

**NorWest Community Health Centres**  
**Financial Statements**  
*March 31, 2024*

# NorWest Community Health Centres Contents

For the year ended March 31, 2024

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To the Board of Directors of NorWest Community Health Centres:

## Opinion

We have audited the financial statements of NorWest Community Health Centres (the "Centres"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and 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 Centres as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## 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 Centres 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 purposes 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.

## 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 Centres 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 Centres 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 Centres 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 18, 2024

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

## NorWest Community Health Centres Statement of Financial Position

As at March 31, 2024

	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash (Note 3)	2,865,648	3,145,641
Accounts receivable (Note 4)	1,696,514	1,055,309
Government remittances receivable	383,557	286,851
Prepaid expenses	218,322	125,535
<b>Capital assets (Note 5)</b>	<b>5,164,041</b>	<b>4,613,336</b>
	<b>10,147,639</b>	<b>10,291,388</b>
	<b>15,311,680</b>	<b>14,904,724</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	2,365,614	1,736,673
Accrued wages payable	244,225	242,816
Deferred revenue (Note 7)	108,218	152,629
Due to funding agencies (Note 8)	2,335,389	2,373,053
	<b>5,053,446</b>	<b>4,505,171</b>
Deferred capital contributions (Note 9)	8,931,630	9,075,379
	<b>13,985,076</b>	<b>13,580,550</b>
<b>Contingencies (Note 10)</b>		
<b>Net Assets</b>		
Invested in capital assets	1,216,009	1,216,009
Unrestricted	110,595	108,165
	<b>1,326,604</b>	<b>1,324,174</b>
	<b>15,311,680</b>	<b>14,904,724</b>

Approved on behalf of the Board

  
Director

  
Director

The accompanying notes are an integral part of these financial statements

## NorWest Community Health Centres Statement of Operations and Changes in Net Assets

*For the year ended March 31, 2024*

	<i>Restricted Fund</i>	<i>Unrestricted Fund</i>	<i>Invested in Capital Assets</i>	<b>2024</b>	2023
<b>Revenue</b>					
Ministry of Health					
Base funding	<b>13,913,781</b>	-	-	<b>13,913,781</b>	13,159,323
Non-recurring	<b>667,953</b>	-	-	<b>667,953</b>	568,071
Public Health Agency of Canada	<b>825,421</b>	-	-	<b>825,421</b>	742,859
St. Joseph's Care Group	<b>694,752</b>	-	-	<b>694,752</b>	521,756
Interest income	<b>160,637</b>	-	-	<b>160,637</b>	61,094
Other income	<b>1,636,683</b>	<b>2,430</b>	-	<b>1,639,113</b>	790,454
Funding repayable to MOH <i>(Note 11)</i>	<b>(718,624)</b>	-	-	<b>(718,624)</b>	(291,849)
Third party billings	<b>14,327</b>	-	-	<b>14,327</b>	18,531
Amortization of deferred capital contributions <i>(Note 9)</i>	<b>586,478</b>	-	-	<b>586,478</b>	578,645
Less: deferred capital contributions <i>(Note 9)</i>	<b>(442,729)</b>	-	-	<b>(442,729)</b>	(433,604)
Less: current year deferred revenue	<b>(108,218)</b>	-	-	<b>(108,218)</b>	(152,629)
Add: prior year deferred revenue	<b>152,629</b>	-	-	<b>152,629</b>	51,694
	<b>17,383,090</b>	<b>2,430</b>	-	<b>17,385,520</b>	15,614,345

*Continued on next page*

*The accompanying notes are an integral part of these financial statements*



# NorWest Community Health Centres

## Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	2,430	600
Amortization	586,478	578,645
Deferred capital contributions (net)	(143,747)	(145,041)
	<b>445,161</b>	434,204
Changes in working capital accounts		
Accounts receivable	(641,205)	133,233
Government remittances receivable	(96,706)	20,046
Prepaid expenses and deposits	(92,787)	(15,755)
Accounts payable and accruals	628,939	(480,172)
Accrued wages payable	1,409	11,683
Due to funding agencies	(37,664)	291,849
Deferred revenue	(44,411)	100,935
	<b>162,736</b>	496,023
<b>Investing</b>		
Purchase of capital assets	(442,729)	(433,604)
<b>Increase (decrease) in cash resources</b>	<b>(279,993)</b>	62,419
<b>Cash resources, beginning of year</b>	<b>3,145,641</b>	3,083,222
<b>Cash resources, end of year</b>	<b>2,865,648</b>	3,145,641

The accompanying notes are an integral part of these financial statements



# NorWest Community Health Centres

## Notes to the Financial Statements

For the year ended March 31, 2024

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### 1. Incorporation and nature of the organization

NorWest Community Health Centres (the "Centres") was incorporated October 5, 1988 under the laws of the Province of Ontario as a not-for-profit organization without share capital. On April 1, 2001, Ogden-East End Community Health Centre merged with Longlac Community Health Care to operate as NorWest Community Health Centres. The Centres' objective is to provide services which range from preventative education to treatment and follow-up to the Northwestern Ontario communities of Thunder Bay, Armstrong, Kakabeka Falls, and Longlac. The tax-exempt Centres are a registered charity under the Income Tax Act.

### 2. Significant accounting policies

The financial statements of the Centres have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

#### ***Basis of presentation***

The Centres receive a majority of its funding from the Ministry of Health ("MOH") based on bi-annual budget submissions. The Centres administer the programs on behalf of the Ontario Health. At year-end, total expenditures calculated in accordance with the Ontario Health guidelines are compared to the approved budget and, at the discretion of the Ontario Health, any excess funding is refunded to the government agency or affects the funding available to the program in the succeeding year.

#### ***Fund accounting***

The Centres report using fund accounting, and maintains three funds.

The Unrestricted Fund reports the Centres' revenue and expenses related to program delivery and administrative activities.

The Restricted Fund reports assets, liabilities, revenue and expenses related to programs that are funded with restricted contributions.

Invested in Capital Assets reports the assets, liabilities, revenue and expenses related to property and equipment.

#### ***Revenue recognition***

The Centres follow the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.

Third party billings and other income are recognized as revenue upon completion of service provision, provided the amount is measurable and collectability is reasonably assured. Interest income is accrued as earned over time.

Deferred revenue represents the unspent portion of income from grants and signed contracts which extend beyond the year-end.

#### ***Cash and cash equivalents***

Cash and cash equivalents include balances held with a chartered bank. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

**2. Significant accounting policies** *(Continued from previous page)*

**Capital assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

Assets under construction are not amortized until they are available for use.

	<b>Method</b>	<b>Years</b>
Buildings	straight-line	25-40 years
Computer equipment	straight-line	4-5 years
Furniture and equipment	straight-line	5-10 years

**Leases**

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

**Long-lived assets**

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 Centres determine that a long-lived asset no longer has any long-term service potential to the Centres, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations and changes in net assets. Write-downs are not reversed.

**Deferred capital contributions**

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

**Allocation of expenses**

The Centres engage in various health-care programs. The Centres incur a number of general support expenses that are common to the administration of the Centres and each of its programs.

The Centres allocate certain of its general support expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Administrative expenses are allocated on the following bases:

Audit, administrative salaries, insurance, office expenses and supplies	Based on eligible expenditures outlined in funder approved program budgets
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2. **Significant accounting policies** *(Continued from previous page)*

**Contributed materials and services**

Contributions of materials are recognized both as contributions and expenses in the statement of operations and changes in net assets when a fair value can be reasonably estimated, is significant, and when the materials and services are used in the normal course of the Centres' operations and would otherwise have been purchased.

**Measurement uncertainty (use of estimates)**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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.

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

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

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

Deferred revenue is estimated based on management's assessment of the unspent amount of funding received as at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the periods in which they become known.

**Financial instruments**

The Centres recognize financial instruments when the Centres become party to the contractual provisions of the financial instrument.

**Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Centres may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Centres have not made such an election during the year. Fair value is determined by reference to recent arm's length transactions.

The Centres subsequently measure investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Centres' performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

# NorWest Community Health Centres

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 2. Significant accounting policies *(Continued from previous page)*

#### Financial asset impairment

The Centres assess impairment of all its financial assets measured at cost or amortized cost. The Centres group assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considered whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Centres determine whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Centres reduce the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Centres reduce the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Centres reduce the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Centres reverse impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

### 3. Cash

	2024	2023
Petty cash - General	700	700
Petty cash - Armstrong	100	100
Petty cash - Longlac	300	300
General chequing account - Thunder Bay	2,593,418	2,886,118
Chequing account - Longlac site - special fund	3,418	3,497
General chequing account - Capital	267,712	254,926
	2,865,648	3,145,641

### 4. Accounts receivable

	2024	2023
Trade receivables	1,192,717	989,534
Due from MOH/OH	503,797	65,775
	1,696,514	1,055,309

# NorWest Community Health Centres

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 5. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2024 Net book value</i>
Land	1,216,009	-	1,216,009
Buildings	12,047,995	5,228,656	6,819,339
Computer equipment	661,180	533,871	127,309
Furniture and equipment	3,605,635	1,620,653	1,984,982
	<b>17,530,819</b>	<b>7,383,180</b>	<b>10,147,639</b>
<hr/>			
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2023 Net book value</i>
Land	1,216,009	-	1,216,009
Buildings	12,047,995	4,805,541	7,242,454
Computer equipment	656,131	481,340	174,791
Furniture and equipment	3,167,955	1,509,821	1,658,134
	<b>17,088,090</b>	<b>6,796,702</b>	<b>10,291,388</b>

### 6. Bank indebtedness

The Centres have available an operating line of credit to a maximum of \$600,000 bearing interest at the bank's prime rate (7.20% at year-end; 2023 - 6.70%), secured by a general security agreement covering all assets and undertakings. The balance outstanding at year-end is \$Nil (2023 - \$Nil).

### 7. Deferred revenue

During the year the Centres received revenue with respect to operating agreements which extend beyond the Centre's fiscal year-end. To the extent that such revenue had not been expended by the fiscal year-end, they have been recorded as deferred revenue. The relevant amounts and agreements to which they pertain are as follows:

	<i>Balance, beginning of year</i>	<i>Amount received during the year</i>	<i>Amount recognized as revenue</i>	<i>2024</i>	<i>2023</i>
Gender Journeys Camp - fundraising	4,518	-	-	4,518	4,518
Kinna-aweya Legal Clinic	17,500	13,700	(17,500)	13,700	17,500
Health Care Excellence	25,000	-	(25,000)	-	25,000
Alliance for Healthier Communities	95,701	-	(95,701)	-	95,701
Ontario Trillium Foundation	9,910	-	(9,910)	-	9,910
Indigenous Friendship Society	-	90,000	-	90,000	-
	<b>152,629</b>	<b>103,700</b>	<b>(148,111)</b>	<b>108,218</b>	<b>152,629</b>

# NorWest Community Health Centres

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 8. Due to funding agencies

	2024	2023
Consumption and Treatment Services - 2019/2020	-	43,013
Consumption and Treatment Services - 2020/2021	-	59,158
Consumption and Treatment Services - 2021/2022	-	58,524
Consumption and Treatment Services - 2022/2023	-	20,269
Consumption and Treatment Services - 2023/2024	<b>64,532</b>	-
General Fund - 2018/2019	-	276,863
General Fund - 2019/2020	<b>252,137</b>	252,137
General Fund - 2020/2021	<b>190,274</b>	190,274
General Fund - 2021/2022	<b>437,861</b>	437,861
General Fund - 2022/2023	<b>213,733</b>	213,733
General Fund - 2023/2024	<b>359,994</b>	-
Diabetes Education Program - 2021/2022	<b>43,348</b>	43,348
Diabetes Education Program - 2023/2024	<b>39,259</b>	-
Diabetes Mobile - 2019/2020	<b>43,801</b>	43,801
Integrated Palliative Clinical Care Program - 2019/2020	<b>72,353</b>	72,353
Integrated Palliative Clinical Care Program - 2021/2022	<b>41,832</b>	41,832
Integrated Palliative Clinical Care Program - 2022/2023	<b>25,639</b>	25,638
Interprofessional Primary Care Team - 2019/2020	<b>60,465</b>	60,465
Interprofessional Primary Care Team - 2021/2022	<b>69,478</b>	69,478
Managed Alcohol Program - 2021/2022	-	118,781
Midwifery Program - 2018/2019	-	156,681
Midwifery Program - 2019/2020	<b>40,704</b>	40,704
Midwifery Program - 2021/2022	<b>92,932</b>	92,932
Midwifery Program - 2022/2023	<b>18,748</b>	18,748
Midwifery Program - 2023/2024	<b>254,839</b>	-
Armstrong Clinic - 2021/2022	-	23,000
Armstrong Clinic - 2022/2023	<b>13,460</b>	13,460
	<b>2,335,389</b>	2,373,053

### 9. Deferred capital contributions

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

	2024	2023
Balance, beginning of year	<b>9,075,379</b>	9,220,420
Amount received during the year	<b>442,729</b>	433,604
Less: amounts recognized as revenue during the year	<b>(586,478)</b>	(578,645)
	<b>8,931,630</b>	9,075,379

### 10. Contingencies

The Centres are contingently liable to its funding agencies for any expenditure that it may have made in contravention of the contract agreements with the agencies and any surpluses may be subject to recovery, depending on the terms and conditions of the relevant contract agreement. The amount of the liability, if any, is currently not determinable.

# NorWest Community Health Centres

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 11. Due to the Ministry of Health and Ontario Health

The following breakdown is provided in accordance with the Ministry of Health agreements:

	<b>2024</b>	<b>2023</b>
Approved funding for the year	14,581,734	13,727,394
Deduct "Capital expenditure funding"	<u>(442,729)</u>	<u>(433,604)</u>
Total MOH program funding for operations	14,139,005	13,293,790
Deduct: expenses eligible for MOH	<u>16,796,612</u>	<u>15,035,100</u>
Deficiency of funding over expenses for the year	(2,657,607)	(1,741,310)
Add: third party billings, interest, and property tax rebates refundable to MOH	<u>3,376,231</u>	<u>2,033,159</u>
	<u><b>718,624</b></u>	<u><b>291,849</b></u>
Amount refundable to MOH for the year		
- Armstrong Clinic	-	13,460
- General Fund	359,994	213,733
- Diabetes Education	39,259	-
- Interprofessional Primary Care Team	-	-
- Midwifery	254,839	18,748
- Consumption and Treatment Services	64,532	20,269
- Integrated Palliative Clinical Care	-	25,639
	<u><b>718,624</b></u>	<u><b>291,849</b></u>

### 12. Change in invested in capital assets

The change in invested in capital assets is calculated as follows:

	<b>2024</b>	<b>2023</b>
Purchase of capital assets	442,729	433,604
Amortization expense	(586,478)	(578,645)
Deferred capital contributions	(442,729)	(433,604)
Amortization of deferred capital contributions	<u>586,478</u>	<u>578,645</u>
	-	-

### 13. Commitments

The Centres have entered into various lease agreements for office equipment and leased space which have expiry dates ranging from October 2024 through June 2027. The estimated minimum annual payments are as follows:

2025	62,776
2026	37,630
2027	26,612
2028	8,663
	<u>135,681</u>

### 14. Economic dependence

The Centres' primary source of revenue is funding from Ministry of Health and Ontario Health. The grant funding can be cancelled if the Centres do not observe certain established guidelines. The Centres' ability to continue viable operations is dependent upon maintaining its right to follow the criteria within funding guidelines. As at the date of these financial statements the Centres believe that they are in compliance with these guidelines.

**NorWest Community Health Centres**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2024*

**15. Allocated administration**

Audit, salaries, insurance, office expenses and supplies of \$696,628 (2023 - \$756,972) have been allocated as follows:

	<b>2024</b>	<b>2023</b>
GAPPS Program	<b>(5,407)</b>	(30,635)
Armstrong Clinic	<b>(25,945)</b>	3,890
Diabetes Education Program	<b>34,077</b>	18,307
Diabetes Mobile	<b>7,094</b>	35,118
RAAM	<b>70,512</b>	59,375
Midwifery	<b>65,528</b>	95,988
Interprofessional Primary Care Team	<b>208,185</b>	240,163
Consumption and Treatment Services	<b>113,586</b>	98,810
Integrated Palliative Clinical Care Program	<b>108,672</b>	109,862
Immunization Partnership Fund	<b>-</b>	25,383
Thunder Bay Safer Supply Program	<b>120,326</b>	100,711
	<b>696,628</b>	<b>756,972</b>

**16. Insurance**

The Centres are members of the Healthcare Insurance Reciprocal of Canada ("HIROC"). Members pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of members for the years in which they were members. No such assessments have been made to March 31, 2024.

Since its inception in 1987 HIROC has accumulated an unappropriated surplus, which is the total of premiums paid by all subscribers plus investment income less the obligation for claims reserves and expenses and operating expenses. Each member which has an excess of premium plus investment income over the obligation for their allocation of claims reserves and expenses and operating expenses may be entitled to receive distributions of their share of the unappropriated surplus at the time such distributions are declared by the Board of Directors of HIROC. There are no distributions receivable from HIROC as of March 31, 2024.

**17. Public Sector Salary Disclosure Act, 1996**

During the calendar year of 2023, twenty employees were paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by the Centres.



**18. Financial instruments**

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

***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 interest 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 Centres are exposed to interest rate cash flow risk with respect to interest on the bank credit facilities. Changes in lending rates may cause fluctuations in cash flows and interest expense. In the opinion of management the interest rate risk exposure to the Centres is low and is not material.

***Liquidity risk***

Liquidity risk is the risk that the Centres will encounter difficulty in meeting obligations associated with financial liabilities. The Centres enter into transactions to purchase goods and services on credit from various creditors, for which repayment is required at various maturity dates.

**19. Pension agreements**

A majority of the employees of the Centres are members of the Healthcare of Ontario Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the Ontario Hospital Association. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the five consecutive years prior to retirement, termination or death, that provide the highest average earnings.

Pension expense is based on the Plan management's best estimates, in consultation with its actuaries, of the amount, together with contributions by employees, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for employer contributions to the Plan to remain a constant percentage of employees' contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are to be funded proportionately by the employees and the employer. The most recent actuarial valuation of the Plan as at December 31, 2023, indicates the Plan is 115% funded and the Plan's Board of Trustees have set 2023 contribution rates at the 2023 level. The majority of employees of the Centres are members of the Healthcare of Ontario Pension Plan. Contributions to the Plan made during the year by the Centres on behalf of its employees amounted to \$837,929 (2023 - \$835,412) and are included in the statement of operations and changes in net assets.

**20. Budget information**

During the year, the Board of Directors approved its operating budget based on planned expenses relating to the current year funding and other current year sources of revenue. The budget balances have been attached for information purposes only and are unaudited.

**21. Comparative figures**

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

## NorWest Community Health Centres

### Schedule 1 - Schedule of General Fund Revenue and Expenses

*For the year ended March 31, 2024*

	2024 <i>Budget</i> <i>(Unaudited)</i>	2024 <i>Actual</i> <i>(Unaudited)</i>	2023 <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health/OH			
Base funding	9,147,492	9,593,315	9,147,492
Non-recurring	287,794	667,953	448,509
Interest income	6,000	160,637	61,094
Third party billings	17,000	14,327	18,531
St. Joseph's Care Group	351,733	251,057	-
Other income	432,989	1,581,607	789,674
Funding repayable to MOH	-	(359,994)	(213,733)
Less: current year deferred revenue	-	(108,218)	(152,629)
Add: prior year deferred revenue	-	152,629	51,694
	<b>10,243,008</b>	<b>11,953,313</b>	10,150,632
<b>Expenses</b>			
Bank charges	1,500	413	549
Board development and expenses	7,000	6,253	6,620
Building occupancy	357,615	792,890	608,346
Capital assets acquisitions	-	405,101	328,823
Consultants	32,633	272,939	211,408
Contract services	468,988	797,475	633,801
Information technology	143,703	151,605	165,274
Insurance	45,000	59,332	54,092
Medical supplies	118,769	169,841	152,400
Meeting	36,000	79,324	13,562
Membership fees	32,000	42,588	43,417
Office expenses	84,227	574,214	88,685
Postage and courier	7,000	10,452	9,603
Printing and copier	12,000	13,545	14,207
Professional fees	29,304	48,752	71,825
Program supplies	64,460	453,701	206,074
Recruitment	11,000	24,005	13,975
Resources	9,912	14,432	12,458
Salaries and benefits	8,490,864	7,495,108	7,003,061
Staff development	33,500	49,534	103,925
Telephone	72,833	79,304	67,146
Travel	70,700	258,167	208,406
Utilities	107,000	139,678	116,587
Vehicle expense	7,000	14,660	16,388
	<b>10,243,008</b>	<b>11,953,313</b>	10,150,632
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NorWest Community Health Centres**  
**Schedule 2 - Schedule of Armstrong Clinic Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024</b> <b>Budget</b> <b>(Unaudited)</b>	<b>2024</b> <b>Actual</b> <b>(Unaudited)</b>	<b>2023</b> <b>Actual</b> <b>(Unaudited)</b>
<b>Revenue</b>			
Ministry of Health			
Base funding	391,900	391,900	391,900
Non-recurring	-	-	2,982
Other income	2,000	76	180
Funding repayable to MOH	-	-	(13,460)
	<b>393,900</b>	<b>391,976</b>	<b>381,602</b>
<b>Expenses</b>			
Administration fee	23,500	23,500	23,500
Building occupancy	99,000	107,324	82,629
Information technology	2,000	909	2,113
Insurance	2,500	2,500	2,500
Medical supplies	9,600	7,729	9,855
Office expenses	4,500	1,693	4,866
Postage and courier	500	-	134
Professional fees	1,200	1,200	1,200
Program supplies	400	201	144
Salaries and benefits	223,000	222,999	225,982
Staff development	1,500	-	1,500
Travel	16,200	12,133	16,198
Utilities	10,000	11,788	10,981
	<b>393,900</b>	<b>391,976</b>	<b>381,602</b>
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NorWest Community Health Centres**  
**Schedule 3 - Schedule of GAPPS Program Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024 Budget (Unaudited)</b>	<b>2024 Actual (Unaudited)</b>	<b>2023 Actual (Unaudited)</b>
<b>Revenue</b>			
St. Joseph's Care Group	<b>48,000</b>	<b>8,131</b>	45,033
<b>Expenses</b>			
Salaries and benefits	<b>48,000</b>	<b>8,131</b>	45,033
<b>Excess of revenue over expenses</b>	-	-	-

**NorWest Community Health Centres**  
**Schedule 4 - Schedule of Diabetes Education Program Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024</b> <b>Budget</b> <b>(Unaudited)</b>	<b>2024</b> <b>Actual</b> <b>(Unaudited)</b>	<b>2023</b> <b>Actual</b> <b>(Unaudited)</b>
<b>Revenue</b>			
Ministry of Health/OH			
Base funding	258,227	258,227	258,227
Funding repayable to MOH/OH	-	(39,259)	-
	<b>258,227</b>	<b>218,968</b>	258,227
<b>Expenses</b>			
Advertising	700	700	700
Office expenses	2,225	2,225	2,225
Professional fees	1,000	1,000	1,000
Program supplies	5,000	8,635	10,577
Salaries and benefits	240,302	199,316	240,302
Staff development	1,500	2,730	1,193
Telephone	500	500	500
Travel	7,000	3,862	1,730
	<b>258,227</b>	<b>218,968</b>	258,227
<b>Excess of revenue over expenses</b>	-	-	-

## NorWest Community Health Centres Schedule 5 - Schedule of Diabetes Mobile Revenue and Expenses

*For the year ended March 31, 2024*

	2024 <i>Budget</i> <i>(Unaudited)</i>	2024 <i>Actual</i> <i>(Unaudited)</i>	2023 <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health/OH Base funding	677,937	677,937	677,937
<b>Expenses</b>			
Capital assets acquisitions	-	8,501	-
Building occupancy	8,543	-	-
Contract services	6,000	6,000	6,000
Medical supplies	6,000	6,166	7,056
Office expenses	4,000	2,704	6,067
Program supplies	4,000	148	6,806
Salaries and benefits	628,894	644,738	622,962
Staff development	4,500	433	6,989
Travel	3,000	2,855	2,890
Vehicle expense	13,000	6,392	19,167
	677,937	677,937	677,937
<b>Excess of revenue over expenses</b>	-	-	-

**NorWest Community Health Centres**  
**Schedule 6 - Schedule of Capital Fund Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024</b> <b>Budget</b> <b>(Unaudited)</b>	<b>2024</b> <b>Actual</b> <b>(Unaudited)</b>	<b>2023</b> <b>Actual</b> <b>(Unaudited)</b>
<b>Revenue</b>			
Ministry of Health			
Non-recurring	-	-	78,786
<b>Expenses</b>			
Capital assets acquisitions	-	-	78,786
<b>Excess of revenue over expenses</b>	-	-	-

**NorWest Community Health Centres**  
**Schedule 7 - Schedule of RAAM Program Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024</b> <b>Budget</b> <b>(Unaudited)</b>	<b>2024</b> <b>Actual</b> <b>(Unaudited)</b>	<b>2023</b> <b>Actual</b> <b>(Unaudited)</b>
<b>Revenue</b>			
St. Joseph's Care Group	<b>493,643</b>	<b>435,564</b>	476,723
<b>Expenses</b>			
Capital assets acquisitions	-	<b>6,875</b>	-
Consultants	-	-	3,370
Medical supplies	<b>22,968</b>	<b>15,624</b>	32,123
Meeting	<b>1,000</b>	<b>24</b>	381
Office expenses	<b>1,500</b>	<b>1,386</b>	2,787
Program supplies	<b>4,000</b>	<b>4,227</b>	10,918
Salaries and benefits	<b>452,775</b>	<b>393,490</b>	408,262
Staff development	<b>2,000</b>	<b>3,611</b>	4,782
Telephone	<b>3,000</b>	<b>3,600</b>	4,126
Travel	<b>6,400</b>	<b>6,727</b>	9,974
	<b>493,643</b>	<b>435,564</b>	476,723
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>



## NorWest Community Health Centres

### Schedule 8 - Schedule of Interprofessional Primary Care Team Revenue and Expenses

*For the year ended March 31, 2024*

	<b>2024</b> <i>Budget</i> <i>(Unaudited)</i>	<b>2024</b> <i>Actual</i> <i>(Unaudited)</i>	<b>2023</b> <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health /OH			
Base funding	<b>888,376</b>	<b>888,376</b>	888,376
<b>Expenses</b>			
Capital assets acquisitions	-	-	8,535
Information technology	<b>11,988</b>	<b>9,988</b>	10,000
Insurance	<b>3,000</b>	<b>3,000</b>	3,000
Medical supplies	<b>35,000</b>	<b>35,866</b>	29,000
Meeting	-	-	47
Office expenses	<b>5,000</b>	<b>5,000</b>	5,000
Professional fees	<b>2,000</b>	<b>2,000</b>	2,000
Program supplies	-	<b>606</b>	4,000
Salaries and benefits	<b>809,388</b>	<b>814,070</b>	809,683
Staff development	<b>8,000</b>	<b>8,054</b>	6,161
Telephone	<b>5,000</b>	<b>5,000</b>	5,000
Travel	<b>9,000</b>	<b>4,792</b>	5,950
	<b>888,376</b>	<b>888,376</b>	888,376
<b>Excess of revenue over expenses</b>			
	-	-	-

## NorWest Community Health Centres

### Schedule 9 - Schedule of Midwifery Program Revenue and Expenses

*For the year ended March 31, 2024*

	2024 <i>Budget</i> <i>(Unaudited)</i>	2024 <i>Actual</i> <i>(Unaudited)</i>	2023 <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health/OH			
Base funding	456,700	718,400	456,700
Funding repayable to MOH	-	(254,839)	(18,748)
	456,700	463,561	437,952
<b>Expenses</b>			
Capital assets acquisitions	-	22,252	-
Information technology	3,200	3,200	3,200
Insurance	66,900	73,604	71,124
Medical supplies	5,600	9,437	5,384
Office expenses	950	1,200	950
Program supplies	8,300	11,782	8,300
Salaries and benefits	364,740	332,400	341,861
Staff development	2,550	2,955	2,497
Telephone	960	960	960
Travel	3,500	5,771	3,676
	456,700	463,561	437,952
<b>Excess of revenue over expenses</b>	-	-	-

## NorWest Community Health Centres

### Schedule 10 - Schedule of Consumption and Treatment Services Revenue and Expenses

*For the year ended March 31, 2024*

	2024 <i>Budget</i> <i>(Unaudited)</i>	2024 <i>Actual</i> <i>(Unaudited)</i>	2023 <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health/OH			
Base funding	938,691	985,626	938,691
Non-recurring	-	-	37,794
Funding repayable to MOH	-	(64,532)	(20,269)
	938,691	921,094	956,216
<b>Expenses</b>			
Building occupancy	96,000	99,432	94,093
Medical supplies	32,000	29,434	33,184
Meeting	-	133	-
Office expenses	600	2,474	994
Program supplies	6,000	14,264	50,128
Salaries and benefits	784,191	761,792	761,716
Staff development	11,500	5,727	11,500
Telephone	2,400	2,400	2,400
Travel	6,000	5,438	2,201
	938,691	921,094	956,216
<b>Excess of revenue over expenses</b>	-	-	-

**NorWest Community Health Centres**  
**Schedule 11 - Schedule of Integrated Palliative Clinical Care Program Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024</b> <i>Budget</i> <i>(Unaudited)</i>	<b>2024</b> <i>Actual</i> <i>(Unaudited)</i>	<b>2023</b> <i>Actual</i> <i>(Unaudited)</i>
<b>Revenue</b>			
Ministry of Health/OH			
Base funding	400,000	400,000	400,000
Other income	55,000	55,000	-
Funding repayable to MOH	-	-	(25,639)
	<b>455,000</b>	<b>455,000</b>	374,361
<b>Expenses</b>			
Advertising	-	8,587	2,541
Building occupancy	12,000	12,000	12,000
Contract services	28,800	11,383	43,336
Information technology	6,000	6,000	6,000
Meeting	-	621	425
Office expenses	1,200	1,205	2,011
Program supplies	10,483	10,217	3,279
Salaries and benefits	381,517	389,377	300,421
Staff development	4,000	3,635	3,034
Telephone	1,000	1,000	1,000
Travel	10,000	10,975	314
	<b>455,000</b>	<b>455,000</b>	374,361
<b>Excess of revenue over expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NorWest Community Health Centres**  
**Schedule 12 - Schedule of Immunization Partnership Fund Program Revenue and Expenses**

*For the year ended March 31, 2024*

	<b>2024 Budget (Unaudited)</b>	<b>2024 Actual (Unaudited)</b>	<b>2023 Actual (Unaudited)</b>
<b>Revenue</b>			
Public Health Agency of Canada	-	-	250,000
<b>Expenses</b>			
Consultants	-	-	6,000
Office expenses	-	-	3,200
Program supplies	-	-	6,780
Salaries and benefits	-	-	225,955
Staff development	-	-	183
Telephone	-	-	2,700
Travel	-	-	5,182
	-	-	250,000
<b>Excess of revenue over expenses</b>	-	-	-

**NorWest Community Health Centres**  
**Schedule 13 - Schedule of Thunder Bay Safer Supply Program Revenue and Expenses**

*For the year ended March 31, 2024*  
*(Unaudited)*

	<b>2024</b> <b>Budget</b> <b>(Unaudited)</b>	<b>2024</b> <b>Actual</b> <b>(Unaudited)</b>	<b>2023</b> <b>Actual</b> <b>(Unaudited)</b>
<b>Revenue</b>			
Public Health Agency of Canada	<b>1,099,391</b>	<b>825,421</b>	492,859
<b>Expenses</b>			
Capital assets acquisitions	-	-	17,460
Consultants	<b>15,000</b>	-	27,000
Contract services	<b>20,000</b>	<b>8,400</b>	-
Information technology	<b>5,000</b>	<b>5,001</b>	3,657
Medical supplies	<b>60,000</b>	<b>11,706</b>	20,160
Meeting	<b>8,000</b>	<b>3,736</b>	2,352
Office expenses	<b>4,800</b>	<b>4,009</b>	9,508
Postage and courier	<b>1,200</b>	<b>1,200</b>	1,200
Program supplies	<b>45,020</b>	<b>29,194</b>	14,204
Salaries and benefits	<b>900,111</b>	<b>726,231</b>	377,404
Staff development	<b>5,000</b>	<b>1,014</b>	578
Telephone	<b>6,000</b>	<b>6,000</b>	7,200
Travel	<b>29,260</b>	<b>28,930</b>	12,136
	<b>1,099,391</b>	<b>825,421</b>	492,859
<b>Excess of revenue over expenses</b>	-	-	-