

**Riverside Health Care
Facilities, Inc.**
Financial Statements
For the year ended March 31, 2024

**Riverside Health Care
Facilities, Inc.
Financial Statements
For the year ended March 31, 2024**

Contents

Management's Responsibility for the Financial Statements	2
Independent Auditor's Report	3
Financial Statements	
Statement of Financial Position	5
Summary Statement of Operations	6
Statement of Changes in Net Assets (Debt)	8
Statement of Cash Flows	9
Notes to Financial Statements	10
Schedule 1 - Summary of Fund Type II's - Other Votes	25
Schedule 2 - Summary of Fund Type III's - Other Funding Sources	26
Schedule 3 - Family Violence Counselling Program	27
Schedule 4 - Riverside Community Family Violence Service - PARR	28
Schedule 5 - Child Witness Program	29
Schedule 6 - Mental Health (Case Management)	30
Schedule 7 - Mental Health (Counselling)	31
Schedule 8 - Addictions	32
Schedule 9 - Problem Gambling	33
Schedule 10 - Crisis Response	34
Schedule 11 - Supportive Housing	35
Schedule 12 - ALC Back to Home	36
Schedule 13 - Patient Navigator	37
Schedule 14 - Rainycrest - Home for the Aged	38
Schedule 15 - Community Support Services	39
Schedule 16 - Community Paramedicine	40
Schedule 17 - Assisted Living	41
Compilation Engagement Report	42
Statement of Revenue and Expenses	
- Rainycrest - Home for the Aged - Calendar Year Schedule	43
Note to Schedule	44
Independent Auditor's Report - Trust Funds	45
Statement of Financial Position	47
Statement of Receipts and Disbursements - Rainycrest - Residents' Council Trust Fund	48
Note to Statements of Trust Accounts	49

Riverside Health Care Facilities, Inc. Management's Responsibility for the Financial Statements

The accompanying financial statements of Riverside Health Care Facilities, Inc. are the responsibility of management and have been approved by the Board Chair and CEO on behalf of the Organization.

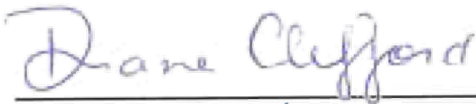
The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Organization maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Organization's assets are appropriately accounted for and adequately safeguarded.

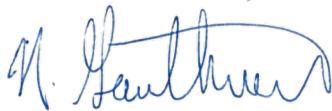
The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Directors review the Organization's financial statements and meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Organization. The audit has been performed in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Organization's financial statements.



Board Chair



CEO

Type text here



Independent Auditor's Report

To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

Opinion

We have audited the financial statements of Riverside Health Care Facilities, Inc. (the Organization), which comprise the Statement of Financial Position as at March 31, 2024, and the Statement of Operations, the Statement of Changes in Net Assets (Debt), and the Statement of Cash Flows for the year then ended, and the Notes to 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 Organization as at March 31, 2024, and its results of operations, changes in net assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that as of March 31, 2024, the Organization's current liabilities exceeded its current assets by \$1,567,117, representing a working capital deficit. As stated in Note 2, these conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Organization's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of these 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario
June 18, 2024

Riverside Health Care Facilities, Inc.
Statement of Financial Position

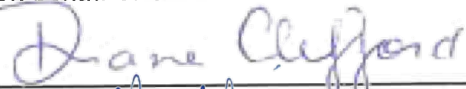
March 31	2024	2023
Assets		
Current		
Portfolio investments	\$ 31,562	\$ 30,392
Accounts receivable (Note 4)	13,443,391	13,011,358
Inventories (Note 5)	472,679	497,927
Prepaid expenses	814,648	780,132
	14,762,280	14,319,809
Capital assets (Note 6)	30,980,219	29,096,632
Construction in progress	1,848,435	2,876,133
	\$47,590,934	\$ 46,292,574

Liabilities and Net Assets


Current		
Bank indebtedness (Note 7)	\$ 828,921	\$ 1,772,330
Accounts payable and accrued liabilities (Note 8)	7,967,767	9,359,319
Due to LHIN/MOHLTC/other agencies	7,532,709	6,857,287
	16,329,397	17,988,936
Post-employment benefits and compensated absences (Note 9)	6,319,500	6,389,500
Deferred revenue (Note 10)	19,537,705	16,835,867
Long-term debt (Note 11)	869,711	899,969
Asset retirement obligations (Note 12)	6,447,214	6,063,436
	49,503,527	48,177,708
Net assets (debt)		
Unrestricted	(10,391,761)	(12,315,694)
Investment in capital assets (Note 13)	8,417,809	10,371,390
Board designated	61,359	59,170
	(1,912,593)	(1,885,134)
	\$47,590,934	\$ 46,292,574

Contingencies (Note 15)

On behalf of the Board:



Director



Director

Riverside Health Care Facilities, Inc. Summary Statement of Operations

For the year ended March 31	2024	2023
Operating		
Revenue		
LHIN - base allocation	\$ 29,611,612	\$ 28,160,538
LHIN/MOHLTC - one-time payments	12,222,125	4,062,385
LHIN/MOHLTC - quality based procedures	1,799,109	1,600,445
LHIN/MOHLTC - other revenue	752,439	614,267
	<u>44,385,285</u>	<u>34,437,635</u>
Patient revenue, differential and co-payment revenue	2,989,715	2,591,727
Recoveries and miscellaneous revenue	5,398,953	4,720,448
Amortization of deferred contributions related to equipment	532,945	359,793
Cancer care	7,686	9,637
	<u>53,314,584</u>	<u>42,119,240</u>
Total revenue		
Expenses		
Salaries and wages	26,477,072	23,795,854
Benefits contributions from employers	6,203,465	5,248,426
Post-employment benefits and compensated absences	11,300	163,800
Medical staff remuneration	2,987,134	2,488,165
Nurse practitioners remuneration	790,998	216,482
Supplies and other expenses	6,948,108	6,836,665
Amortization of software licenses and fees	21,158	17,831
Medical and surgical supplies	1,734,822	1,408,329
Drugs and medical gases	2,801,745	2,627,198
Bad debts	109,683	120,058
Amortization of major equipment	961,599	830,976
Rent/lease of equipment	194,355	182,672
	<u>49,241,439</u>	<u>43,936,456</u>
Total expenses		
	<u>4,073,145</u>	<u>(1,817,216)</u>
Surplus (deficit) from operations		
Other votes (Schedule 1) (Note 14)		
Revenue	22,645,308	21,629,056
Expenses	25,452,005	23,968,483
	<u>(2,806,697)</u>	<u>(2,339,427)</u>
Surplus (deficit) from other votes		
Other funding sources (Schedule 2) (Note 14)		
Revenue	193,154	260,666
Expenses	196,087	260,666
	<u>(2,933)</u>	<u>-</u>
Surplus from other funding sources		
Surplus (deficit) from operations, other votes and other funding sources		
	<u>\$ 1,263,515</u>	<u>\$ (4,156,643)</u>

Riverside Health Care Facilities, Inc.
Summary Statement of Operations
(Continued)

For the year ended March 31	2024	2023
Surplus, carried forward	\$ 1,263,515	\$ (4,156,643)
Capital revenue		
Amortization of deferred contributions related to non-marketed buildings and service equipment	<u>818,697</u>	<u>785,177</u>
	2,082,212	(3,371,466)
Capital expenses		
Amortization of non-marketed buildings and service equipment	<u>(1,861,440)</u>	<u>(1,610,843)</u>
Accretion expense on asset retirement obligations	<u>(250,420)</u>	<u>(240,488)</u>
Surplus (deficit) for the year	\$ (29,648)	\$ (5,222,797)

Riverside Health Care Facilities, Inc.
Statement of Changes in Net Assets (Debt)

For the year ended March 31	Unrestricted	Invested in Capital Assets	Board Designated	Total 2024	Total 2023
Balance, beginning of year	\$ (12,315,694)	\$ 10,371,390	\$ 59,170	\$ (1,885,134)	\$ 3,336,611
Surplus (deficit) for the year	(29,648)	-	-	(29,648)	(5,222,797)
Net change in investment in capital assets (Note 13)	1,953,581	(1,953,581)	-	-	-
Net transfer to board designated	-	-	2,189	2,189	1,052
Balance, end of year	\$ (10,391,761)	\$ 8,417,809	\$ 61,359	\$ (1,912,593)	\$ (1,885,134)

Riverside Health Care Facilities, Inc. Statement of Cash Flows

For the year ended March 31	2024	2023
Cash provided by (used in) operating activities		
Surplus (deficit) for the year	\$ (29,648)	\$ (5,222,797)
Adjustments to net assets	2,189	1,052
Items not involving cash		
Amortization of capital assets	2,844,196	2,460,747
Amortization of deferred contribution related to capital assets	(1,351,641)	(1,144,970)
Net increase in post-employment benefits and compensated absences	(70,000)	315,700
Accretion expense on asset retirement obligations	250,420	240,488
	<u>1,645,516</u>	<u>(3,349,780)</u>
Change in non-cash working capital items		
Accounts receivable	(432,033)	(7,046,225)
Inventories	25,248	68,055
Prepaid expenses	(34,514)	(274,524)
Other current assets	-	30,000
Accounts payable and accrued liabilities	(1,391,553)	1,225,518
Due to LHIN/MOHLTC	675,422	1,482,450
Deferred revenue	245,888	884,503
	<u>(911,542)</u>	<u>(3,630,223)</u>
	<u>733,974</u>	<u>(6,980,003)</u>
Cash flow from capital activities		
Purchase of capital assets	(3,566,728)	(4,526,016)
Cash flow from investing activities		
Increase in portfolio investments	(1,170)	(89)
Cash flow from financing activities		
Increase in deferred contributions	3,807,591	2,321,838
Repayment of long-term debt	(30,258)	(29,628)
	<u>3,777,333</u>	<u>2,292,210</u>
Increase (decrease) in cash during the year	943,409	(9,213,898)
Cash (bank indebtedness), beginning of year	(1,772,330)	7,441,568
Bank indebtedness, end of year	\$ (828,921)	\$ (1,772,330)

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies

Nature of Organization	Riverside Health Care Facilities, Inc. (the "Organization") was incorporated under the Ontario Hospitals Act on May 13, 1975. The Organization is principally involved in providing health care services to the central and western regions of the Rainy River District. The Organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.										
Management's Responsibility	The financial statements of Riverside Health Care Facilities, Inc. are representations of management. The financial statements 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 ("PSAB for Government NPO's").										
Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments with maturities of three months or less.										
Inventory	Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first-in first-out basis. Inventory consists of medical and general supplies that are used in the Organization's operations and not for resale purposes.										
Capital Assets	<p>Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated useful life of an asset are capitalized. When capital assets no longer contribute to the Organization's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.</p> <p>Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.</p> <p>Capital assets are amortized on a straight line basis using the following estimated annual rates:</p> <table><tr><td>Land improvements</td><td>10 to 15 years</td></tr><tr><td>Buildings</td><td>20 to 40 years</td></tr><tr><td>Building service equipment</td><td>20 to 40 years</td></tr><tr><td>Major equipment</td><td>5 to 20 years</td></tr><tr><td>Computer software</td><td>3 to 5 years</td></tr></table>	Land improvements	10 to 15 years	Buildings	20 to 40 years	Building service equipment	20 to 40 years	Major equipment	5 to 20 years	Computer software	3 to 5 years
Land improvements	10 to 15 years										
Buildings	20 to 40 years										
Building service equipment	20 to 40 years										
Major equipment	5 to 20 years										
Computer software	3 to 5 years										

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Retirement and Post-employment Benefits and Compensated Absences

The Organization provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, and vesting sick leave. The Organization has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experienced gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs, are recognized as an expense in the period of the plan amendment.
- (ii) The Organization is an employer member of the Healthcare of Ontario Pension Plan (HOOPP), 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 costs to the Organization of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
- (iii) The cost of vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The discount rate used in the determination of the above-mentioned liabilities is equal to the Organization's internal rate of borrowing.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

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

Fair Value

This category includes cash and cash equivalents, short-term deposits, bank indebtedness and derivatives.

They 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. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

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 Summary 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 Summary Statement of Operations.

The Organization does not have any remeasurement gains or losses. As a result, the financial statements do not include a Statement of Remeasurement Gains and Losses.

Amortized Cost

This category includes accounts receivable, accounts payable, accrued liabilities, long-term debt and amounts due to LHIN/MOHLTC/other agencies. 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.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the Summary Statement of Operations.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

**Board Designated
Net Assets**

Board designated net assets include donations and bequests as well as certain fund surpluses designated for specific purposes by the Board of Directors.

Revenue Recognition

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

Under the Health Insurance Act and Regulations thereto, the Organization is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health and Long-Term Care ("MOHLTC") and the North West Local Health Integration Network ("LHIN"). Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

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

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of property, plant and equipment are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related property, plant and equipment.

Amortization of non-marketed buildings and service equipment is not funded by the LHIN and accordingly the amortization of non-marketed buildings and service equipment has been reflected as an undernoted item in the Summary Statement of Operations with the corresponding realization of revenue for deferred contributions.

Revenue from patient services is recognized when the service is provided.

Revenue from the Provincial Insurance Plan and marketed services is recognized when the goods are sold or the service is provided.

Unrestricted investment income is recognized as revenue when earned.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Contributed Services Volunteers contribute numerous hours to assist the Organization in carrying out certain charitable aspects of its service delivery activities. The fair value of these contributed services is not readily determinable and, as such, is not reflected in these financial statements.

Use of Estimates The preparation of financial statements in accordance with Canadian public sector accounting standards for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Areas of key estimation include actuarial estimation of post-employment benefits and compensated absences and the estimated useful lives of capital assets.

**Asset Retirement
Obligations**

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; 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 liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

2. Going Concern

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Organization be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Organization, which is primarily funded by the Ontario Ministry of Health and Long-Term Care and the North West Local Health Integration Network has been facing financial difficulties for continuous years. The Organization realized income from operations, other votes and other funding sources during the year ended March 31, 2024 of \$1,263,515, however that result included over \$9,700,000 of one-time Provincial funding for operational pressures and, as at March 31, 2024, the Organization's current liabilities continued to exceed its current assets by \$1,567,117, representing a working capital deficit.

The Organization's ability to continue as a going concern is dependent upon its ability to raise adequate cash flows to cover its current obligations on a timely basis and to attain positive cash flows to cover its continuing operations. In addition, the Organization is dependent upon continued support from the Province of Ontario for operational funding.

These financial statements do not reflect any adjustments to the carrying values of assets and liabilities that would be necessary should the Organization be unable to continue as a going concern.

3. COVID-19 Ministry of Health Funding

In response to the ongoing COVID-19 pandemic, the Ministry of Health (MOH) has announced funding programs to assist hospitals with incremental operating and capital costs, revenue decreases as a result of COVID-19, and working fund support. Additionally, as part of the broad based funding reconciliation, the MOH is allowing hospitals to reallocate surplus funding that otherwise would have been repayable from certain programs to offset budget constraints created by COVID-19.

Management's estimate of the Hospital's MOH revenue is based on guidance which continues to evolve and the impacts of COVID-19 on the Hospital's operations, revenues and expenses. This guidance includes the maximum amount of funding potentially available to the Hospital, as well as the criteria for eligibility. As a result, there is measurement uncertainty associated with the MOH revenue related to COVID-19. In addition, as the funding is subject to review and reconciliation in subsequent periods, funding recognized as revenue during a period may be increased or decreased in subsequent periods.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

4. Accounts Receivable

	2024	2023
Ministry of Health and Long-Term Care	\$ 8,066,225	\$ 6,946,062
Insurers and patients	1,353,951	1,210,188
Other	4,023,215	4,855,108
	\$13,443,391	\$ 13,011,358

5. Inventories

	2024	2023
Medical and surgical supplies	\$ 40,363	\$ 41,464
Drugs	272,513	300,676
Pandemic	9,164	9,162
Other	150,639	146,624
	\$ 472,679	\$ 497,926

6. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,497,829	\$ -	\$ 1,497,829	\$ 1,497,829
Land improvements	340,425	324,895	15,530	18,062
Buildings and service equipment	64,510,813	40,517,647	23,993,166	22,439,668
Machinery and equipment	23,191,689	17,824,289	5,367,400	5,113,435
Computer software	1,137,933	1,031,639	106,294	27,638
	\$90,678,689	\$59,698,470	\$30,980,219	\$ 29,096,632

7. Bank Indebtedness

The Organization's bank accounts are held at one chartered bank. In the normal course of operations, the Organization is exposed to credit risk from having bank account balances over the amounts insured by the Canadian Deposit Insurance Corporation.

Riverside Health Care Facilities, Inc. is party to a short-term credit agreement with a Canadian chartered bank pursuant to which the Organization could borrow up to \$5,000,000 in the form of a demand operating loan. The amount drawn under the credit agreement as at March 31, 2024, was \$828,921 (2023 - \$1,772,330).

Riverside Health Care Facilities, Inc.
Notes to Financial Statements

March 31, 2024

8. Accounts Payable and Accrued Liabilities

	2024	2023
Trade accounts payable	\$ 3,375,140	\$ 4,018,767
Accrued salaries and benefits	4,592,627	5,340,552
	\$ 7,967,767	\$ 9,359,319

9. Post-employment Benefits and Compensated Absences

The Organization has an unfunded benefit plan providing retirement and post-employment benefits (excluding pension) to most of its employees. The Organization pays certain medical and life insurance benefits under an unfunded defined benefit plan on behalf of its retired employees. The eligibility for benefits is determined by the status and employment group to which each individual employee belongs.

The Organization measures its accrued benefits obligation for accounting purposes as at March 31st of each year. The latest actuarial valuation was prepared effective March 31, 2023, and results from that valuation has been extrapolated to March 31, 2024.

	2024		
	Post-employment Benefits	Non-Vesting Sick Leave	Total
Accrued employee future benefits obligation	\$ 3,320,800	\$ 26,500	\$ 3,347,300
Unamortized actuarial gains (losses)	3,004,500	(32,300)	2,972,200
Total	\$ 6,325,300	\$ (5,800)	\$ 6,319,500
	2023		
	Post-employment Benefits	Non-Vesting Sick Leave	Total
Accrued employee future benefits obligation	\$ 3,096,900	\$ 68,200	\$ 3,165,100
Unamortized actuarial gains (losses)	3,273,900	(49,500)	3,224,400
Total	\$ 6,370,800	\$ 18,700	\$ 6,389,500

Riverside Health Care Facilities, Inc.
Notes to Financial Statements

March 31, 2024

9. Post-employment Benefits and Compensated Absences (continued)

	2024		
	Post-employment Benefits	Non-Vesting Sick Leave	Total Expenses
Current year benefit cost	\$ 256,400	\$ -	\$ 256,400
Interest on accrued benefit obligation	156,400	2,200	158,600
Amortized actuarial losses (gains)	(269,400)	17,200	(252,200)
Total expenses	\$ 143,400	\$ 19,400	\$ 162,800
Benefit payments	\$ 188,900	\$ 43,900	\$ 232,800
Current year actuarial gains (losses)	\$ -	\$ -	\$ -
	2023		
	Post-employment Benefits	Non-Vesting Sick Leave	Total Expenses
Current year benefit cost	\$ 411,200	\$ -	\$ 411,200
Interest on accrued benefit obligation	219,600	1,200	220,800
Amortized actuarial losses (gains)	(59,500)	5,600	(53,900)
Total expenses	\$ 571,300	\$ 6,800	\$ 578,100
Benefit payments	\$ 256,700	\$ 5,700	\$ 262,400
Current year actuarial gains (losses)	\$ 2,623,800	\$ (40,200)	\$ 2,583,600

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

9. Post-employment Benefits and Compensated Absences (continued)

Above amounts exclude pension contributions to the Healthcare of Ontario Pension Plan ("HOOPP"), a multi-employer plan, described below:

Retirement Benefits

HOOPP Pension Plan

Substantially all of the full-time employees and some of the part-time employees of the Organization are members of the Healthcare of Ontario Pension Plan. The latest valuation for HOOPP indicated the plan is 110% funded and disclosed net assets available for benefits of \$112.7 billion with an accrued pension obligation of \$102.4 billion and a surplus of \$10.2 billion. The plan is a multi-employer plan and therefore the Organization's contributions are accounted for as if the plan were a defined contribution plan with the Organization's contributions being expensed in the period they come due. Due to the nature of HOOPP, the Organization does not recognize any share of the HOOPP surplus or deficit. Contributions to the plan during the year by the Organization on behalf of its employees amounted to \$2,528,447 (2023 - \$2,160,868) and are included in the Summary Statement of Operations.

Post-employment Benefits

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

The major actuarial assumptions employed for the valuation 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 4.80% (2023 - 4.80%).

b) Extended health care costs

Extended health care costs were assumed to increase at a rate of 6.00% in the first year following the valuation year and decrease by annual decrements of 0.25% to an ultimate rate of 4.00%.

c) Dental costs

Dental costs were assumed to increase at 4.00% per annum.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

9. Post-employment Benefits and Compensated Absences (continued)

Compensated Absences

Non-Vesting Sick Leave

The Organization compensates certain employee groups for any unused sick days they have accumulated upon retirement or death. The employees accrued sick days are paid out at the salary rate in effect at retirement or death. No benefit is payable on termination. The related benefit liability was determined by an actuarial valuation study.

The assumptions used in the valuation of non-vesting sick leave are the Organization's best estimates of expected rates of:

	2024	2023
Wage and salary escalation	1.50%	1.50%
Discount rate	4.80%	4.80%

10. Deferred Revenue

	2024	2023
Deferred physician recruitment funding	\$ 156,071	\$ 78,314
Other deferred revenue	704,325	183,275
Accounting software implementation costs	368,987	368,987
Health Infrastructure Renewal Fund (HIRF)	-	820,812
Hospital Investing in Canada Infrastructure Program (ICIP) funding	1,214,402	-
Long-term care Investing in Canada Infrastructure Program (ICIP) funding	-	746,509
	2,443,785	2,197,897
Deferred contributions related to capital assets	17,093,920	14,637,970
	\$19,537,705	\$ 16,835,867

Deferred contributions related to capital assets are amortized at the same rate as the corresponding assets are being amortized.

Management has determined that the deferred Health Infrastructure Renewal Fund (HIRF) balance of \$0 (2023 - \$820,812) is related to funding that was unable to be spent due to COVID-19.

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

11. Long-term Debt

	2024	2023
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,085 principal and interest, fixed interest rate of 1.61%. Unsecured with a maturity date of December 14, 2025.	\$ 238,782	\$ 247,879
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,482 principal and interest, fixed interest rate of 1.99%. Unsecured with a maturity date of May 14, 2026.	318,458	329,777
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,530 principal and interest, fixed interest rate of 2.68%. Unsecured with a maturity date of December 3, 2026.	312,471	322,313
	869,711	899,969
Less current portion	30,633	30,258
	\$ 839,078	\$ 869,711

Payments of principal required over the next five years, assuming refinancing on similar terms, and thereafter, are as follows:

	Principal Repayments	Interest	Total
2025	\$ 30,633	\$ 18,258	\$ 48,891
2026	31,556	17,602	49,158
2027	32,227	16,931	49,158
2028	32,912	16,246	49,158
2029	33,613	15,545	49,158
Thereafter	708,770	140,652	849,422
	\$ 869,711	\$ 225,234	\$ 1,094,945

The gross interest paid relating to the above long-term debt was \$18,902 (2023 - \$29,630).

Riverside Health Care Facilities, Inc.
Notes to Financial Statements

March 31, 2024

12. Asset Retirement Obligations

The Organization's financial statements include asset retirement obligations for asbestos abatement work to be performed at the LaVerendrye General Hospital facility and the Rainycrest Home for the Aged facility. The related asset retirement costs are being amortized on a straight line basis. The liability has been estimated using a net present value technique with a discount rate of 4.13% (2023 - 4.13%). The estimated total undiscounted future expenditures are \$17,365,661 (2023 - \$17,365,661), which are estimated to be incurred over the next 25 years. The liability is expected to be settled in the March 31, 2049 fiscal year.

The carrying amount of the liabilities are as follows:

Asset Retirement Obligations as at March 31, 2023	\$ 6,063,436
Increase due to liability incurred during the current year	133,358
Increase due to accretion expense	<u>250,420</u>
 Asset retirement obligations as at March 31, 2024	 <u>\$ 6,447,214</u>

13. Investment in Capital Assets

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

	<u>2024</u>	<u>2023</u>
Capital assets	\$ 30,980,219	\$ 29,096,632
Construction in progress	1,848,435	2,876,133
Amounts financed by:		
Deferred contributions (Note 10)	(17,093,920)	(14,637,970)
Long-term debt (Note 11)	(869,711)	(899,969)
Asset retirement obligations (Note 12)	<u>(6,447,214)</u>	<u>(6,063,436)</u>
	 <u>\$ 8,417,809</u>	 <u>\$ 10,371,390</u>

Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2024

13. Investment in Capital Assets (continued)

(b) Change in investment in capital assets is calculated as follows:

	2024	2023
Purchase of capital assets	\$ 3,566,728	\$ 4,526,016
Increase in capital assets from asset retirement obligations	133,358	5,822,948
Amounts funded by deferred contributions	(3,807,592)	(2,321,838)
Amortization of deferred contributions related to capital assets	1,351,641	1,144,970
Amortization of capital assets	(2,844,196)	(2,460,747)
Decrease (increase) in amounts funded by long-term debt	30,258	29,628
Increase in amounts funded by asset retirement obligations	(383,778)	(6,063,436)
	\$ (1,953,581)	\$ 677,541

14. Other Votes and Other Funding Source Revenues

Other votes and other funding source revenues have been recognized to the extent they have been earned in the year. Excess cash flows received at year end are included in due to LHIN/MOHLTC/other agencies liabilities at year end.

15. Contingencies

Riverside Health Care Facilities, Inc. has been named as a defendant in legal claims which arose in the ordinary course of business. The lawsuits are ongoing and as litigation is subject to many uncertainties, it is premature to make any evaluation of the possible outcome or possible settlement amount of the claims. Consequently, no provision for the claims have been made in the financial statements. Management believes the Organization has sufficient insurance to cover costs related to pending litigation.

Riverside Health Care Facilities, Inc. participates in the Healthcare Insurance Reciprocal of Canada (HIROC), a pooling of the public liability insurance risks of its hospital members. Members of the pool pay annual premiums, which are actuarially determined. Members are subject to assessment for losses, if any, experienced by the pool for the year in which they were members. No assessments have been made to March 31, 2024, with respect to claims.

16. Economic Dependence

Riverside Health Care Facilities, Inc. receives the majority of its funding from the Ministry of Health and Long-Term Care and the North West Local Health Integration Network.

Riverside Health Care Facilities, Inc. Notes to Consolidated Financial Statements

March 31, 2024

17. Financial Instrument Risk Management

Credit Risk

Credit risk is the risk of financial loss to the Organization if a debtor fails to make payments of interest and principal when due. The Organization is exposed to this risk relating to its accounts receivable.

Accounts receivable are primarily due from OHIP, the Ministry of Health and Long-Term Care and patients. Credit risk is mitigated by the financial solvency of the provincial government and the highly diversified nature of the patient population.

The Organization measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Organization's historical experience regarding collections.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk and equity risk. The Organization is not exposed to significant interest, currency or equity risk as it does not hold any interest bearing investments, does not transact materially in foreign currency or hold equity financial instruments.

Liquidity Risk

Liquidity risk is the risk that the Organization will not be able to meet all cash outflow obligations as they come due. The Organization mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining minimal non-cash assets.

Financial Instrument Classification

All financial instruments, with the exception of portfolio investments and bank indebtedness, are recognized at amortized cost.

Portfolio investments and bank indebtedness are recognized at fair value using Level 1 fair value measurements. 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.

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 1 - Summary of Fund Type II's - Other Votes

For the year ended March 31	2024	2023
Revenue		
Mental Health - Case Management (Schedule 6)	\$ 90,904	\$ 86,207
Mental Health - Counselling (Schedule 7)	790,983	636,911
Addictions (Schedule 8)	375,230	325,241
Problem Gambling (Schedule 9)	111,632	96,716
Crisis Response (Schedule 10)	69,540	66,216
Supportive Housing (Schedule 11)	526,474	494,416
ALC Back to Home (Schedule 12)	281,817	254,645
Patient Navigator (Schedule 13)	132,529	92,234
Municipal tax	14,400	14,400
Rainycrest - Home for the Aged (Schedule 14)	17,705,864	17,349,346
Community Support Services (Schedule 15)	1,665,469	1,353,088
Community Paramedicine (Schedule 16)	380,892	381,132
Assisted Living (Schedule 17)	499,574	478,504
	<u>22,645,308</u>	<u>21,629,056</u>
Expenses		
Mental Health - Case Management (Schedule 6)	90,904	86,207
Mental Health - Counselling (Schedule 7)	793,167	637,442
Addictions (Schedule 8)	375,572	326,363
Problem Gambling (Schedule 9)	111,632	96,725
Crisis Response (Schedule 10)	69,540	66,216
Supportive Housing (Schedule 11)	584,568	533,412
ALC Back to Home (Schedule 12)	293,168	260,644
Patient Navigator (Schedule 13)	132,987	92,234
Municipal tax	13,350	14,400
Rainycrest - Home for the Aged (Schedule 14)	20,442,641	19,647,104
Community Support Services (Schedule 15)	1,664,010	1,350,460
Community Paramedicine (Schedule 16)	380,892	381,132
Assisted Living (Schedule 17)	499,574	476,144
	<u>25,452,005</u>	<u>23,968,483</u>
Excess (deficiency) of revenue over expenses for the year	\$ (2,806,697)	\$ (2,339,427)

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 2 - Summary of Fund Type III's - Other Funding Sources

For the year ended March 31	2024	2023
Revenue		
Family Violence Counselling Program (Schedule 3)	\$ 193,154	\$ 188,607
Riverside Community Family Violence Service - PARR (Schedule 4)	-	47,586
Child Witness Program (Schedule 5)	-	24,473
	<u>193,154</u>	<u>260,666</u>
Expenses		
Family Violence Counselling Program (Schedule 3)	196,231	187,967
Riverside Community Family Violence Service - PARR (Schedule 4)	(144)	47,586
Child Witness Program (Schedule 5)	-	25,113
	<u>196,087</u>	<u>260,666</u>
Excess of revenue over expenses for the year	\$ (2,933)	\$ -

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 3 - Family Violence Counselling Program

For the year ended March 31	2024	2023
Revenue		
Ministry of Community and Social Services (Note 14)	\$ 161,839	\$ 157,296
Other	31,315	31,311
	<u>193,154</u>	<u>188,607</u>
Expenses		
Salaries MOS	4,792	25,586
Salaries UPP	101,749	91,068
Benefits MOS	-	2,918
Benefits UPP	21,257	18,933
Staff travel	392	510
Staff training	140	65
Other services	1,650	485
Supplies and equipment	1,258	42
Advertising	-	383
Rent	12,360	12,000
Insurance	1,080	1,020
Memberships	-	-
Capacity building	12,763	3,580
Rural resource	38,790	31,377
	<u>196,231</u>	<u>187,967</u>
Excess of revenue over expenses for the year	\$ (3,077)	\$ 640

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 4 - Riverside Community Family Violence Service - PARR

For the year ended March 31	2024	2023
Revenue		
Ministry of the Attorney General (Note 14)	\$ -	\$ 47,586
Expenses		
Salaries MOS	-	(255)
Salaries UPP	9,850	20,988
Benefits MOS	-	1,844
Benefits UPP	(10,073)	16,051
Supplies and sundry	79	8,958
	(144)	47,586
Excess of revenue over expenses for the year	\$ 144	\$ -

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 5 - Child Witness Program

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
Ministry of Community and Social Services (Note 14)	\$ -	\$ 24,473
Expenses		
Supplies and sundry	-	25,113
Excess of revenue over expenses for the year	\$ -	\$ (640)

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 6 - Mental Health (Case Management)

For the year ended March 31	2024	2023
Revenue		
LHIN (Note 14)	\$ 90,904	\$ 86,207
Expenses		
Salaries UPP	47,402	67,825
Benefits UPP	43,502	16,282
Supplies and sundry	-	2,100
	90,904	86,207
Excess of revenue over expenses for the year	\$ -	\$ -

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 7 - Mental Health (Counselling)

For the year ended March 31	2024	2023
Revenue		
LHIN (Note 14)	\$ 518,653	\$ 493,949
Sessional fees	26,200	23,312
One-time funding	24,204	-
Recoveries	3,459	42,670
Other revenue - Thunder Bay Regional Health Sciences Centre 76,980		218,467
	<u>790,983</u>	<u>636,911</u>
Expenses		
Salaries MOS	117,482	138,334
Salaries UPP	268,360	254,311
Benefits MOS	40,600	25,953
Benefits UPP	63,360	84,636
Supplies and sundry	52,896	30,257
Equipment	1,340	932
Future benefits	4,462	3,850
Sessional fees	26,200	23,312
Thunder Bay Regional Health Sciences Centre	218,467	75,857
	<u>793,167</u>	<u>637,442</u>
Excess of revenue over expenses for the year	\$ (2,184)	\$ (531)

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 8 - Addictions

For the year ended March 31	2024	2023
Revenue		
LHIN (Note 14)	\$ 210,812	\$ 195,918
Recoveries	1,645	1,560
Rapid access addiction medicine (RAAM) clinic	<u>162,773</u>	<u>127,763</u>
	<u>375,230</u>	<u>325,241</u>
Expenses		
Salaries MOS	28,209	26,683
Salaries UPP	112,090	88,702
Benefits MOS	4,445	3,544
Benefits UPP	23,080	21,619
Supplies and sundry	42,264	49,285
Equipment	61	6,842
Future benefits	2,219	1,925
Rapid access addiction medicine (RAAM) clinic	<u>163,204</u>	<u>127,763</u>
	<u>375,572</u>	<u>326,363</u>
Excess of revenue over expenses for the year	\$ (342)	\$ (1,122)

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 9 - Problem Gambling

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
LHIN (Note 14)	\$ 111,632	\$ 96,716
	<u>111,632</u>	<u>96,716</u>
Expenses		
Salaries UPP	88,525	76,314
Benefits UPP	23,015	20,357
Supplies and sundry	92	54
	<u>111,632</u>	<u>96,725</u>
Excess of revenue over expenses for the year	<u>\$ -</u>	<u>\$ (9)</u>

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 10 - Crisis Response

For the year ended March 31	2024	2023
Revenue		
LHIN (Note 14)	\$ 69,540	\$ 66,216
Expenses		
Salaries MOS	2,024	10,107
Salaries UPP	56,717	46,926
Benefits MOS	-	1,383
Benefits UPP	10,137	7,357
Supplies and sundry	32	15
Equipment	630	428
	69,540	66,216
Excess of revenue over expenses for the year	\$ -	\$ -

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 11 - Supportive Housing

For the year ended March 31	2024	2023
Revenue		
LHIN (Note 14)	\$ 500,822	\$ 476,955
One-time funding	24,204	-
Recoveries	1,448	17,461
	<u>526,474</u>	<u>494,416</u>
Expenses		
Salaries MOS	78,578	49,250
Salaries UPP	344,095	314,939
Benefits MOS	22,777	23,467
Benefits UPP	100,308	93,418
Supplies and sundry	29,612	31,803
Equipment	6,979	17,973
Future benefits	2,219	1,925
Buildings and grounds	-	637
	<u>584,568</u>	<u>533,412</u>
Excess of revenue over expenses for the year	\$ (58,094)	\$ (38,996)

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 12 - ALC Back to Home

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
LHIN (Note 13)		
- Operating	\$ 257,678	\$ 245,400
- Rent geared to income	3,277	9,245
Recoveries and miscellaneous revenue	<u>20,862</u>	
	<u>281,817</u>	<u>254,645</u>
Expenses		
Salaries and wages - MOS	(13,655)	452
Salaries and wages - UPP	232,270	180,083
Benefit contributions - UPP	51,200	42,575
Equipment	23,031	32,550
Building and grounds expense	<u>322</u>	<u>4,984</u>
	<u>293,168</u>	<u>260,644</u>
Deficiency of revenue over expenses for the year	<u>\$ (11,351)</u>	<u>\$ (5,999)</u>

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 13 - Patient Navigator

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
LHIN (Note 14)	\$ 108,339	\$ 92,234
One-time funding	24,190	-
	<u>132,529</u>	<u>92,234</u>
Expenses		
Salaries UPP	108,841	74,839
Benefits UPP	22,862	16,048
Supplies and sundry	1,284	1,347
	<u>132,987</u>	<u>92,234</u>
Excess of revenue over expenses for the year	<u>\$ (458)</u>	<u>\$ -</u>

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 14 - Rainycrest - Home for the Aged

For the year ended March 31	2024	2023
Revenue		
Ministry of Health/LHIN - General subsidy	\$ 9,363,725	\$ 8,970,293
- One-time subsidies	4,650,526	5,243,056
- Doctor on-call funding	16,014	15,844
- High intensity needs and lab funding	196,290	89,218
	<u>14,226,555</u>	<u>14,318,411</u>
Resident fees	3,183,923	2,907,770
Falls Prevention	13,570	13,857
Other	281,816	109,308
	<u>17,705,864</u>	<u>17,349,346</u>
Total revenue		
Expenses		
Operations		
Nursing and personal care		
Nursing administration	274,886	233,819
Nursing personal care	12,988,223	11,377,748
Doctor on-call expenditures	15,840	15,844
Medical director fees	30,012	29,930
RAI coordinator	57,047	94,892
Nurse practitioner	7,299	30,307
	<u>13,373,307</u>	<u>11,782,540</u>
Total nursing and personal care		
	13,373,307	11,782,540
Other operations		
Program and support services	899,978	851,532
Raw food	623,201	568,368
Accommodation		
Housekeeping services	682,404	665,871
Building and property	711,579	1,681,083
Dietary services	862,792	1,018,007
Laundry and linen services	464,154	324,997
General and administrative	2,111,250	1,944,175
Facility costs	315,006	387,887
Falls prevention	13,570	-
Medications management	49,032	-
High intensity needs and lab costs	402,068	273,738
Bad debts	-	4,709
	<u>20,508,341</u>	<u>19,502,907</u>
Total expenses before amortization and post-retirement benefits and compensated absences		
	20,508,341	19,502,907
Fund balance before amortization and post-retirement benefits and compensated absences		
	<u>(2,802,477)</u>	<u>(2,153,561)</u>
Amortization		
	-	1,097
Post-retirement benefits and compensated absences	(65,700)	143,100
	<u>(65,700)</u>	<u>144,197</u>
Total expenses		
	<u>20,442,641</u>	<u>19,647,104</u>
Excess (deficiency) of revenue over expenses for the year		
	<u>\$ (2,736,777)</u>	<u>\$ (2,297,758)</u>

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 15 - Community Support Services

For the year ended March 31	2024	2023
Revenue		
LHIN - General subsidy	\$ 644,343	\$ 444,591
- One-time funding	62,699	16,837
Recoveries and miscellaneous revenue	808,498	761,181
Handi-van	149,929	130,479
	<u>1,665,469</u>	<u>1,353,088</u>
Expenses		
Salaries and wages - MOS	169,432	206,779
Salaries and wages - UPP	831,312	576,955
Benefit contributions - MOS	49,148	54,623
Benefit contributions - UPP	235,404	155,796
Supplies and sundry expenses	187,447	186,819
Equipment	25,333	20,469
Building and grounds expense	10,707	7,661
Handi-van	155,227	141,358
	<u>1,664,010</u>	<u>1,350,460</u>
Deficiency of revenue over expenses for the year	\$ 1,459	\$ 2,628

**Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 16 - Community Paramedicine**

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
LHIN - General subsidy	\$ 146,892	\$ 381,132
- One-time funding	<u>234,000</u>	<u>-</u>
	<u>380,892</u>	<u>381,132</u>
Expenses		
Contracted out services	<u>380,892</u>	<u>381,132</u>
Excess of revenue over expenses for the year	<u>\$ -</u>	<u>\$ -</u>

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Schedule 17 - Assisted Living

For the year ended March 31	2024	2023
Revenue		
LHIN - General subsidy	\$ 196,769	\$ 404,823
- One-time funding	267,704	32,263
Recoveries and miscellaneous revenue	35,101	41,418
	<u>499,574</u>	<u>478,504</u>
Expenses		
Salaries and wages - MOS	45,500	60,427
Salaries and wages - UPP	245,121	275,437
Benefit contributions - MOS	-	5,666
Benefit contributions - UPP	66,169	74,350
Supplies and sundry expenses	33,939	51,315
Equipment	105,184	6,034
Building and grounds expense	3,661	2,915
	<u>499,574</u>	<u>476,144</u>
Excess of revenue over expenses for the year	\$ -	\$ 2,360



Tel: 807-274-9848
Fax: 807-274-5142
www.bdo.ca

BDO Canada LLP
607 Portage Avenue
Fort Frances ON P9A 0A7 Canada

Compilation Engagement Report

To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

On the basis of information provided by management, we have compiled the Rainycrest - Home for the Aged - Calendar Year Schedule, (the schedule), of Riverside Health Care Facilities, Inc. (the Entity) for the year ended December 31, 2023, and the Note to Schedule, which describes the basis of accounting applied in the preparation of the compiled schedule.

Management is responsible for the accompanying schedule, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We have performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the schedule.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide and form of assurance on the schedule.

Readers are cautioned that this schedule may not be appropriate for their purposes.

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario

June 18, 2024

Riverside Health Care Facilities, Inc.
Statement of Revenue and Expenses
Rainycrest - Home for the Aged - Calendar Year Schedule

For the year ended December 31	2023	2022
Revenue		
Ministry of Health/LHIN - General subsidy	\$ 11,403,992	\$ 9,309,225
- Subsidy due back to LHIN/MOHLTC	(1,908,807)	(327,385)
- One-time subsidies	2,259,164	3,812,293
- High intensity needs and lab funding	199,292	16,316
	<u>11,953,641</u>	<u>12,810,449</u>
Resident fees	3,113,401	2,876,034
Other	218,009	117,530
	<u>15,285,051</u>	<u>15,804,013</u>
Total revenue		
Expenses		
Operations		
Nursing and personal care		
Nursing personal care	12,416,205	11,218,809
Doctor on-call expenditures	15,840	15,220
Medical director fees	29,930	29,930
	<u>12,461,975</u>	<u>11,263,959</u>
Total nursing and personal care	12,461,975	11,263,959
Other operations		
Program and support services	789,107	766,683
Raw food	588,058	579,579
Accommodation		
Housekeeping services	646,482	648,067
Building and property	1,645,298	1,190,433
Dietary services	818,426	972,013
Laundry and linen services	440,728	305,600
General and administrative	2,277,158	1,561,266
Facility costs	393,722	429,144
High intensity needs and lab costs	62,434	113,338
Bad debts	4,709	4,829
Nurse practitioner	354,497	71,154
Other equipment and direct expenses	92,996	84,286
COVID-19 direct costs	49,032	184,047
	<u>20,624,622</u>	<u>18,174,398</u>
Total expenses before amortization and post-retirement benefits and compensated absences	20,624,622	18,174,398
Fund balance before amortization and post-retirement benefits and compensated absences	(5,339,571)	(2,370,385)
Amortization	-	1,199
Post-retirement benefits and compensated absences	12,463	145,850
	<u>12,463</u>	<u>147,049</u>
Total expenses	20,637,085	18,321,447
Surplus of revenue over expenses for the year	\$ (5,352,034)	\$ (2,517,434)

Riverside Health Care Facilities, Inc.
Note to Schedule

For the year ended December 31, 2023

Basis of Accounting

The basis of accounting applied in the preparation of the schedule is on the historical cost basis, reflecting cash transactions with the addition of:

- the deferral of restricted funding not yet used for its intended purposes
- adjustments to revenue for amounts receivable at year end
- adjustments to expenses for accounts payable and accrued liabilities
- amortization of capital assets using the straight line method



Independent Auditor's Report

To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

Opinion

We have audited the Statements of Trust Accounts (the Statements) of Riverside Health Care Facilities, Inc. (the Organization), which comprise the Statement of Financial Position as at March 31, 2024, and the Statement of Receipts and Disbursements for the Residents' Council Trust for the year then ended, and the Note to Statements of Trust Accounts.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Statements for the year ended March 31, 2024, are prepared, in all material respects, in accordance with the basis of accounting as described in the Note.

Basis for Qualified Opinion

In common with many Organizations of this nature, the Organization derives trust fund receipts from and on behalf of residents, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these receipts was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to funds received in trust for the years ended March 31, 2024, and 2023, assets as at March 31, 2024, and 2023, and fund balances as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023, was modified accordingly because of the possible effects of this limitation in scope.

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 Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the 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 qualified audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to the Note to Statements of Trust Accounts, which describes the basis of accounting. The Statements are prepared to assist the Organization to meet the reporting requirements of the Ministry of Health and Long-Term Care. As a result, the Statements may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Statements

Management is responsible for the preparation of the Statements in accordance with the basis of accounting as described in the Note, and for such internal control as management determines is necessary to enable the preparation of the Statements that are free from material misstatement, whether due to fraud or error.

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



Auditor's Responsibilities for the Audit of the Statements

Our objectives are to obtain reasonable assurance about whether the 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 the 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 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario
June 18, 2024

Riverside Health Care Facilities, Inc.
Statement of Financial Position
Trust Funds

March 31, 2024	Rainycrest Residents' Council	Emo Health Centre	Rainy River Health Centre	Rainycrest Residents' Comfort	2024 Total	2023 Total
Assets						
Cash and bank	\$ 25,619	\$ 1,807	\$ 2,608	\$ 32,991	\$ 63,025	\$ 62,988
Liabilities						
Balance	\$ 25,619	\$ 1,807	\$ 2,608	\$ 32,991	\$ 63,025	\$ 62,988

**Riverside Health Care Facilities, Inc.
Statement of Receipts and Disbursements
Rainycrest - Residents' Council Trust Fund**

<u>For the year ended March 31</u>	<u>2024</u>	<u>2023</u>
Revenue		
Beverage and other sales	\$ -	\$ 265
Interest	1,289	719
Other revenue	-	300
	<u>1,289</u>	<u>1,284</u>
Expenses		
Supplies	<u>1,648</u>	<u>3,841</u>
Excess of revenue over expenses	(359)	(2,557)
Trust fund balance, beginning of year	<u>25,978</u>	<u>28,535</u>
Trust fund balance, end of year	\$ 25,619	\$ 25,978

Riverside Health Care Facilities, Inc. Note to Statements of Trust Accounts

March 31, 2024

Summary of Significant Accounting Policies

Basis of Accounting	Sources of revenue and expenditure are reported on the cash basis of accounting.
Capital Assets	Capital assets are reported as an expenditure on the Statement of Operations in the year of acquisition. Capital assets are not capitalized and, accordingly, no amortization is recorded.
Inventories	Inventories of supplies are expensed in the year they are acquired.
Emo Health Centre, Rainy River Health Centre and Rainycrest Residents' Comfort Trust Funds	No Statement of Receipts and Disbursements is presented for these Trust Funds. The funds held in these Trusts belong to the residents or patients of the applicable facility and are held in non-interest bearing bank accounts in accordance with the requirements of the Ministry of Health and Long-Term Care. Any receipts or payments from the Trust are made on behalf of specific residents or patients and are accounted for as such.
Rainycrest Residents' Comfort Trust Funds	The Rainycrest Residents' Comfort Trust Funds of Riverside Health Care Facilities, Inc. are established in accordance with Ontario Regulation 79/10 under the Long-Term Care Homes Act, 2007.