick pay	464,039	489,226
Deferred grants	4,557,308	(2,041,305)
Inventories	315,033	(47,503)
Prepays	<u>(531,746)</u>	<u>1,286,723</u>
Net cash provided from operations	<u>14,458,640</u>	<u>2,534,161</u>
Financing		
Repayment of long-term debt	(1,270,941)	(1,332,524)
Net change in J.M. Olds funds	<u>152</u>	<u>817</u>
Net cash applied to financing	<u>(1,270,789)</u>	<u>(1,331,707)</u>
Investing		
Additions to capital assets	(8,177,485)	(7,452,118)
Deposits on capital assets	644,917	(108,459)
Increase in general endowment fund investments	(103,303)	(28,580)
Proceeds on disposal of capital assets	<u>56,457</u>	<u>568,437</u>
Net cash applied to investing	<u>(7,579,414)</u>	<u>(7,020,720)</u>
Net increase (decrease) in cash	5,608,437	(5,818,266)
Cash, net of bank indebtedness:		
Beginning	<u>4,613,656</u>	<u>10,431,922</u>
Ending (Note 3)	<u>\$ 10,222,093</u>	<u>\$ 4,613,656</u>

See accompanying notes to the consolidated financial statements

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

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, 2018

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. 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. 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, 2018

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

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%
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, 2018

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 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, 2018

3. Cash	<u>2018</u>	<u>2017</u>
Operating:		
Cash	\$ 15,925	\$ 16,175
Bank – current accounts	<u>8,274,369</u>	<u>2,591,594</u>
	8,290,294	2,607,769
Cash and bank other:		
North Haven Manor Cottage Units Phase I, II, III	356,818	259,170
North Haven Manor Cottage Units Phase IV	13,994	23,756
Valley Vista Cottages	22,014	32,891
Central Northeast Health Foundation Inc.	695,855	808,702
South and Central Health Foundation	<u>843,118</u>	<u>881,368</u>
	<u>\$ 10,222,093</u>	<u>\$ 4,613,656</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, 2018 and March 31, 2017.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

4. Receivables	<u>2018</u>	<u>2017</u>
Operating		
Provincial plan grants - operating	\$ 13,554,737	\$ 14,126,300
Patient, rents and other	4,559,282	5,402,497
MCP	1,667,416	1,473,041
Cancer Foundation	464,611	461,416
HST	<u>601,360</u>	<u>513,964</u>
	20,847,406	21,977,218
Allowance for doubtful	<u>(664,630)</u>	<u>(539,383)</u>
	<u>20,182,776</u>	<u>21,437,835</u>
North Haven Manor Cottages Phase I, II, III		
Trade	217	298
Due from NLHC - operating subsidy	<u>1,500</u>	<u>1,384</u>
	<u>1,717</u>	<u>1,682</u>
North Haven Manor Cottages Phase IV		
Due from NLHC - operating subsidy	1,057	-
Accrued interest	<u>385</u>	<u>401</u>
	<u>1,442</u>	<u>401</u>
Valley Vista Cottages		
Due from NLHC - operating subsidy	<u>1,071</u>	<u>2,655</u>
	<u>1,071</u>	<u>2,655</u>
Central Northeast Health Foundation Inc.		
Trade	5,703	854
Capital grant	<u>55,000</u>	<u>-</u>
	<u>60,703</u>	<u>854</u>
South and Central Health Foundation		
Trade	911	959
Capital grant	<u>55,000</u>	<u>-</u>
	<u>55,911</u>	<u>959</u>
	<u>\$ 20,303,620</u>	<u>\$ 21,444,386</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

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>2018</u>	<u>2017</u>
Central Northeast Health Foundation Inc.	\$ 358,214	\$ 287,120
South and Central Health Foundation	<u>714,991</u>	<u>698,808</u>
	<u>\$ 1,073,205</u>	<u>\$ 985,928</u>

6. Payables and accruals

	<u>2018</u>	<u>2017</u>
Operating		
Trade	\$ 17,492,748	\$ 15,670,727
Residents comfort fund	83,580	80,643
Accrued - wages	10,642,304	9,417,272
- interest	<u>22,784</u>	<u>29,447</u>
	<u>28,241,416</u>	<u>25,198,089</u>
North Haven Manor Cottage Units Phase I, II, III		
Trade	1,800	15,936
Accrued interest	<u>55</u>	<u>155</u>
	<u>1,855</u>	<u>16,091</u>
North Haven Manor Cottage Units Phase IV		
Trade	1,612	1,612
Accrued interest	386	401
Due to NLHC - operating subsidy	<u>-</u>	<u>9,586</u>
	<u>1,998</u>	<u>11,599</u>
Valley Vista Cottages		
Trade	1,500	1,500
Accrued interest	<u>14</u>	<u>207</u>
	<u>1,514</u>	<u>1,707</u>
Bonnews Lodge Apartment Complex		
Trade	11,918	2,804
Accrued interest	481	548
Due to NLHC - operating subsidy	<u>11,482</u>	<u>13,583</u>
	<u>23,881</u>	<u>16,935</u>
Central Northeast Health Foundation Inc.		
Trade	<u>6,428</u>	<u>1,707</u>
	<u>6,428</u>	<u>1,707</u>
	<u>\$ 28,277,092</u>	<u>\$ 25,246,128</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

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, 2016 and extrapolated to March 31, 2018. 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>2018</u>	<u>2017</u>
Wages and salary escalation	0.75%	3.75%
Interest	3.30%	3.70%

Based on actuarial valuation of the liability, at March 31, 2018 the results for sick leave are:

Accrued sick pay obligation, beginning	\$ 22,434,399	\$ 22,438,672
Current period benefit cost	1,831,893	1,778,536
Benefit payments	(2,675,814)	(2,597,878)
Interest on the accrued benefit obligations	814,461	815,069
Actuarial gains	<u>(2,057,435)</u>	<u>-</u>
Accrued sick pay obligations, at end	<u>\$ 20,347,504</u>	<u>\$ 22,434,399</u>

Based on actuarial valuation of the liability, at March 31, 2018 the results for severance are:

Accrued benefit obligation, beginning	\$ 30,810,527	\$ 30,392,738
Current period benefit cost	2,199,628	2,135,560
Benefit payments	(2,716,642)	(2,829,468)
Interest on the accrued benefit obligation	1,130,424	1,111,697
Actuarial gains	(2,832,606)	-
Settlement losses	<u>3,118,399</u>	<u>-</u>
Accrued severance obligation, at end	<u>\$ 31,709,730</u>	<u>\$ 30,810,527</u>

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

Sick benefits

Accrued benefit obligation	\$ 20,347,504	\$ 22,434,399
Unamortized actuarial gains	<u>(2,464,529)</u>	<u>(5,015,463)</u>
Accrued benefit liability	<u>\$ 17,882,975</u>	<u>\$ 17,418,936</u>

Severance benefits

Accrued benefit obligation	\$ 31,709,730	\$ 30,810,527
Unamortized actuarial losses	<u>1,393,007</u>	<u>664,754</u>
Accrued benefit liability	<u>\$ 33,102,737</u>	<u>\$ 31,475,281</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

8. Deferred grants	<u>2018</u>	<u>2017</u>
Deferred operating grants	\$ 1,346,013	\$ 815,954
Deferred capital grants	<u>21,704,767</u>	<u>17,677,518</u>
	<u>\$ 23,050,780</u>	<u>\$ 18,493,472</u>

9. Long-term debt	<u>2018</u>	<u>2017</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.

	\$ 290,213	\$ 427,416
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7.5% CMHC mortgage on Lakeside Homes; repayable in equal monthly instalments of \$4,574, interest included; maturing July 2023.

	242,217	277,772
--	---------	---------

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

	27,425	64,097
--	--------	--------

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.

	5,286,317	5,813,756
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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.

	37,282	40,737
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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.

	33,748	36,888
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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 September 2027.

	808,560	864,008
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Central Regional Health Authority
Notes to the Consolidated Financial Statements
 March 31, 2018

9. Long-term debt (cont'd.)	<u>2018</u>	<u>2017</u>
7.88% Newfoundland and Labrador Housing Corporation mortgage on Authority offices; repayable in equal monthly instalments of \$8,165, interest included; maturing November 2024.	502,099	558,607
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.	122,368	212,281
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; maturing August 2024, renewable May 2021.	28,061	31,730
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.	8,503	12,099
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>9,451</u>	<u>13,006</u>
	<u>7,396,244</u>	<u>8,352,397</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; maturing November 2018.	<u>67,610</u>	<u>168,242</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

9. Long-term debt (cont'd.)	<u>2018</u>	<u>2017</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>250,867</u>	<u>282,562</u>
Valley Vista Cottages		
1.53% Newfoundland and Labrador Housing Corporation mortgage on Valley Vista Cottages; matured December 2017.	-	86,954
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>9,569</u>	<u>66,578</u>
	<u>9,569</u>	<u>153,532</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>277,674</u>	<u>316,172</u>
	<u>\$ 8,001,964</u>	<u>\$ 9,272,905</u>

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

2019	\$ 1,121,889
2020	987,137
2021	852,061
2022	870,666
2023	904,344
Thereafter	3,265,867

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

10. Replacement reserves	<u>2018</u>	<u>2017</u>
North Haven Manor Cottages Phase I, II, III		
Balance, beginning	\$ 31,670	\$ 30,435
Add:		
Allocation for year	30,220	30,220
Contributions from Authority	<u>12,900</u>	<u>12,900</u>
	74,790	73,555
Less:		
Approved expenditures	<u>28,963</u>	<u>41,885</u>
Balance, ending	<u>45,827</u>	<u>31,670</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	2,091	38
Add:		
Allocation for year	<u>30,000</u>	<u>30,000</u>
	32,091	30,038
Less:		
Approved expenditures	<u>28,069</u>	<u>27,947</u>
Balance, ending	<u>4,022</u>	<u>2,091</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>\$ 194,892</u>	<u>\$ 178,804</u>
Funding		
Replacement reserve funds	\$ 49,849	\$ 33,761
Due from Newfoundland and Labrador Housing Corporation	<u>145,043</u>	<u>145,043</u>
	<u>\$ 194,892</u>	<u>\$ 178,804</u>

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

11. Capital assets			<u>2018</u>	<u>2017</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Operating				
Land	\$ 448,826	\$ -	\$ 448,826	\$ 448,826
Land improvements	1,031,546	790,583	240,963	253,643
Buildings and service equipment	71,536,142	49,134,640	22,401,502	19,401,652
Equipment	134,952,526	102,678,935	32,273,591	32,865,364
Equipment under capital lease	2,781,898	2,665,627	116,271	142,662
Motor vehicles	3,043,538	2,359,587	683,951	723,748
Motor vehicles under capital lease	<u>196,503</u>	<u>189,508</u>	<u>6,995</u>	<u>8,744</u>
	<u>213,990,979</u>	<u>157,818,880</u>	<u>56,172,099</u>	<u>53,844,639</u>
North Haven Manor Cottages Phase I, II, III				
Land	16,900	-	16,900	16,900
Land improvements	180,500	152,690	27,810	33,628
Buildings	3,268,158	2,862,457	405,701	517,574
Equipment	<u>113,848</u>	<u>97,612</u>	<u>16,236</u>	<u>20,224</u>
	<u>3,579,406</u>	<u>3,112,759</u>	<u>466,647</u>	<u>588,326</u>
North Haven Manor Cottages Phase IV				
Land	24,571	-	24,571	24,571
Buildings	<u>687,616</u>	<u>446,351</u>	<u>241,265</u>	<u>272,991</u>
	<u>712,187</u>	<u>446,351</u>	<u>265,836</u>	<u>297,562</u>
Valley Vista Cottages				
Land	27,014	-	27,014	27,014
Buildings	3,588,770	3,574,118	14,652	159,743
Equipment	<u>33,262</u>	<u>33,262</u>	<u>-</u>	<u>-</u>
	<u>3,649,046</u>	<u>3,607,380</u>	<u>41,666</u>	<u>186,757</u>
Bonnews Lodge Apartment Complex				
Land	774	-	774	774
Buildings	870,022	595,083	274,939	313,164
Equipment	<u>6,204</u>	<u>4,244</u>	<u>1,960</u>	<u>2,233</u>
	<u>877,000</u>	<u>599,327</u>	<u>277,673</u>	<u>316,171</u>
South and Central Health Foundation				
Land	33,134	-	33,134	33,134
Buildings	<u>119,141</u>	<u>48,899</u>	<u>70,242</u>	<u>73,939</u>
	<u>152,275</u>	<u>48,899</u>	<u>103,376</u>	<u>107,073</u>
	<u>\$ 222,960,893</u>	<u>\$ 165,633,596</u>	<u>\$ 57,327,297</u>	<u>\$ 55,340,528</u>

Book value of capitalized items that have not been amortized is \$4,246,694 (2017 - \$952,599).

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

12. Inventories	<u>2018</u>	<u>2017</u>
General stores	\$ 966,795	\$ 1,106,770
Drugs	<u>1,152,006</u>	<u>1,327,064</u>
	<u>\$ 2,118,801</u>	<u>\$ 2,433,834</u>

13. Prepaids	<u>2018</u>	<u>2017</u>
Operating		
Equipment maintenance	\$ 1,125,659	\$ 1,559,775
Malpractice and membership fees	62,607	63,098
General insurance	282,715	313,021
Municipal taxes	691,828	688,569
Other	<u>1,690,276</u>	<u>696,902</u>
	3,853,085	3,321,365
Municipal taxes		
North Haven Manor Cottage Units Phase I, II, III	53,102	53,102
North Haven Manor Cottage Units Phase IV	6,216	6,215
Valley Vista Cottages	36,230	36,230
South and Central Health Foundation	<u>1,456</u>	<u>1,433</u>
	<u>\$ 3,950,089</u>	<u>\$ 3,418,345</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 2018 was \$50,503 (2017 - \$50,503) for operating facilities and \$297,846 (2017 - \$366,227) for the Authority's Cottage operations.

Central Regional Health Authority

Notes to the Consolidated Financial Statements

March 31, 2018

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:

2019	\$	319,642
2020		265,789
2021		128,152
2022		44,907
2023		16,159

16. Contingencies

As of March 31, 2018 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. Related Party Transactions

As of March 31, 2018 there were no material related party transactions to disclose.

18. Subsequent Events

On May 29, 2018 there was an announcement, effective June 1, 2018 there will be a curtailment of severance benefits for executives, managers, non-management/non-union employees. Management is currently estimating the impact on the severance liability as presented in Note 7 to the financial statements.

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Central Regional Health Authority

Operating Statement of Financial Position

March 31

2018

2017

Financial assets

Cash (Note 3)	\$ 8,290,294	\$ 2,607,769
Receivables (Note 4)	20,182,776	21,437,835
Residents' trust funds held on deposit	658,690	789,754
Due from cottage operations and foundations - net	<u>1,128,682</u>	<u>581,053</u>
	<u>30,260,442</u>	<u>25,416,411</u>

Liabilities

Payables and accruals (Note 6)	28,241,416	25,198,089
Employee future benefits		
Accrued vacation pay	14,501,102	14,989,099
Accrued severance pay (Note 7)	33,102,737	31,475,281
Accrued sick pay (Note 7)	17,882,975	17,418,936
Deferred grants (Note 8)	23,050,780	18,493,472
Long-term debt (Note 9)	7,396,244	8,352,397
Trust funds payable	658,690	789,754
J.M Olds scholarship and library funds	<u>83,949</u>	<u>83,797</u>
	<u>124,917,893</u>	<u>116,800,825</u>

Net financial debt

(94,657,451) (91,384,414)

Non-financial assets

Capital assets (Note 11)	56,172,099	53,844,639
Deposits on capital assets	72,870	717,787
Inventories (Note 12)	2,118,801	2,433,834
Prepays (Note 13)	<u>3,853,085</u>	<u>3,321,365</u>
	<u>62,216,855</u>	<u>60,317,625</u>

Accumulated deficit

\$ (32,440,596) \$ (31,066,789)

Central Regional Health Authority

Operating Statement of Operations

Year ended March 31	Budget 2018	Actual 2018	Actual 2017
Revenue			
Provincial plan	\$ 345,909,152	\$ 345,909,152	\$ 345,846,017
Provincial capital grants	-	4,350,256	6,155,267
Other capital contributions	-	533,133	308,884
MCP	10,854,744	11,246,490	11,440,138
Inpatient	1,176,000	1,124,478	1,703,908
Outpatient	3,121,000	3,108,715	3,389,804
Resident	8,940,000	9,064,234	8,717,904
CMHC mortgage interest subsidy (Note 14)	50,000	50,503	50,503
Capital project funding	1,541,818	4,172,291	2,538,228
National Child Benefit	-	-	159,677
Early Childhood Development	-	522,369	345,992
Recoveries - salaries	1,446,000	2,403,840	2,169,602
- services	629,700	653,580	644,270
- ambulance	271,000	279,929	249,084
- drugs	7,258,000	7,215,407	6,746,788
Other revenue	<u>3,304,000</u>	<u>4,323,574</u>	<u>5,327,962</u>
	<u>384,501,414</u>	<u>394,957,951</u>	<u>395,794,028</u>
Expenditure			
Administration	35,156,397	33,169,848	34,390,729
Community and social services	104,229,500	103,649,830	103,130,452
Support services	63,461,456	63,279,987	63,779,560
Nursing inpatient services	89,421,603	91,771,832	90,995,861
Ambulatory care services	25,441,196	26,479,026	25,882,560
Diagnostic and therapeutic services	48,838,721	48,306,971	47,935,533
Medical services	15,548,745	15,666,108	16,542,546
Educational services	1,339,796	1,332,070	1,233,771
Undistributed	<u>1,064,000</u>	<u>5,279,018</u>	<u>3,296,908</u>
	<u>384,501,414</u>	<u>388,934,690</u>	<u>387,187,920</u>
Surplus – shareable	<u>-</u>	<u>6,023,261</u>	<u>8,606,108</u>
Non-shareable items			
(Loss) gain on disposal of capital assets		(24,312)	444,887
Amortization of capital assets		(5,769,258)	(5,924,116)
Accrued vacation pay – decrease		487,997	1,270,345
Accrued severance pay – increase		(1,627,456)	(445,081)
Accrued sick pay – increase		<u>(464,039)</u>	<u>(489,226)</u>
		<u>(7,397,068)</u>	<u>(5,143,191)</u>
(Deficit) surplus - shareable and non-shareable		(1,373,807)	3,462,917
Accumulated deficit			
Beginning of year		<u>(31,066,789)</u>	<u>(34,529,706)</u>
End of year		<u>\$ (32,440,596)</u>	<u>\$ (31,066,789)</u>

Central Regional Health Authority

Operating Statement of Changes in Net Financial Debt

Year ended March 31

2018

2017

Net debt - beginning of year	\$ (91,384,414)	\$ (94,575,378)
(Deficit) surplus	(1,373,807)	3,462,917
Changes in capital assets		
Acquisition of capital assets	(8,177,485)	(7,452,118)
Amortization of capital assets	5,769,258	5,924,117
Loss (gain) on disposal of capital assets	24,312	(444,887)
Proceeds on disposal of capital assets	56,457	568,437
Deposits on capital assets	644,915	(108,457)
Increase in net book value of capital assets	(1,682,543)	(1,512,908)
Changes in other non-financial assets		
(Increase) decrease in prepaids	(531,720)	1,288,458
Decrease (increase) in inventories	315,033	(47,503)
(Increase) decrease in other non-financial assets	(216,687)	1,240,955
(Increase) decrease in net debt	(3,273,037)	3,190,964
Net debt - end of year	\$ (94,657,451)	\$ (91,384,414)

Central Regional Health Authority

Operating Statement of Cash Flows

Year ended March 31

2018

2017

Operations

(Deficit) surplus	\$ (1,373,807)	\$ 3,462,917
Amortization	5,769,258	5,924,117
Loss (gain) on disposal on capital assets	<u>24,312</u>	<u>(444,887)</u>

4,419,763 8,942,147

Changes in

Receivables	1,255,059	(5,578,764)
Due from cottage operations and Foundations	(547,629)	(50,007)
Payables and accruals	3,043,327	(604,412)
Accrued vacation pay	(487,997)	(1,270,346)
Accrued severance pay	1,627,456	445,081
Accrued sick pay	464,039	489,226
Deferred grants	4,557,308	(2,041,305)
Inventories	315,033	(47,503)
Prepays	<u>(531,720)</u>	<u>1,288,458</u>

Net cash provided from operations

14,114,639 1,572,575

Financing

Repayment of long-term debt	(956,153)	(902,598)
Net change in J.M. Olds funds	<u>152</u>	<u>816</u>

Net cash applied to financing

(956,001) (901,782)

Investing

Additions to capital assets	(8,177,487)	(7,452,118)
Deposits on capital assets	644,917	(108,457)
Proceeds on disposal of capital assets	<u>56,457</u>	<u>568,437</u>

Net cash applied to investing

(7,476,113) (6,992,138)

Net increase (decrease) in cash

5,682,525 (6,321,345)

Cash, net of bank indebtedness

Beginning	<u>2,607,769</u>	<u>8,929,114</u>
Ending (Note 3)	<u>\$ 8,290,294</u>	<u>\$ 2,607,769</u>

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

March 31	2018	2017
Financial assets		
Cash (Note 3)	\$ 356,818	\$ 259,170
Receivables (Note 4)	1,717	1,682
Cash restricted for security deposits	20,949	21,065
Replacement reserve cash	<u>45,827</u>	<u>31,670</u>
	<u>425,311</u>	<u>313,587</u>
Liabilities		
Payables and accruals (Note 6)	1,855	16,091
Due to Central Regional Health Authority	365,827	155,953
Long-term debt (Note 9)	67,610	168,242
Security deposit liability	20,949	21,065
Replacement reserves (Note 10)	<u>45,827</u>	<u>31,670</u>
	<u>502,068</u>	<u>393,021</u>
Net financial debt	<u>(76,757)</u>	<u>(79,434)</u>
Non-financial assets		
Capital assets (Note 11)	466,647	588,326
Prepays (Note 13)	<u>53,102</u>	<u>53,102</u>
	<u>519,749</u>	<u>641,428</u>
Accumulated surplus	<u>\$ 442,992</u>	<u>\$ 561,994</u>

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

Statement of Operations	Budget	Actual	Actual
Year ended March 31	2018	2018	2017
Revenue			
Rentals	\$ 560,604	\$ 532,310	\$ 546,649
NLHC subsidy (Note 14)	<u>141,376</u>	<u>138,074</u>	<u>175,556</u>
	<u>701,980</u>	<u>670,384</u>	<u>722,205</u>
Expenditure			
Administration	9,300	9,300	9,300
Allocation to replacement reserve	30,220	30,220	30,220
Amortization	121,539	121,679	197,855
Heat and light	168,500	150,300	146,466
Insurance	8,200	6,595	7,320
Mortgage interest	2,001	1,064	4,233
Municipal taxes	66,800	70,481	68,928
Office	300	283	238
Professional fees	3,000	2,400	2,040
Repairs and maintenance	100,000	246,362	104,350
Salaries and benefits	150,500	105,562	127,982
Snowclearing	9,000	42,500	25,000
Telephone	<u>2,400</u>	<u>2,640</u>	<u>2,640</u>
	<u>671,760</u>	<u>789,386</u>	<u>726,572</u>
Annual deficit	<u>\$ 30,220</u>	(119,002)	(4,367)
Accumulated surplus			
Beginning of year		<u>561,994</u>	<u>566,361</u>
End of year		<u>\$ 442,992</u>	<u>\$ 561,994</u>

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

Year ended March 31	2018	2017
Net debt - beginning of year	<u>\$ (79,434)</u>	<u>\$ (271,368)</u>
Annual deficit	<u>(119,002)</u>	<u>(4,367)</u>
Changes in capital assets		
Amortization of capital assets	<u>121,679</u>	<u>197,854</u>
Decrease in net book value of capital assets	<u>121,679</u>	<u>197,854</u>
Changes in non-financial assets		
Increase in prepaids	<u>-</u>	<u>(1,553)</u>
Increase in other non-financial assets	<u>-</u>	<u>(1,553)</u>
Decrease in net debt	<u>2,677</u>	<u>191,934</u>
Net debt - end of year	<u>\$ (76,757)</u>	<u>\$ (79,434)</u>

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

Year ended March 31	2018	2017
Operations		
Annual deficit	\$ (119,002)	\$ (4,367)
Amortization	<u>121,679</u>	<u>197,854</u>
	2,677	193,487
Changes in		
Receivables	(35)	5,258
Payables and accruals	(14,236)	10,704
Due to Central Regional Health Authority	209,874	23,302
Prepays	<u>-</u>	<u>(1,553)</u>
Net cash provided from operations	<u>198,280</u>	<u>231,198</u>
Financing		
Repayment of long-term debt	<u>(100,632)</u>	<u>(175,652)</u>
Net cash applied to financing	<u>(100,632)</u>	<u>(175,652)</u>
Net increase in cash	97,648	55,546
Cash		
Beginning	<u>259,170</u>	<u>203,624</u>
Ending (Note 3)	<u>\$ 356,818</u>	<u>\$ 259,170</u>

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

March 31	2018	2017
Financial assets		
Cash (Note 3)	\$ 13,994	\$ 23,756
Receivables (Note 4)	1,442	401
Cash restricted for security deposits	667	1,032
Due from NLHC for replacement reserve	<u>82,643</u>	<u>82,643</u>
	<u>98,746</u>	<u>107,832</u>
Liabilities		
Payables and accruals (Note 6)	1,998	11,599
Due to Central Regional Health Authority	19,622	18,773
Long-term debt (Note 9)	250,867	282,562
Security deposit liability	667	1,032
Replacement reserve (Note 10)	<u>82,643</u>	<u>82,643</u>
	<u>355,797</u>	<u>396,609</u>
Net financial debt	<u>(257,051)</u>	<u>(288,777)</u>
Non-financial assets		
Capital assets (Note 11)	265,836	297,562
Prepays (Note 13)	<u>6,215</u>	<u>6,215</u>
	<u>272,051</u>	<u>303,777</u>
Accumulated surplus	<u>\$ 15,000</u>	<u>\$ 15,000</u>

Central Regional Health Authority
North Haven Manor Cottages Phase IV

Statement of Operations	Budget	Actual	Actual
Year ended March 31	2018	2018	2017
Revenue			
Rentals	\$ 48,468	\$ 46,138	\$ 47,879
NLHC subsidy (Note 14)	<u>49,262</u>	<u>52,073</u>	<u>72,516</u>
	<u>97,730</u>	<u>98,211</u>	<u>120,395</u>
Expenditure			
Administration	3,600	3,600	3,600
Amortization	31,726	31,726	31,365
Heat and light	19,767	16,219	16,543
Insurance	1,000	746	935
Mortgage interest	4,617	4,821	4,934
Municipal taxes	8,250	8,249	8,067
Professional fees	2,970	1,620	1,620
Repairs and maintenance	10,500	9,935	37,445
Salaries and benefits	10,000	10,435	10,526
Snowclearing	5,000	10,500	5,000
Telephone	<u>300</u>	<u>360</u>	<u>360</u>
	<u>97,730</u>	<u>98,211</u>	<u>120,395</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	2018	2017
Net debt, beginning of year	<u>\$ (288,777)</u>	<u>\$ (319,960)</u>
Annual surplus	_____ -	_____ -
Changes in capital assets		
Amortization of capital assets	_____ 31,726	_____ 31,365
Decrease in net book value of capital assets	_____ 31,726	_____ 31,365
Changes in non-financial assets		
Increase in prepaids	_____ -	_____ (182)
Increase in non-financial assets	_____ -	_____ (182)
Decrease in net debt	_____ 31,726	_____ 31,183
Net debt, end of year	<u>\$ (257,051)</u>	<u>\$ (288,777)</u>

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

Year ended March 31	2018	2017
Operations		
Annual surplus	\$ -	\$ -
Amortization	<u>31,726</u>	<u>31,365</u>
	31,726	31,365
Changes in		
Receivables	(1,041)	43
Prepays	-	(182)
Payables and accruals	(9,601)	(1,027)
Due to Central Regional Health Authority	<u>849</u>	<u>2,196</u>
Net cash provided from operations	<u>21,933</u>	<u>32,395</u>
Financing		
Repayment of long-term debt	<u>(31,695)</u>	<u>(31,365)</u>
Net cash applied to financing	<u>(31,695)</u>	<u>(31,365)</u>
Net (decrease) increase in cash	(9,762)	1,030
Cash		
Beginning	<u>23,756</u>	<u>22,726</u>
Ending (Note 3)	<u>\$ 13,994</u>	<u>\$ 23,756</u>

Central Regional Health Authority
Valley Vista Cottages
Statement of Financial Position

March 31	2018	2017
Financial assets		
Cash (Note 3)	\$ 22,014	\$ 32,891
Receivables (Note 4)	1,071	2,655
Cash restricted for security deposits	23,296	20,951
Replacement reserve cash	<u>4,022</u>	<u>2,091</u>
	<u>50,403</u>	<u>58,588</u>
Liabilities		
Payables and accruals (Note 6)	1,514	1,707
Due to Central Regional Health Authority	333,446	324,479
Long-term debt (Note 9)	9,569	153,532
Security deposit liability	23,296	20,951
Replacement reserves (Note 10)	<u>4,022</u>	<u>2,091</u>
	<u>371,847</u>	<u>502,760</u>
Net financial debt	<u>(321,444)</u>	<u>(444,172)</u>
Non-financial assets		
Capital assets (Note 11)	41,666	186,757
Prepays (Note 13)	<u>36,230</u>	<u>36,230</u>
	<u>77,896</u>	<u>222,987</u>
Accumulated deficit	<u>\$ (243,548)</u>	<u>\$ (221,185)</u>

Central Regional Health Authority

Valley Vista Cottages

Statement of Operations

Year ended March 31	Budget 2018	Actual 2018	Actual 2017
Revenue			
Rentals	\$ 564,900	\$ 543,152	\$ 540,664
NLHC subsidy (Note 14)	<u>27,111</u>	<u>23,943</u>	<u>35,066</u>
	<u>592,011</u>	<u>567,095</u>	<u>575,730</u>
Expenditure			
Allocation to replacement reserve	30,000	30,000	30,000
Amortization	143,882	145,091	185,166
Cable television	16,500	18,656	19,409
Heat and light	147,000	121,162	119,514
Insurance	8,400	7,111	7,787
Lawn care	4,500	6,876	4,469
Mortgage interest	1,226	1,174	3,719
Municipal taxes	47,000	48,087	48,087
Office	1,200	714	821
Professional fees	3,000	2,400	1,800
Repairs and maintenance	56,000	130,589	130,634
Salaries and benefits	68,200	64,251	60,931
Snow clearing	<u>6,500</u>	<u>13,347</u>	<u>13,125</u>
	<u>533,408</u>	<u>589,458</u>	<u>625,462</u>
Annual deficit	<u>\$ 58,603</u>	(22,363)	(49,732)
Accumulated deficit			
Beginning of year		<u>(221,185)</u>	<u>(171,453)</u>
End of year		<u>\$ (243,548)</u>	<u>\$ (221,185)</u>

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

Year ended March 31	2018	2017
Net debt - beginning of year	<u>\$ (444,172)</u>	<u>\$ (579,607)</u>
Annual deficit	<u>(22,363)</u>	<u>(49,732)</u>
Changes in capital assets		
Amortization of capital assets	<u>145,091</u>	<u>185,167</u>
Decrease in net book value of capital assets	<u>145,091</u>	<u>185,167</u>
Decrease in net debt	<u>122,728</u>	<u>135,435</u>
Net debt - end of year	<u>\$ (321,444)</u>	<u>\$ (444,172)</u>

Central Regional Health Authority
 Valley Vista Cottages
 Statement of Cash Flows

Year ended March 31	2018	2017
Operations		
Annual deficit	\$ (22,363)	\$ (49,732)
Amortization	<u>145,091</u>	<u>185,167</u>
	122,728	135,435
Changes in		
Receivables	1,584	1,937
Payables and accruals	(193)	(255)
Due to Central Regional Health Authority	<u>8,967</u>	<u>35,149</u>
Net cash provided from operations	<u>133,086</u>	<u>172,266</u>
Financing		
Repayment of long-term debt	<u>(143,963)</u>	<u>(185,167)</u>
Net cash applied to financing	<u>(143,963)</u>	<u>(185,167)</u>
Net decrease in cash	(10,877)	(12,901)
Cash		
Beginning	<u>32,891</u>	<u>45,792</u>
Ending (Note 3)	<u>\$ 22,014</u>	<u>\$ 32,891</u>

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

March 31	2018	2017
Financial assets		
Due from Central Regional Health Authority	\$ 23,881	\$ 16,936
Due from NLHC for replacement reserve	<u>62,400</u>	<u>62,400</u>
	<u>86,281</u>	<u>79,336</u>
Liabilities		
Payables and accruals (Note 6)	23,881	16,935
Long-term debt (Note 9)	277,673	316,172
Replacement reserve (Note 10)	<u>62,400</u>	<u>62,400</u>
	<u>363,954</u>	<u>395,507</u>
Net financial debt	<u>(277,673)</u>	<u>(316,171)</u>
Non-financial assets		
Capital assets (Note 11)	<u>277,673</u>	<u>316,171</u>
Accumulated surplus	<u>\$ -</u>	<u>\$ -</u>

Central Regional Health Authority
Bonnews Lodge Apartment Complex

Statement of Operations

Year ended March 31	Budget 2018	Actual 2018	Actual 2017
Revenue			
Rentals	\$ 64,176	\$ 63,187	\$ 63,730
NLHC subsidy (Note 14)	92,084	82,289	81,487
Surcharges - utilities	3,120	3,030	3,100
- laundry	1,440	1,398	1,430
- other	3,600	3,494	3,575
	<u>164,420</u>	<u>153,398</u>	<u>153,322</u>
Expenditure			
Administration allowance	9,932	9,806	9,272
Amortization	38,498	38,498	37,742
Fire and safety	2,000	1,826	2,544
Heat and light	22,737	20,487	20,226
Insurance	720	720	720
Mortgage interest	6,072	6,005	6,764
Municipal taxes	9,900	9,900	9,900
Professional fees	2,400	2,400	2,400
Repairs and maintenance	56,026	51,256	47,620
Snowclearing	16,135	12,500	16,134
	<u>164,420</u>	<u>153,398</u>	<u>153,322</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	2018	2017
Net debt - beginning of year	<u>\$ (316,171)</u>	<u>\$ (353,914)</u>
Annual surplus	<u> -</u>	<u> -</u>
Changes in capital assets		
Amortization of capital assets	<u>38,498</u>	<u>37,743</u>
Decrease in net book value of capital assets	<u>38,498</u>	<u>37,743</u>
Decrease in net debt	<u>38,498</u>	<u>37,743</u>
Net debt - end of year	<u>\$ (277,673)</u>	<u>\$ (316,171)</u>

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

Year ended March 31	2018	2017
Operations		
Annual surplus	\$ -	\$ -
Amortization	<u>38,498</u>	<u>37,743</u>
	38,498	37,743
Changes in		
Payables and accruals	6,946	9,228
Due to Central Regional Health Authority	<u>(6,945)</u>	<u>(9,229)</u>
Net cash provided from operations	<u>38,499</u>	<u>37,742</u>
Financing		
Repayment of long-term debt	<u>(38,499)</u>	<u>(37,742)</u>
Net cash applied to financing	<u>(38,499)</u>	<u>(37,742)</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	2018	2017
Financial assets		
Cash (Note 3)	\$ 695,855	\$ 808,702
Receivables (Note 4)	60,703	854
Investments restricted for general endowment fund (Note 5)	<u>358,214</u>	<u>287,120</u>
	<u>1,114,772</u>	<u>1,096,676</u>
Liabilities		
Accrued payable (Note 6)	6,428	1,707
Accrued vacation pay	3,821	2,255
Due to Central Regional Health Authority	<u>73,205</u>	<u>50,843</u>
	<u>83,454</u>	<u>54,805</u>
Net financial assets and accumulated surplus	<u>\$ 1,031,318</u>	<u>\$ 1,041,871</u>

Central Regional Health Authority
Central Northeast Health Foundation Inc.

Statement of Operations

	Budget	Actual	Actual
Year ended March 31	2018	2018	2017

Revenue

Donations and fundraising	\$ 362,000	\$ 357,217	\$ 472,892
Staff lottery	48,000	50,717	43,422
Gift shop	130,000	116,978	125,803
Endowment fund			
Investment income	5,000	5,870	5,299
Investment (losses) gains	2,000	(2,724)	14,042
Grants	10,000	55,000	39,000
Interest and recoveries	<u>6,000</u>	<u>16,474</u>	<u>11,112</u>
	<u>563,000</u>	<u>599,532</u>	<u>711,570</u>

Expenditure

Donations for the purchase of			
Capital equipment	200,000	244,585	143,979
Minor equipment	50,000	109,486	137,176
Patient comfort items	30,500	16,045	19,341
Gift shop	115,000	100,192	109,551
Office	8,000	1,403	2,150
Other supplies, fundraising and expenses	20,000	28,666	31,864
Salaries and benefits	100,000	109,291	105,567
Travel	<u>600</u>	<u>417</u>	<u>92</u>
	<u>524,100</u>	<u>610,085</u>	<u>549,720</u>

Annual (deficit) surplus	\$ 38,900	(10,553)	161,850
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Accumulated surplus

Beginning of year		<u>1,041,871</u>	<u>880,021</u>
End of year		<u>\$ 1,031,318</u>	<u>\$ 1,041,871</u>

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

Year ended March 31	2018	2017
Net assets – beginning of year	\$ 1,041,871	\$ 880,021
Annual (deficit) surplus	<u>(10,553)</u>	<u>161,850</u>
Net assets – end of year	<u>\$ 1,031,318</u>	<u>\$ 1,041,871</u>

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

Year ended March 31	2018	2017
Operations		
Annual (deficit) surplus	\$ (10,553)	\$ 161,850
Investment gains (losses)	<u>2,725</u>	<u>(14,042)</u>
	(7,828)	147,808
Change in		
Receivables	(59,849)	44,712
Due from Central Regional Health Authority	22,362	(10,232)
Accrued payables	4,721	1,707
Accrued vacation pay	<u>1,566</u>	<u>(455)</u>
Net cash (applied to) provided from operations	<u>(39,028)</u>	<u>183,540</u>
Investing		
Endowment fund investments		
Contributions	(67,949)	(5,469)
Reinvested income	<u>(5,870)</u>	<u>(5,299)</u>
Net cash applied to investing	<u>(73,819)</u>	<u>(10,768)</u>
Net (decrease) increase in cash	(112,847)	172,772
Cash		
Beginning of year	<u>808,702</u>	<u>635,930</u>
End of year (Note 3)	<u>\$ 695,855</u>	<u>\$ 808,702</u>

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

March 31	2018	2017
Financial assets		
Cash (Note 3)	\$ 843,118	\$ 881,368
Capital grant receivable (Note 4)	55,911	959
Investments restricted for general endowment fund (Note 5)	<u>714,991</u>	<u>698,808</u>
	<u>1,614,020</u>	<u>1,581,135</u>
Liabilities		
Accrued vacation pay	3,110	2,011
Due to Central Regional Health Authority	<u>360,463</u>	<u>47,943</u>
	<u>363,573</u>	<u>49,954</u>
Net financial assets	<u>1,250,447</u>	<u>1,531,181</u>
Non-financial assets		
Capital assets (Note 11)	103,376	107,073
Prepays (Note 13)	<u>1,456</u>	<u>1,433</u>
	<u>104,832</u>	<u>108,506</u>
Accumulated surplus	<u>\$ 1,355,279</u>	<u>\$ 1,639,687</u>

Central Regional Health Authority

South and Central Health Foundation

Statement of Operations

Year ended March 31	Budget 2018	Actual 2018	Actual 2017
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Revenue

Donations and fundraising	\$ 396,000	\$ 286,165	\$ 532,900
Staff lottery	62,000	61,394	64,366
Grants	25,000	55,000	45,760
Endowment fund			
Investment income	10,000	24,960	12,773
Investment (loss) gain	4,000	(13,307)	29,942
Rentals	15,600	15,600	14,300
Interest and recoveries	<u>10,000</u>	<u>22,624</u>	<u>15,395</u>
	<u>522,600</u>	<u>452,436</u>	<u>715,436</u>

Expenditure

Donations for the purchase of			
Capital equipment	225,000	256,397	164,905
Minor equipment	25,500	147,496	92,949
Patient comfort items	69,000	148,429	29,720
Fundraising and other supplies and expenses	91,000	61,977	32,530
Rental expenses, including amortization			
of \$3,697 (2017 -\$3,892)	6,200	5,616	5,803
Salaries and benefits	<u>110,000</u>	<u>116,929</u>	<u>106,522</u>
	<u>526,700</u>	<u>736,844</u>	<u>432,429</u>

Annual (deficit) surplus	\$ (4,100)	(284,408)	283,007
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Accumulated surplus

Beginning of year		<u>1,639,687</u>	<u>1,356,680</u>
End of year		<u>\$ 1,355,279</u>	<u>\$ 1,639,687</u>

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

Year ended March 31	2018	2017
Net assets – beginning of year	<u>\$ 1,531,181</u>	<u>\$ 1,244,282</u>
Annual (deficit) surplus	<u>(284,408)</u>	<u>283,007</u>
Changes in capital assets		
Amortization of capital assets	<u>3,697</u>	<u>3,892</u>
Decrease in net book value of capital assets	<u>3,697</u>	<u>3,892</u>
Changes in other non-financial assets		
Prepays	<u>(23)</u>	<u>-</u>
Increase in other non-financial assets	<u>(23)</u>	<u>-</u>
(Decrease) increase in net assets	<u>(280,734)</u>	<u>286,899</u>
Net assets – end of year	<u>\$ 1,250,447</u>	<u>\$ 1,531,181</u>

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

Year ended March 31	2018	2017
Operations		
Annual (deficit) surplus	\$ (284,408)	\$ 283,007
Amortization	3,697	3,892
Investment gain (loss)	<u>13,307</u>	<u>(29,942)</u>
	(267,404)	256,957
Change in		
Prepays	(23)	-
Due to Central Regional Health Authority	312,520	8,820
Receivables	(54,952)	40,011
Accrued vacation pay	<u>1,099</u>	<u>(1,344)</u>
Net cash (applied to) provided by operations	<u>(8,760)</u>	<u>304,444</u>
Investing		
Endowment fund investments		
Contributions	(4,530)	(5,040)
Reinvested income	<u>(24,960)</u>	<u>(12,773)</u>
Net cash applied to investing	<u>(29,490)</u>	<u>(17,813)</u>
Net (decrease) increase in cash	(38,250)	286,631
Cash		
Beginning of year	<u>881,368</u>	<u>594,737</u>
End of year (Note 3)	<u>\$ 843,118</u>	<u>\$ 881,368</u>