

**Sioux Lookout Meno Ya Win Health Centre
Financial Statements**

March 31, 2024

Sioux Lookout Meno Ya Win Health Centre
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For the year ended March 31, 2024

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To the Resource Utilization Committee and Board of Directors of Sioux Lookout Meno Ya Win Health Centre:

Opinion

We have audited the financial statements of Sioux Lookout Meno Ya Win Health Centre (the "Health Centre"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Health Centre as at March 31, 2024, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Health Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The supplementary information contained in the schedules is presented for the purpose of additional analysis and is not part of the basic audited financial statements. The information in the schedules was derived from the accounting records tested in forming an opinion on the financial statements as a whole.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Health Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Health Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Health Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Health Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thunder Bay, Ontario

June 25, 2024

MNP LLP

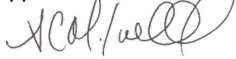
Chartered Professional Accountants

Licensed Public Accountants

Sioux Lookout Meno Ya Win Health Centre
Statement of Financial Position

As at March 31,	2024	2023
Current Assets		
Cash (Note 2)	8,050,443	6,249,967
Accounts Receivable (Note 3)	4,086,140	4,485,123
Inventory (Note 4)	351,227	343,826
Prepaid Expenses	1,031,829	755,702
Total Current Assets	13,519,639	11,834,618
Non-Current Assets		
Capital Assets (Note 5)	102,309,435	105,945,030
Total Assets	115,829,074	117,779,648
Current Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	11,992,998	12,738,874
Deferred Revenue (Note 7)	400,958	98,321
Current Portion of Long-Term Debt (Note 8)	270,311	221,397
Current Portion of Post-Retirement Benefits Liability (Note 9)	107,200	94,600
Total Current Liabilities	12,771,467	13,153,192
Long-Term Liabilities		
Long-Term Debt (Note 8)	1,154,217	1,424,724
Post-Retirement Benefits Liability (Note 9)	2,911,400	2,951,400
Unamortized Deferred Capital Financing (Note 10)	95,803,044	98,743,319
Deferred Contributions - Restricted for Future Capital Asset Purchases (Note 11)	568,947	688,880
Total Long-Term Liabilities	100,437,608	103,808,323
Contingent Liabilities and Commitments (Note 14)		
Net Assets		
Unrestricted	(3,886,392)	(6,383,578)
Investment in Capital Assets (Note 12)	6,506,391	7,201,711
Closing Net Assets Balance	2,619,999	818,133
Total Liabilities and Net Assets Balance	115,829,074	117,779,648

Approved on behalf of the Board:



Sadie Maxwell, Board Chair

Director



Knowles McGill, Treasurer

Director

The accompanying notes are an integral part of these financial statements

Sioux Lookout Meno Ya Win Health Centre
Statement of Operations

For the year ended March 31,	2024	2023
Revenue		
Ontario Health Base Allocation	41,513,780	38,217,589
Ontario Health One Time Payments (Note 19)	14,004,710	6,440,986
Ontario Health Pandemic Funding	306,319	4,141,380
Ministry of Health One-Time Payments	164,218	-
Ontario Health / Ministry of Health Recoveries	(536,892)	(575,929)
Other Revenue from Ministry of Health	885,109	855,332
Paymaster	447,557	199,510
Cancer Care Ontario Funding	56,355	86,572
Recoveries and Miscellaneous Revenue (Schedule 1)	5,304,267	4,469,699
Amortization of Donations and Grants for Equipment	452,914	366,077
OHIP Revenue and Patient Revenue from Other Payors	1,737,618	1,705,009
Differential & Copayment Revenue (Schedule 1)	903,076	1,106,655
Total Revenue	65,239,031	57,012,880
Expenses		
Salaries, Wages and Purchased Services (Schedule 3)	38,681,040	35,172,890
Employee Benefits (Schedule 4)	5,665,163	5,097,596
Employee Future Benefits (Note 9)	(37,400)	(23,900)
Medical Staff Remuneration (Schedule 5)	2,508,701	2,628,083
Supplies and Other Expenses (Schedule 6)	11,897,645	11,836,353
Medical and Surgical Supplies	1,512,091	1,475,225
Drugs and Medical Gases	1,328,738	1,070,800
Interest Short Term	-	2,721
Equipment Amortization	919,243	885,497
Software Amortization	14,102	73,504
Rental / Lease of Equipment	112,110	126,670
Bad Debts	533,446	259,972
Total Expenses	63,134,879	58,605,411
Excess of Revenue Over Expenses (Expenses over Revenue) from Hospital Operations	2,104,152	(1,592,531)
Other Items		
Amortization of Deferred Contributions Related to Buildings	3,528,677	3,533,844
Amortization of Buildings	(3,769,893)	(3,731,626)
Interest on Long-Term Liabilities	(61,070)	(64,479)
Loss on Disposal of Capital Assets	-	(21,578)
	(302,286)	(283,839)
Other Votes and Programs - Revenues (Schedule 2)	5,343,660	4,969,055
Other Votes and Programs - Expenses (Schedule 2)	(4,834,435)	(3,341,750)
Other Votes and Programs - Provisions for Recovery (Schedule 2)	(509,225)	(1,627,305)
	-	-
Excess of Revenue over Expenses (Expenses over Revenue) for the Year	1,801,866	(1,876,370)

The accompanying notes are an integral part of these financial statements

Sioux Lookout Meno Ya Win Health Centre
Statement of Changes in Net Assets
Operating Fund

For the year ended March 31, 2024

	Invested in Capital Assets	Unrestricted	2024 Total
Balance, beginning of year	7,201,711	(6,383,578)	818,133
Excess (deficiency) of revenue over expenses for the year (Note 12)	(721,648)	2,523,514	1,801,866
Net change in investment in capital assets (Note 12)	26,328	(26,328)	-
Balance, end of year	<u>6,506,391</u>	<u>(3,886,392)</u>	<u>2,619,999</u>

For the year ended March 31, 2023

	Invested in Capital Assets	Unrestricted	2023 Total
Balance, beginning of year	7,699,905	(5,005,402)	2,694,503
Excess (deficiency) of revenue over expenses for the year (Note 12)	(812,284)	(1,064,086)	(1,876,370)
Net change in investment in capital assets (Note 12)	314,090	(314,090)	-
Balance, end of year	<u>7,201,711</u>	<u>(6,383,578)</u>	<u>818,133</u>

The accompanying notes are an integral part of these financial statements

Sioux Lookout Meno Ya Win Health Centre
Statement of Cash Flows

March 31,	2024	2023
Cash Provided By (Used In) Operating Activities		
Excess (deficiency) of revenue over expenses for the year	1,801,866	(1,876,370)
Items not involving cash		
Amortization of capital assets (Note 12)	4,703,382	4,690,627
Amortization of deferred provincial equipment and building grants (Note 10)	(3,981,734)	(3,899,921)
Loss on disposal of capital assets (Note 12)	-	21,578
	<u>2,523,514</u>	<u>(1,064,086)</u>
Changes in Non-Cash Working Capital Balances		
Accounts Receivable	398,983	3,864,702
Inventory	(7,401)	70,523
Prepaid Expenses	(276,127)	70,296
Accounts Payable and Accrued Liabilities	(745,876)	4,808,505
Deferred Revenue	302,637	(8,309)
Post-Retirement Benefits	(27,400)	(13,900)
	<u>(355,184)</u>	<u>8,791,817</u>
Financing Activities		
Repayment of long-term debt	<u>(221,593)</u>	<u>(195,068)</u>
Capital Activities		
Purchase of capital assets (Note 12)	(1,067,787)	(1,264,619)
Capital grants and fund raising receipts (Note 12)	921,526	794,982
	<u>(146,261)</u>	<u>(469,637)</u>
Increase in cash during the year	1,800,476	7,063,026
Cash (bank indebtedness), beginning of year	6,249,967	(813,059)
Cash, end of year	<u>8,050,443</u>	<u>6,249,967</u>
Represented by:		
Unrestricted	13,327	12,209
Bank balance	8,037,116	6,237,758
Cash, end of year	<u>8,050,443</u>	<u>6,249,967</u>
Supplementary cash flow information		
Interest paid	61,070	67,200
Interest income	265,816	87,457

The accompanying notes are an integral part of these financial statements

Sioux Lookout Meno Ya Win Health Centre

Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies

Management's Responsibility for the Financial Statements

The financial statements of Sioux Lookout Meno Ya Win Health Centre (the "Health Centre") are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board.

The Sioux Lookout Meno Ya Win Health Centre Foundation is a separate entity whose financial information is reported separately from the health centre.

Nature and Purpose of the Organization

The Health Centre was created by Bill PR15 of the Ontario Legislature that received Royal Assent on December 14, 2001. The Health Centre's vision is to "be a centre of excellence for health through New and Expanded Services and Partnerships". The Health Centre is a not-for-profit organization that is exempt from corporate income taxes.

These financial statements reflect the assets, liabilities and operations of the Health Centre. They do not include the assets, liabilities or operations of the Sioux Lookout Meno Ya Win Health Centre Foundation, which, although associated with the Health Centre, is separately managed, and reports to a separate Board of Trustees.

In addition to the Health Centre's operating fund which reflects the activities of the day to day operations of the Health Centre, the financial statements also include the activities of the following programs:

Ministry of Health:

- Community Mental Health and Addictions Programs
- Community Support Services
- Diabetes Education Program

The operating results of these programs are recorded in Schedule 2 to the financial statements and their assets and liabilities are reported on the statement of financial position of the Health Centre. Program surpluses are recorded as repayable in the year incurred, except for those programs for which permission has been obtained to carry over surpluses for future program expenditures. In these cases, program surpluses have been recorded as deferred contributions. Program deficits are included in general operations, since they are not funded by the Ministry of Health. Adjustment settlements by the Ministry of Health are recorded when settled.

Revenue Recognition

The Health Centre follows the deferral method of accounting for contributions which include donations and government grants.

Sioux Lookout Meno Ya Win Health Centre

Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Under the Health Insurance Act and Regulations thereto, the Health Centre is funded, primarily by the Province of Ontario, in accordance with accountability arrangements established by the Ministry of Health ("MOH") and Ontario Health ("OH"). The Health Centre has entered into a Hospital Service Accountability Agreement (the "H-SAA") and a Multi-Sector Service Accountability Agreement (the "M-SAA") for fiscal 2023-24 with OH that sets out the rights and obligations of the parties to the H-SAA and M-SAA in respect of funding provided to the Health Centre by OH. The H-SAA and M-SAA also sets out the performance standards and obligations of the Health Centre that establish acceptable results for the Health Centre's performance in a number of areas.

If the Health Centre does not meet its performance standards or obligations, the MOH/OH has the right to adjust funding received by the Health Centre. The MOH/OH is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of MOH/OH funding received by the Health Centre during the year may be increased or decreased subsequent to year-end.

Contributions approved but not received at year-end are accrued. Where a portion of a contribution relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to general operations are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions for the acquisition of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Patient related revenues are recognized as revenue when services are rendered and the amount to be received can be reasonably estimated and collection is reasonably assured.

Recoveries are recognized as revenue when the amount of the recovery can be reasonably estimated and collection is reasonably assured.

Contributed Services

There are a substantial number of volunteers who contribute a significant amount of their time each year to the Health Centre. Because of the difficulty of determining the fair value, contributed services are not recognized in these financial statements.

Cash and Cash Equivalents

Cash includes balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Sioux Lookout Meno Ya Win Health Centre

Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Investments

Investments are recorded at fair value. Transaction costs related to the acquisition of investments are recorded against investment income. Sales and purchases of investments are recorded on the settlement date.

Fair value is determined at quoted market prices. The calculation of fair value is based upon market conditions and at a specific point in time and may not be reflective of future fair value.

Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is determined on an average cost basis. Inventories consist of medical and general supplies that are used in the Health Centre's operations and not for resale purposes.

Capital Assets

Purchased capital assets are initially recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. When a capital asset no longer contributes to the Health Centre's ability to provide services, its carrying amount is written down to its residual value.

Minor equipment replacements are expensed in the year purchased, and software over a three year period. Construction in progress is not amortized until the project is complete and the facilities come into use.

Capital Assets are amortized over the useful life of the asset using the straight-line method. The capital assets are amortized as follows:

Land improvements	3 to 20 Years
Building and building service equipment	10 to 40 Years
Major equipment	3 to 20 Years
Residence - other land and buildings	10 to 40 Years
Residence - furniture and fixtures	3 to 20 Years

Sioux Lookout Meno Ya Win Health Centre

Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the Health Centre to incur retirement costs in relation to a capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Health Centre reviews the carrying amount of the liability. The Health Centre recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from the revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Health Centre continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Long-lived Assets and Discontinued Operations

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies. When the Health Centre determines that a long-lived asset no longer has any long-term service potential to the Health Centre, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Deferred Revenue

Deferred Revenue is received from contributors who have restricted use of the funds for specific purposes. Recognition of these amounts as revenue is deferred to periods when the specific expenditures are made.

Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions that were used to purchase the Health Centre's capital assets. Recognition of these amounts as revenue is deferred to periods when the capital assets are amortized.

Compensated Absences

Compensation expense is accrued for all employees as entitlement to these payments is earned, in accordance with the Health Centre's benefit plans for vacation, sick leave and retirement allowances.

Sioux Lookout Meno Ya Win Health Centre

Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Post-Retirement Benefits

The Health Centre accrues its obligation for employee benefit plans. The cost of non-pension post-retirement and post-employment benefits earned by employees is actuarially determined using the projected benefits method pro-rated on service and management's best estimate of retirement ages and expected health care costs. The attribution period for such cost begins the date of hire of the employee to the date the employee becomes fully eligible to receive the benefits. The discount rate used to determine accrued benefit obligations is based on a year-end market rate of interest for high quality debt instruments with cash flows that match the timing and amount of expected benefit payments.

Adjustments arising from plan amendments, including past service costs, are amortized on a straight-line basis over the average remaining service period of employees active at the date of the amendment.

The Health Centre is an employer member of the Healthcare of Ontario Pension Plan (the "Plan"), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Health Centre has adopted defined contribution plan accounting principles for the Plan because insufficient information is available to apply defined benefit plan accounting principles. The Health Centre records as pension expense the current service cost, amortization of past service costs and interest costs related to future employer contributions to the Plan for past employee service.

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization of capital assets and deferred capital contributions are based on the estimated useful lives of capital assets.

Accounts payable and accruals are based on historical charges for unbilled goods and services at year end.

The post retirement benefits liability is based on a tri-annual actuarial evaluation which is revised and updated annually.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Financial Instruments

The Health Centre classifies its financial instruments as either fair value or amortized cost. The Health Centre's accounting policy for each category is as follows:

Fair Value

This category includes cash and investments. Financial Instruments in this category are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

Amortized Cost

This category includes accounts receivable, accounts payable and long-term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

2. Cash

The Health Centre's bank accounts are held at one chartered bank. The Health Centre is exposed to credit risk on balances in excess of those guaranteed by the Canadian Deposit Insurance Corporation. The bank account earns interest at prime less 1.9%.

The Health Centre has an operating line of credit of \$4,000,000 that bears an interest rate of prime less 0.5%, is unsecured and is due on demand, and Corporate Mastercards repayable on demand and in accordance with standard terms and conditions. As at March 31, 2024 prime less 0.5% is 6.7% (2023 - 6.2%). As of March 31, 2024, there were unused credit facilities of \$4,000,000 (2023 - \$4,000,000).

3. Accounts Receivable

	2024	2023
Ministry of Health / Ontario Health	992,067	1,158,824
Insurers and Patients	1,598,302	1,778,078
Other	2,548,302	2,565,719
Allowance for Doubtful Accounts	<u>(1,052,531)</u>	<u>(1,017,498)</u>
	<u>4,086,140</u>	<u>4,485,123</u>

4. Inventory

	2024	2023
Opening Balance	343,826	414,349
Purchases	2,631,710	2,240,781
Expensed	<u>(2,624,309)</u>	<u>(2,311,304)</u>
Ending Balance	<u>351,227</u>	<u>343,826</u>

5. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	363,026	-	363,026	-
Land Improvements	510,239	306,143	510,239	255,119
Building and Building Service Equipment	146,600,650	48,171,297	146,385,394	44,452,428
Major Equipment	16,469,758	13,169,298	15,645,522	12,264,104
Residence - Other Land and Buildings	79,548	67,048	79,548	67,048
	<u>164,023,221</u>	<u>61,713,786</u>	<u>162,983,729</u>	<u>57,038,699</u>
Net Book Value	<u>102,309,435</u>		<u>105,945,030</u>	

Assets with a net book value of \$113,266 (2023 - \$526,029) are under construction and have not been amortized in the financial statements.

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

6. Accounts Payable and Accrued Liabilities	2024	2023
Trade Accounts Payable	3,434,330	3,300,453
Accrued Salaries and Benefits	2,534,431	3,589,110
Payroll Remittances	399,534	371,123
Ministry of Health / Ontario Health	4,918,082	4,382,358
Other Payables and Accruals	706,621	1,095,830
	11,992,998	12,738,874

Included in 2023 fiscal year's accrued salaries and wages is an estimated \$1,595,000 of accrued wages for bargaining, non-bargaining and management employees for retroactive wage adjustments back to April 2020 as a result of wage reopening clauses related to Bill 124 being declared unconstitutional. The Health Centre had estimated these liabilities based on the information available and the guidance provided by bargaining parties. The actual payouts of these amounts was made in fiscal 2024. Any adjustments to management's estimate of the wages owing was reflected in the Health Centre's statement of operations in current year.

7. Deferred Revenue	2024	2023
Physician Recruitment	348,958	32,000
Research and Operations	52,000	66,321
	400,958	98,321

8. Long-Term Debt	2024	2023
Loan, bearing interest fixed at 2.96% (2023 - 2.96%), repayable in blended monthly payments of \$18,532, maturing February 26, 2026. Unsecured.	430,744	620,073
Loan, bearing interest fixed at 4.49% (2023 - 4.49%), repayable in blended monthly payments of \$6,721, maturing March 2027. Unsecured	993,784	1,026,048
	1,424,528	1,646,121
Less: current portion	270,311	221,397
	1,154,217	1,424,724

Principal repayments on debt in each of the next five years, assuming long-term debt subject to refinancing is renewed at similar rates and terms, are estimated as follows:

2025	270,311
2026	238,881
2027	40,377
2028	42,124
2029	44,159
	635,852

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

8. Long-Term Debt (continued)

Long-term debt is subject to certain covenants with respect to insuring against all risks relevant to its business operation for amounts of the loans and assign the policies to the bank and assign, hypothecate or otherwise ensure all amounts are payable to the bank. At March 31, 2024, management believes the Health Centre is in compliance with all bank covenants.

9. Post-Retirement Benefits Liability

The Health Centre provides extended health care, dental and life insurance to all full-time employees, who enroll in the benefit plans and extends this coverage to the post-retirement period. The Health Centre accrues its obligations under these plans as the benefits are earned. Similar to most post-employment benefit plans (other than pension) in Canada, the Health Centre's plan is not pre-funded, resulting in a plan deficit equal to the accrued benefit obligation.

	2024	2023
Accrued benefit obligation	1,657,200	1,558,200
Unamortized actuarial gain	1,361,400	1,487,800
	3,018,600	3,046,000
Less: current portion	107,200	94,600
Accrued employee future benefits obligation liability at March 31	2,911,400	2,951,400
	2024	2023
Current year benefit costs	132,800	147,100
Amortization of plan improvements	-	-
Amortized actuarial gain	(147,800)	(129,500)
Interest on accrued benefit obligation	82,200	70,100
Reconciliation of plan funds (benefits payments)	(94,600)	(101,600)
	(27,400)	(13,900)
	2024	2023
Employee future benefit costs from Operations	(37,400)	(23,900)
Employee future benefit costs from Other Votes and Programs	10,000	10,000
	(27,400)	(13,900)

Retirement Benefits

Substantially all of the full-time employees and some of the part-time employees are members of Healthcare of Ontario Pension Plan. The plan is a multi-employer plan and therefore the Health Centre's contributions are accounted for as if the plan were a defined contribution plan with the Health Centre's contributions being expensed in the period they become due. Contributions made to the plan during the year by the Health Centre amounted to \$1,895,850 (2023 - \$1,637,071).

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

9. Post-Retirement Benefits Liability (continued)

Post-Employment Benefits

The Health Centre extends post-employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The Health Centre recognizes these benefits as they are earned during the employee's tenure of service. The related benefit liability was determined by an actuarial valuation study.

The major assumptions employed for the valuations are as follows:

a) Discount Rate

The present value as at March 31, 2024 of the future benefits was determined using a discount rate of 4.9% (2023 - 5.0%).

b) Extended Health Care Trend Rates

Extended health care costs were assumed to increase at 7.0% per annum in 2024 and decrease by 0.5% per annum thereafter to an ultimate rate of 4.0%.

c) Dental Costs

Dental costs were assumed to increase at 4.0% per annum.

10. Unamortized Deferred Capital Financing

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations. Changes in the contributions capital deferred to future periods are as follows:

	2024	2023
Balance, beginning of year as stated	98,743,319	101,692,711
Contributions received during the year	921,526	794,982
Net contributions received during the year - restricted for future capital asset purchases	119,933	155,547
Amortization and prior period adjustment	(3,981,734)	(3,899,921)
Balance, end of year	95,803,044	98,743,319

11. Deferred Contributions - Restricted for Future Capital Asset Purchases

	2024	2023
Health Canada - New Hospital	345,236	345,236
Employee 50/50 draw	53,802	49,461
Health Canada - Telehealth Equipment	12,722	12,722
Northern Ontario School of Medicine - Equipment	149,390	149,390
Extended Care Unit - Activity Fund	2,797	2,797
SLMHC Foundation	-	116,300
Bursary donation	5,000	5,000
Aramark	-	7,974
	568,947	688,880

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

12. Investment in Capital Assets

(a) Investment in capital assets is calculated as follows:

	2024	2023
Capital assets	102,309,435	105,945,030
Amounts financed by Deferred Contributions	(95,803,044)	(98,743,319)
	6,506,391	7,201,711

(b) Changes in net assets invested in capital assets is calculated as follows:

	2024	2023
Excess (deficiency) of revenue over expenses:		
Amortization of capital grants	3,981,734	3,899,921
Amortization of capital assets	(4,703,382)	(4,690,627)
Loss on disposal of capital assets	-	(21,578)
	(721,648)	(812,284)
Net changes in investment in capital assets:		
Purchase of capital assets	1,067,787	1,264,619
Net contributions received during the year - restricted for future capital asset purcha	(119,933)	(155,547)
Deferred capital financing received	(921,526)	(794,982)
	26,328	314,090
	(695,320)	(498,194)

13. Pension Agreement

Healthcare of Ontario Pension Plan (the "Plan") provides pension service to more than 460,381 active and retired members and approximately 677 employers. Each year an independent actuary determines the funding status of the Plan by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The results of the most recent actuarial valuation as at December 31, 2023 disclosed an actuarial surplus of \$15,161 million (2023 - \$16,129 million). The results of this valuation disclosed total actuarial liabilities of \$102,454 million (2023 - \$92,721 million) in respect of benefits accrued for service with actuarial assets at that date of \$117,615 million (2023 - \$108,850 million). Because the Plan is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of member Ontario health care providers and their employees. As a result, the Health Centre does not recognize any share of the Plan surplus or deficit. Contributions made by the Health Centre to the Plan during the year amounted to \$1,895,850 (2023 - \$1,637,071).

14. Contingent Liabilities and Commitments

The Health Centre is a member of Health Care Insurance Reciprocal of Canada (HIROC). HIROC is a pooling of the public liability insurance risks of its members. All members of the pool pay annual premiums which are actuarially determined. All members are subject to reassessment for losses, if any, experienced by the pool for the years in which they are members and losses could be material. No reassessments have been made to March 31, 2024.

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

14. Contingent Liabilities and Commitments (continued)

The Health Centre entered into a contract extension for a period of three years starting July 1, 2022 for dietary, laundry and housekeeping supply and management. The contract will expire June 30, 2025. The annual value of this contract is approximately \$848,000 (2023 - \$831,000), increasing approximately \$17,000 annually.

15. Economic Dependence

The Health Centre receives 87.4% (2023 - 87.0%) of its funding from the Ministry of Health and Ontario Health.

16. Financial Instrument Classification

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2024		
	Fair Value	Amortized Cost	Total
Cash	8,050,443	-	8,050,443
Accounts Receivable	-	4,086,140	4,086,140
Accounts Payable	-	(11,992,998)	(11,992,998)
Long-Term Debt	-	(1,424,528)	(1,424,528)
	8,050,443	(9,331,386)	(1,280,943)
	2023		
	Fair Value	Amortized Cost	Total
Cash	6,249,967	-	6,249,967
Accounts Receivable	-	4,485,123	4,485,123
Accounts Payable	-	(12,738,874)	(12,738,874)
Long-Term Debt	-	(1,646,121)	(1,646,121)
	6,249,967	(9,899,872)	(3,649,905)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Sioux Lookout Meno Ya Win Health Centre Notes to the Financial Statements

March 31, 2024

16. Financial Instrument Classification (continued)

	2024			Total
	Level 1	Level 2	Level 3	
Cash	8,050,443	-	-	8,050,443

	2023			Total
	Level 1	Level 2	Level 3	
Cash	6,249,967	-	-	6,249,967

17. Financial Instrument Risk

The Health Centre, as part of its operations, carries a number of financial instruments. It is management's opinion that the Health Centre is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity Risk

Liquidity risk is the risk that the Health Centre will not be able to meet its financial obligation as they fall due. The Health Centre has a planning budgeting process in place to help determine the funds required to support the Health Centre's normal operating requirements on an ongoing basis. The Health Centre ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. To achieve this aim, it seeks to maintain cash balances to meet, at a minimum, expected requirements for a period of at least 90 days. All amounts in accounts payable are current.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Health Centre is exposed to interest rate risk on its long-term debt as they are fixed rates. The Health Centre's long-term debt have fixed interest rates ranging from 2.96% - 4.49% (2023 - 2.96% - 4.49%).

Contractual maturities of long-term debt are disclosed in Note 8.

18. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

19. Extraordinary Payments

Included in the Ontario Health One Time Payments is \$4,266,600 provided to support retroactive arbitration awards for the period 2020-2024 that are considered extraordinary by the Ministry of Health.

Sioux Lookout Meno Ya Win Health Centre
Schedule 1 - Other Revenues
(Unaudited)

March 31,	2024	2023
Recoveries and Miscellaneous Revenues		
Indigenous Services Canada	297,892	401,550
Recoveries External	4,252,488	3,468,468
Recoveries Internal	419,851	446,670
Recoveries Interdepartmental	50,373	50,373
Donations	1,109	-
Investments and Interest	265,816	87,457
Other Revenue	16,738	15,181
Total Recoveries and Miscellaneous Revenues	5,304,267	4,469,699
Differential & Copayment Revenues		
Worker Safety and Insurance Board (WSIB)	7,480	10,638
Non-Resident	252,994	218,906
Uninsured Residents	73,897	247,742
Private Pay and Other	568,705	629,369
Total Differential & Copayment Revenues	903,076	1,106,655

Sioux Lookout Meno Ya Win Health Centre
Schedule 2 - Other Votes and Programs
(Unaudited)

	Community Mental Health and Addictions Programs				Rent Supplement	Community Support Services	For the year ended March 31, 2024	For the year ended March 31, 2023
	Substance Abuse	Problem Gambling	Community Mental Health	Administration				
Revenue								
Ontario Health / Ministry of Health	3,685,809	89,093	1,332,842	-	90,317	107,100	5,305,161	4,902,650
OH / MOH One-Time Pandemic Funding	-	-	-	-	-	-	-	15,000
Sessional Fee Funding	-	-	9,819	-	-	-	9,819	10,994
Amortization of Donations and Grants for Equipment	144	-	-	-	-	-	144	-
Other Revenue and Recoveries	24,661	-	-	3,875	-	-	28,536	40,411
Total Revenue	3,710,614	89,093	1,342,661	3,875	90,317	107,100	5,343,660	4,969,055
Expenses								
Salaries and Wages	729,213	59,698	328,252	387,438	-	71,898	1,576,499	1,642,036
Employee Benefits	192,298	18,061	84,215	96,380	-	23,786	414,740	395,692
Employee Future Benefits	-	-	-	10,000	-	-	10,000	10,000
Sessional Fees	-	-	5,200	-	-	-	5,200	-
Medical and Surgical Supplies	25,261	-	-	173	-	-	25,434	12,064
Supplies and Sundry Expenses	40,618	-	73,804	133,656	-	4,224	252,302	150,614
Equipment Expenses	34,865	-	-	21,519	-	-	56,384	18,183
Amortization on Major Equipment and Software	144	-	-	-	-	-	144	-
Contracted Out Expenses	2,311,875	-	-	-	-	-	2,311,875	931,304
Buildings and Grounds Expenses	-	-	-	181,857	-	-	181,857	181,857
Total Expenses	3,334,274	77,759	491,471	831,023	-	99,908	4,834,435	3,341,750
Net Revenue (Expense) Before Other Items	376,340	11,334	851,190	(827,148)	90,317	7,192	509,225	1,627,305
Allocated Administration	(206,787)		(620,361)	827,148			-	-
Net Revenue Before Recoveries	169,553	11,334	230,829	-	90,317	7,192	509,225	1,627,305
Ontario Health / Ministry of Health Recoveries	(169,553)	(11,334)	(230,829)	-	(90,317)	(7,192)	(509,225)	(1,627,305)
Net Revenue After Recoveries	-	-	-	-	-	-	-	-

Sioux Lookout Meno Ya Win Health Centre
Schedule 3 - Salaries, Wages and Purchased Services
(Unaudited)

March 31,	2024	2023
Patient Care		
Ambulatory Care	4,489,007	4,136,819
Centre for Complex Diabetes Care	245,257	323,652
Community Health and Support Services	288,046	563,220
Diabetes Education	364,817	504,836
Diagnostics Imaging	1,781,111	1,608,181
Extended Care Unit	1,801,429	1,855,490
Inpatient Wards	14,387,345	12,928,664
Laboratory	2,230,734	2,005,323
Operating Room	2,330,825	1,266,909
Pharmacy	412,519	424,898
Therapeutic Services	1,341,862	1,352,053
Visiting Specialist	3,383	2,591
Total Patient Care	29,676,335	26,972,636
Support Services		
Administration	2,938,217	2,596,000
Environmental Services	1,524,020	1,406,236
Food Services	877,540	821,258
Information System Support	543,440	532,617
In House Education	200,296	248,804
Marketed Services	263,512	229,669
Materials Management	395,077	408,315
Patient Information	1,118,768	985,167
Physical Plant	1,143,835	972,188
Total Support Services	9,004,705	8,200,254
Total Salaries, Wages and Purchased Services	38,681,040	35,172,890

Sioux Lookout Meno Ya Win Health Centre
Schedule 4 - Employee Benefits
(Unaudited)

March 31,	2024	2023
Benefit and Vacation % in Lieu	393,004	327,409
Canada Pension Plan	823,130	1,190,269
Dental Insurance	278,054	160,084
Employer Health Tax	469,824	402,479
Employment Insurance	365,848	323,787
Extended Health Care Insurance	382,217	289,319
Group Life and Accidental Death & Dismemberment	80,054	80,505
Hospital Pension Plan	1,762,273	1,503,614
Long-Term Disability Insurance	182,356	170,798
Other	630,586	503,032
Semi-Private Insurance	2,342	2,188
Workplace Safety & Insurance Board	295,475	144,112
Total Employee Benefits	5,665,163	5,097,596

Sioux Lookout Meno Ya Win Health Centre
Schedule 5 - Medical Staff Remuneration
(Unaudited)

March 31,	2024	2023
Centre for Complex Diabetes Care	7,500	10,000
Clinical Laboratory	13,768	19,437
Chief of Departments	270,000	233,837
Temporary Physician Compensation	189,763	402,415
Diagnostic Readings	1,241,230	1,195,614
Emergency Department	-	74,500
Hospital On Call Coverage	753,129	668,238
Visiting Specialist	33,311	24,042
Total Medical Staff Remuneration	2,508,701	2,628,083

Sioux Lookout Meno Ya Win Health Centre
Schedule 6 - Supplies and Other Expenses
(Unaudited)

March 31,	2024	2023
Patient Care		
Ambulatory Care	109,502	210,540
Centre for Complex Diabetes Care	57,148	51,720
Community Health and Support Services	47,590	46,769
Diabetes Education	169,620	179,116
Diagnostics Imaging	475,143	441,649
Extended Care Unit	98,492	134,501
Inpatient Wards	465,463	454,674
Laboratory	1,292,466	1,193,781
Operating Room	68,575	83,744
Pharmacy	457,814	365,667
Therapeutic Services	59,914	40,333
Visiting Specialist	83,823	101,109
Total Patient Care	3,385,550	3,303,603
Support Services		
Administration	765,090	876,235
Small Hospital Transformation Fund Projects	531,000	527,367
Environmental Services	425,344	333,826
Food Services	546,106	502,711
Information System Support	1,966,582	2,068,181
In House Education	59,613	77,802
Marketed Services	1,051,041	1,042,712
Materials Management	27,210	74,890
Patient Information	147,178	143,290
Physical Plant	2,992,931	2,885,736
Total Support Services	8,512,095	8,532,750
Total Supplies and Other Expenses	11,897,645	11,836,353

Sioux Lookout Meno Ya Win Health Centre
Schedule 7 - Indigenous Services Canada Programs
(Unaudited)

	Radiology	Admitting	Non-Invasive Cardiology	Indigenous Transitions Facilitator	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue						
Indigenous Services Canada	67,106	100,592	20,194	110,000	297,892	401,550
Other Revenue and Recoveries	65,101	-	19,729	-	84,830	64,441
Total Revenue	132,207	100,592	39,923	110,000	382,722	465,991
Expenses						
Salaries and Benefits	199,056	77,062	170,388	104,038	550,544	564,554
Administration Fee	28,435	10,543	19,880	-	58,858	63,948
Medical Fees	17,992	-	28,181	-	46,173	46,332
Supplies and Other Expenses	1,769	28,369	234	5,683	36,055	33,876
Equipment	436	-	-	-	436	436
Total Expenses	247,688	115,974	218,683	109,721	692,066	709,146
Net Revenue (Expenses)	(115,481)	(15,382)	(178,760)	279	(309,344)	(243,155)