

HORNEPAYNE COMMUNITY HOSPITAL

**INDEPENDENT AUDITOR'S REPORT AND
SUMMARY FINANCIAL STATEMENTS**

MARCH 31, 2022

ON BEHALF OF THE BOARD



Board Chair



Chief Executive Officer

Baker Tilly HKC

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REPORT OF THE INDEPENDANT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of
Hornepayne Community Hospital

Opinion

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2022, the summary statement of operations and net assets for the year then ended, and related notes are derived from the audited financial statements of Hornepayne Community Hospital for the year ended March 31, 2022.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report, thereon.

The Audited Financial Statement and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated June 22, 2022.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in note 1.

REPORT OF THE INDEPENDANT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS, (CONT'D)

Auditor's Responsibilities

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Baker Tilly HKC

Chartered Professional Accountants
Licenced Public Accountants
June 22, 2022

HORNEPAYNE COMMUNITY HOSPITAL**SUMMARY STATEMENT OF OPERATIONS****YEAR ENDED MARCH 31, 2022**

	Budget (Unaudited)	2022 Actual	2021 Actual
REVENUES			
Ontario Health North	\$ 4,887,784	\$ 5,481,532	\$ 5,526,083
Patient related	364,500	281,892	288,974
Investment and other	350,875	245,367	270,702
Amortization of deferred capital contribution - equipment	34,553	42,025	43,631
OHIP Funding	43,500	34,126	34,480
	<u>5,681,212</u>	<u>6,084,942</u>	<u>6,163,870</u>
EXPENSES			
Salaries and wages	3,117,984	2,921,893	3,078,019
Employee benefits	824,738	865,610	983,216
Medical staff remuneration	88,270	92,463	92,753
Medical and surgical supplies	45,000	61,853	71,244
Drug and medical gases	36,400	58,983	37,684
Equipment repairs and maintenance	240,300	277,245	269,546
Rental / lease of equipment	17,200	61,921	76,185
Interest and bank charges	3,750	3,841	3,686
Amortization of equipment	67,594	70,365	67,890
Referred out	88,500	317,727	124,864
Building and ground	317,396	279,716	311,686
Supplies and other expenses	827,580	761,945	798,401
Building amortization	59,250	77,307	88,974
	<u>5,733,962</u>	<u>5,850,869</u>	<u>6,004,148</u>
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES) FROM OPERATIONS BEFORE OTHER PROGRAMS AND INCOME	(52,750)	234,073	159,722
OTHER PROGRAMS, schedule 4	-	-	-
WORKING FUNDS DEFICITS FUNDING	-	-	260,800
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	<u>\$ (52,750)</u>	<u>\$ 234,073</u>	<u>\$ 420,522</u>

HORNEPAYNE COMMUNITY HOSPITAL**SUMMARY STATEMENT OF REMEASUREMENT GAINS (LOSSES)****MARCH 31, 2022**

	2022	2021
ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR	<u>\$ 46,155</u>	<u>\$ (147,794)</u>
CHANGE IN REMEASUREMENT GAINS (LOSSES) FOR THE YEAR		
Unrealized gains (losses) attributable to:		
Foreign exchange	20,311	21,257
Designated fair value financial instruments	<u>(133,956)</u>	<u>172,692</u>
OTHER COMPREHENSIVE EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	<u>(113,645)</u>	<u>193,949</u>
ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR	<u>\$ (67,490)</u>	<u>\$ 46,155</u>

HORNEPAYNE COMMUNITY HOSPITAL
SUMMARY STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2022

	Invested in Capital Assets	Unrestricted Surplus	Total 2022	Total 2021
NET ASSETS, BEGINNING OF YEAR	\$ 924,043	\$ 1,517,175	\$ 2,441,218	\$ 2,020,696
EXCESS OF REVENUES OVER EXPENSES	-	234,073	234,073	420,522
NET CHANGES IN INVESTED IN CAPITAL ASSETS	50,306	(50,306)	-	-
NET ASSETS, END OF YEAR	\$ 974,349	\$ 1,700,942	\$ 2,675,291	\$ 2,441,218

HORNEPAYNE COMMUNITY HOSPITAL
SUMMARY STATEMENT OF FINANCIAL POSITION
MARCH 31, 2022

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 889,755	\$ 1,153,830
Accounts receivable	518,226	838,755
Short-term investments	972,394	647,820
Inventories	114,972	118,700
Prepaid expenses	65,093	70,371
	<u>2,560,440</u>	<u>2,829,476</u>
INVESTMENTS	828,960	1,196,344
CAPITAL ASSETS	<u>4,269,601</u>	<u>3,139,296</u>
	<u>\$ 7,659,001</u>	<u>\$ 7,165,116</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,143,956	\$ 969,410
Deferred revenues	250,934	1,141,456
Current portion of long-term debt	-	12,200
	<u>1,394,890</u>	<u>2,123,066</u>
LONG-TERM DEBT	-	67,100
DEFERRED CAPITAL CONTRIBUTIONS	3,295,252	2,135,953
POST-EMPLOYMENT BENEFITS PAYABLE	<u>361,058</u>	<u>351,624</u>
	<u>5,051,200</u>	<u>4,677,743</u>
NET ASSETS		
ACCUMULATED REMEASUREMENT GAINS (LOSSES)	(67,490)	46,155
INVESTED IN CAPITAL ASSETS	974,349	924,043
UNRESTRICTED SURPLUS	<u>1,700,942</u>	<u>1,517,175</u>
	<u>2,607,801</u>	<u>2,487,373</u>
	<u>\$ 7,659,001</u>	<u>\$ 7,165,116</u>

CONTINGENCIES (Note 2)

COMMITMENTS AND CONTRACTUAL OBLIGATIONS (Note 3)

HORNEPAYNE COMMUNITY HOSPITAL

NOTES TO SUMMARY FINANCIAL STATEMENTS

MARCH 31, 2022

1. BASIS OF PRESENTATION

The accompanying summary financial statements have been prepared with the same accounting standards as the audited financial statements of Hornepayne Community Hospital for the year ended March 31, 2022.

The summary financial statements do not contain all the disclosures required by Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations. A summary statement of remeasurement gains (losses), a summary statement of cash flows and the notes to the financial statements are not included.

The complete set of financial statements for the year ended March 31, 2022 can be obtained from the management of Hornepayne Community Hospital.

2. CONTINGENCIES

- (a) The Hospital participates in the Healthcare Insurance Reciprocal of Canada (“HIROC”). HIROC is a pooling of the public liability insurance risks of its hospital members. All members of the HIROC pool pay actuarially determined annual premiums. All members are subject to assessment for losses, if any, experienced by the pool for the years in which they were members.
 - (b) The nature of the Hospital’s activities are such that there is usually litigation pending or in progress at any one time. With respect to claims as at March 31, 2022, it is management’s position that the Hospital has valid defences and appropriate insurance coverage in place. In the unlikely event any claims are successful, such claims are not expected to have a material effect on the Hospital’s financial position.
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3. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

- (a) Agreement with LBC Capital for the telephone system for a fee of \$820 per month until January 1, 2024.
 - (b) Agreement with RLDatix for software at an annual fee of \$24,600, renewable every year.
 - (c) Agreement with North West Telepharmacy for 24 hours access to a pharmacist with monthly fees of \$6,286. The contract expires in September 2023.
 - (d) As at March 31, 2022, the Hospital has further contractual obligations remaining of \$1,011,979 in relation to current capital projects in progress.
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