

NorWest Community Health Centres
Financial Statements
March 31, 2026

NorWest Community Health Centres Contents

For the year ended March 31, 2026

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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, 2026, 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, 2026, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Centres'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 Centres or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centres'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 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 16, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

MNP

NorWest Community Health Centres
Statement of Financial Position

As at March 31, 2026

	2026	2025
Assets		
Current		
Cash (Note 3)	7,175,181	5,707,025
Accounts receivable (Note 4)	304,965	1,814,706
Government remittances receivable	780,682	420,396
Prepaid expenses	245,532	200,390
	8,506,360	8,142,517
Tangible capital assets (Note 5)	10,336,895	10,076,744
	18,843,255	18,219,261
Liabilities		
Current		
Accounts payable and accruals	1,637,983	2,366,795
Accrued wages payable	597,957	743,422
Deferred revenue (Note 7)	122,225	388,393
Due to funding agencies (Note 8)	6,027,256	4,533,018
	8,385,421	8,031,628
Deferred capital contributions (Note 9)	9,049,390	8,860,735
	17,434,811	16,892,363
Contingencies (Note 10)		
Net Assets		
Invested in capital assets	1,287,505	1,216,009
Unrestricted	120,939	110,889
	1,408,444	1,326,898
	18,843,255	18,219,261

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, 2026

	<i>Restricted Fund</i>	<i>Unrestricted Fund</i>	<i>Invested in Capital Assets</i>	2026	2025
Revenue					
Ministry of Health					
Base funding	16,086,201	-	-	16,086,201	15,465,137
Non-recurring	7,127,313	-	-	7,127,313	2,616,191
Public Health Agency of Canada	-	-	-	-	616,298
St. Joseph's Care Group	749,214	-	-	749,214	738,168
Interest income	190,596	-	-	190,596	166,060
Other income	537,085	10,050	-	547,135	1,056,884
Funding repayable to MOH <i>(Note 11)</i>	(3,907,625)	-	-	(3,907,625)	(2,275,621)
Third party billings	14,876	-	-	14,876	14,189
Investment in capital assets <i>(Note 12)</i>	(71,496)	-	71,496	-	-
Amortization of deferred capital contributions <i>(Note 9)</i>	677,498	-	-	677,498	623,618
Less: deferred capital contributions <i>(Note 9)</i>	(866,153)	-	-	(866,153)	(552,723)
Less: current year deferred revenue <i>(Note 7)</i>	(122,225)	-	-	(122,225)	(388,393)
Add: prior year deferred revenue <i>(Note 7)</i>	388,393	-	-	388,393	108,218
	20,803,677	10,050	71,496	20,885,223	18,188,026

Continued on next page

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, 2026

	<i>Restricted Fund</i>	<i>Unrestricted Fund</i>	<i>Invested in Capital Assets</i>	2026	2025
Expenses					
Administration fee	188,678	-	-	188,678	23,500
Advertising	700	-	-	700	-
Bank charges	788	-	-	788	443
Board development and expenses	4,409	-	-	4,409	6,689
Building occupancy	787,806	-	-	787,806	1,029,816
Consultants	159,360	-	-	159,360	266,924
Contract services	711,305	-	-	711,305	787,549
Information technology	303,905	-	-	303,905	328,999
Insurance <i>(Note 15)</i>	66,577	-	-	66,577	92,601
Medical supplies <i>(Note 15)</i>	314,407	-	-	314,407	215,540
Meeting	51,683	-	-	51,683	224,678
Membership fees	34,520	-	-	34,520	32,995
Office expenses <i>(Note 15)</i>	225,568	-	-	225,568	586,018
Postage and courier	13,677	-	-	13,677	9,327
Printing and copier	10,153	-	-	10,153	13,748
Professional fees <i>(Note 15)</i>	101,087	-	-	101,087	103,947
Program supplies	527,261	-	-	527,261	469,597
Recruitment	13,302	-	-	13,302	18,699
Resources	10,282	-	-	10,282	6,055
Salaries and benefits <i>(Note 15)</i>	15,808,054	-	-	15,808,054	12,489,823
Staff development	50,756	-	-	50,756	118,642
Telephone	93,332	-	-	93,332	103,093
Travel	489,516	-	-	489,516	481,880
Utilities	136,746	-	-	136,746	136,395
Vehicle expense	22,307	-	-	22,307	17,157
	20,126,179	-	-	20,126,179	17,564,115
Amortization of tangible capital assets	677,498	-	-	677,498	623,618
Total expenses	20,803,677	-	-	20,803,677	18,187,733
Excess of revenue over expenses	-	10,050	71,496	81,546	293
Net assets, beginning of year	-	110,889	1,216,009	1,326,898	1,326,604
Net assets, end of year	-	120,939	1,287,505	1,408,444	1,326,897

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, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	81,546	293
Amortization	677,498	623,618
Deferred capital contributions (net)	188,655	(70,895)
	947,699	553,016
Changes in working capital accounts		
Accounts receivable	1,509,741	(118,192)
Government remittances receivable	(360,286)	(36,839)
Prepaid expenses and deposits	(45,142)	17,932
Accounts payable and accruals	(728,812)	1,181
Accrued wages payable	(145,465)	499,198
Due to funding agencies	1,494,238	2,197,629
Deferred revenue	(266,168)	280,175
	2,405,805	3,394,100
Investing		
Purchase of capital assets	(937,649)	(552,723)
Increase in cash resources	1,468,156	2,841,377
Cash resources, beginning of year	5,707,025	2,865,648
Cash resources, end of year	7,175,181	5,707,025

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, 2026

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.

NorWest Community Health Centres

Notes to the Financial Statements

For the year ended March 31, 2026

2. Significant accounting policies (Continued from previous page)

Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible 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.

	Method	Years
Buildings	straight-line	10-40 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 tangible capital assets and restricted contributions that were used to purchase the Centres' tangible capital assets. Recognition of these amounts as revenue is deferred to periods when the related tangible 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:

Professional fees, administrative salaries, insurance, office expenses and supplies	Based on eligible expenditures outlined in funder approved program budgets
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NorWest Community Health Centres

Notes to the Financial Statements

For the year ended March 31, 2026

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, 2026

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

	2026	2025
Petty cash - General	1,100	1,100
General chequing account - Thunder Bay	7,170,072	5,702,144
Chequing account - Longlac site - special fund	4,009	3,781
	7,175,181	5,707,025

4. Accounts receivable

	2026	2025
Trade receivables	304,965	486,664
Due from MOH/OH	-	1,328,042
	304,965	1,814,706

NorWest Community Health Centres

Notes to the Financial Statements

For the year ended March 31, 2026

5. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2026 Net book value</i>
Land	1,287,505	-	1,287,505
Buildings	12,333,980	6,169,725	6,164,255
Computer equipment	782,547	649,233	133,314
Furniture and equipment	4,518,663	1,766,842	2,751,821
	18,922,695	8,585,800	10,336,895
<hr/>			
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2025 Net book value</i>
Land	1,216,009	-	1,216,009
Buildings	12,047,995	5,675,824	6,372,171
Computer equipment	730,525	592,587	137,938
Furniture and equipment	3,990,517	1,639,891	2,350,626
	17,985,046	7,908,302	10,076,744

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 (4.45% at year-end; 2025 - 4.95%), secured by a general security agreement covering all assets and undertakings. The balance outstanding at year-end is \$Nil (2025 - \$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>2026</i>	<i>2025</i>
Gender Journeys Camp - fundraising	9,518	-	-	9,518	9,518
Kinna-aweya Legal Clinic	13,700	-	(9,000)	4,700	13,700
MOH - CIRF	-	78,793	-	78,793	-
Ontario Health Education Grant	1,500	-	(1,500)	-	1,500
Health Care Excellence	22,000	-	(22,000)	-	22,000
Government of Canada Grant	15,624	-	(15,624)	-	15,624
HEC - Palliative Care	338	-	(338)	-	338
Ministry of Health - HART Hub	325,713	-	(325,713)	-	325,713
Black Children & Youth	-	21,014	-	21,014	-
Youth Wellness	-	8,200	-	8,200	-
	388,393	108,007	(374,175)	122,225	388,393

NorWest Community Health Centres

Notes to the Financial Statements

For the year ended March 31, 2026

8. Due to funding agencies

	2026	2025
Consumption and Treatment Services - 2024/2025	245,257	245,257
General Fund - 2019/2020	-	252,137
General Fund - 2020/2021	-	190,274
General Fund - 2021/2022	-	437,861
General Fund - 2022/2023	-	213,733
General Fund - 2023/2024	-	359,994
General Fund - 2024/2025	926,805	1,082,795
General Fund - 2025/2026	812,434	-
Diabetes Education Program - 2021/2022	-	43,348
Diabetes Education Program - 2023/2024	-	39,259
Diabetes Education Program - 2024/2025	54,347	54,347
Diabetes Mobile - 2019/2020	-	43,801
Integrated Palliative Clinical Care Program - 2019/2020	-	72,353
Integrated Palliative Clinical Care Program - 2021/2022	-	41,832
Integrated Palliative Clinical Care Program - 2022/2023	-	25,639
Integrated Palliative Clinical Care Program - 2024/2025	58,535	58,535
Integrated Palliative Clinical Care Program - 2025-2026	28,575	-
Interprofessional Primary Care Team - 2019/2020	-	60,465
Interprofessional Primary Care Team - 2021/2022	-	69,478
Interprofessional Primary Care Team - 2024/2025	342,432	342,432
Interprofessional Primary Care Team - 2025/2026	324,194	-
Midwifery Program - 2019/2020	-	40,704
Midwifery Program - 2021/2022	-	92,932
Midwifery Program - 2022/2023	-	18,748
Midwifery Program - 2023/2024	-	254,839
Midwifery Program - 2024/2025	247,967	247,967
Midwifery Program - 2025/2026	251,779	-
Under 5 Program - 2024/2025	244,288	244,288
Under 5 Program - 2025/2026	28,985	-
HART Hub - 2025/2026	2,461,658	-
	6,027,256	4,533,018

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:

	2026	2025
Balance, beginning of year	8,860,735	8,931,630
Amount received during the year	866,153	552,723
Less: amounts recognized as revenue during the year	(677,498)	(623,618)
	9,049,390	8,860,735

NorWest Community Health Centres Notes to the Financial Statements

For the year ended March 31, 2026

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.

11. Due to the Ministry of Health and Ontario Health

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

	2026	2025
Approved funding for the year	23,213,514	18,081,328
Deduct "Capital expenditure funding"	(937,649)	(552,723)
Total MOH program funding for operations	22,275,865	17,528,605
Deduct: expenses eligible for MOH	20,126,179	17,564,113
Deficiency of funding over expenses for the year	2,149,686	(35,508)
Add: third party billings, interest, and property tax rebates refundable to MOH	1,757,939	2,311,129
	3,907,625	2,275,621
Amount refundable to MOH for the year		
- Armstrong Clinic	-	-
- General Fund	812,434	1,082,795
- HART Hub	2,461,658	-
- Diabetes Education	-	54,347
- Interprofessional Primary Care Team	324,194	342,432
- Midwifery	251,779	247,967
- Consumption and Treatment Services	-	245,257
- Integrated Palliative Clinical Care	28,575	58,535
- Under 5 Program	28,985	244,288
	3,907,625	2,275,621

12. Change in invested in capital assets

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

	2026	2025
Purchase of capital assets	937,649	552,723
Amortization expense	(677,498)	(623,618)
Deferred capital contributions	(866,153)	(552,723)
Amortization of deferred capital contributions	677,498	623,618
	71,496	-

13. Commitments

The Centres have entered into various lease agreements for office equipment and leased space which have expiry dates ranging from June 2026 through July 2031. The estimated minimum annual payments are as follows:

2027	69,887
2028	19,538
2029	10,875
2030	10,875
2031	5,438
	116,613

NorWest Community Health Centres Notes to the Financial Statements

For the year ended March 31, 2026

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.

15. Allocated administration

Professional fees, salaries, insurance, office expenses and supplies of \$999,105 (2025 - \$854,992) have been allocated as follows:

	2026	2025
Armstrong Clinic	(17,357)	(32,534)
Diabetes Education Program	41,736	38,777
Diabetes Mobile	(21,514)	36,062
RAAM	20,184	8,142
Midwifery	191,082	139,287
Interprofessional Primary Care Team	231,169	221,326
Consumption and Treatment Services	-	116,464
Integrated Palliative Clinical Care Program	156,570	157,572
Under 5 Program	33,722	128,896
Thunder Bay Safer Supply Program	-	41,000
HART Hub	284,259	-
Managed Alcohol Program	14,424	-
FASD	15,827	-
Black Health Programs	41,862	-
Virtual Care	7,141	-
	999,105	854,992

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, 2026.

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, 2026.

17. Public Sector Salary Disclosure Act, 1996

During the calendar year of 2025, twenty-two employees were paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by the Centres.

NorWest Community Health Centres

Notes to the Financial Statements

For the year ended March 31, 2026

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, 2025, indicates the Plan is 109% funded and the Plan's Board of Trustees have set 2025 contribution rates at the 2025 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 \$980,572 (2025 - \$821,455) 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, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH			
Base funding	11,343,723	11,414,137	10,420,947
Non-recurring	756,344	841,313	1,143,130
Interest income	6,000	190,596	166,060
Third party billings	17,000	14,876	14,189
St. Joseph's Care Group	417,089	251,474	280,492
Other income	186,800	527,173	984,553
Funding repayable to MOH	-	(812,434)	(1,082,795)
Less: current year deferred revenue	-	(122,225)	(40,342)
Add: prior year deferred revenue	-	40,342	108,218
	12,726,956	12,345,252	11,994,452
Expenses			
Bank charges	1,500	788	443
Board development and expenses	7,000	4,409	6,689
Building occupancy	431,897	555,749	752,513
Capital assets acquisitions	-	454,116	354,808
Consultants	15,000	148,716	261,421
Contract services	472,854	705,305	778,645
Information technology	188,531	231,046	207,667
Insurance	62,000	46,677	63,991
Medical supplies	118,769	204,549	75,187
Meeting	10,000	49,627	218,160
Membership fees	32,000	34,520	32,995
Office expenses	134,173	193,284	345,777
Postage and courier	7,000	13,550	8,063
Printing and copier	12,000	10,153	13,748
Professional fees	87,404	90,887	99,747
Program supplies	110,272	371,841	303,461
Recruitment	11,000	13,302	18,699
Resources	8,500	10,282	6,055
Salaries and benefits	10,465,007	8,560,342	7,773,828
Staff development	38,305	30,031	78,299
Telephone	85,859	66,487	77,550
Travel	303,885	417,494	384,115
Utilities	117,000	122,867	123,242
Vehicle expense	7,000	9,230	9,349
	12,726,956	12,345,252	11,994,452
Excess of revenue over expenses	-	-	-

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

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health Base funding	405,400	405,400	391,900
Other income	2,000	146	36
	407,400	405,546	391,936
Expenses			
Administration fee	23,500	23,500	23,500
Building occupancy	100,000	103,186	100,285
Capital assets acquisitions	-	-	5,549
Information technology	2,000	-	2,000
Insurance	2,500	2,500	2,500
Medical supplies	9,600	9,721	8,120
Office expenses	4,500	2,710	2,545
Postage and courier	500	126	64
Professional fees	1,200	1,200	1,200
Program supplies	400	27	-
Salaries and benefits	234,708	232,535	214,361
Staff development	1,500	1,000	1,500
Telephone	10,000	13,878	13,153
Travel	16,992	15,163	17,159
	407,400	405,546	391,936
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres
Schedule 3 - Schedule of Diabetes Education Program Revenue and Expenses

For the year ended March 31, 2026

	2026 Budget (Unaudited)	2026 Actual (Unaudited)	2025 Actual (Unaudited)
Revenue			
Ministry of Health/OH			
Base funding	258,227	258,227	258,227
Funding repayable to MOH/OH	-	-	(54,347)
	258,227	258,227	203,880
Expenses			
Advertising	700	700	-
Capital assets acquisitions	-	2,377	-
Office expenses	2,225	2,225	2,225
Professional fees	1,000	1,000	1,000
Program supplies	5,000	4,279	16,528
Salaries and benefits	240,302	238,787	177,619
Staff development	1,500	1,408	3,000
Telephone	500	500	500
Travel	7,000	6,951	3,008
	258,227	258,227	203,880
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres Schedule 4 - Schedule of Diabetes Mobile Revenue and Expenses

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH Base funding	677,937	677,937	677,937
Expenses			
Building occupancy	8,543	8,543	8,543
Contract services	6,000	6,000	6,000
Medical supplies	6,000	6,473	6,777
Office expenses	4,000	4,020	3,988
Program supplies	4,000	3,934	4,034
Salaries and benefits	628,894	629,065	635,430
Staff development	4,500	4,754	4,500
Travel	3,000	2,072	857
Vehicle expense	13,000	13,076	7,808
	677,937	677,937	677,937
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres
Schedule 5 - Schedule of Interprofessional Primary Care Team Revenue and Expenses

For the year ended March 31, 2026

	2026 Budget (Unaudited)	2026 Actual (Unaudited)	2025 Actual (Unaudited)
Revenue			
Ministry of Health /OH			
Base funding	1,488,376	1,488,376	888,376
Non-recurring	-	-	600,000
Funding repayable to MOH	-	(324,194)	(342,432)
	1,488,376	1,164,182	1,145,944
Expenses			
Building occupancy	23,951	2,570	-
Capital assets acquisitions	-	31,069	18,310
Information technology	11,988	23,748	10,816
Insurance	3,000	3,000	3,000
Medical supplies	35,000	13,875	35,000
Meeting	-	37	112
Office expenses	5,000	7,171	5,000
Professional fees	2,000	2,000	2,000
Program supplies	-	11,468	610
Salaries and benefits	1,385,437	1,061,639	1,049,460
Staff development	8,000	-	8,904
Telephone	5,000	5,140	5,000
Travel	9,000	2,465	7,732
	1,488,376	1,164,182	1,145,944
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres

Schedule 6 - Schedule of Under 5 Program Revenues and Expenses

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH			
Base funding	536,724	536,724	536,724
Funding repayable to MOH	-	(28,985)	(244,288)
	536,724	507,739	292,436
Expenses			
Building occupancy	12,000	12,000	12,000
Capital assets acquisitions	-	-	6,545
Information technology	6,000	6,000	6,001
Medical supplies	15,474	13,476	12,679
Office expenses	2,400	3,238	2,400
Program supplies	14,000	13,577	10,951
Salaries and benefits	471,250	443,729	227,182
Staff development	6,000	6,000	6,000
Telephone	3,600	3,600	3,600
Travel	6,000	6,119	5,078
	536,724	507,739	292,436
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres

Schedule 7 - Schedule of Midwifery Program Revenue and Expenses

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH			
Base funding	905,400	905,400	905,400
Non-recurring	-	-	7,653
Funding repayable to MOH	-	(251,779)	(247,967)
	905,400	653,621	665,086
Expenses			
Building occupancy	24,000	24,000	24,000
Capital assets acquisitions	-	5,970	7,311
Information technology	12,000	12,000	13,387
Insurance	2,400	2,400	23,111
Medical supplies	12,000	12,071	14,811
Office expenses	1,200	1,200	1,154
Program supplies	17,732	11,648	9,293
Salaries and benefits	815,968	569,439	555,549
Staff development	4,100	1,355	3,895
Telephone	6,000	6,000	2,960
Travel	10,000	7,538	9,615
	905,400	653,621	665,086
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres
Schedule 8 - Schedule of Integrated Palliative Clinical Care Program Revenue and Expenses

For the year ended March 31, 2026

	2026 Budget (Unaudited)	2026 Actual (Unaudited)	2025 Actual (Unaudited)
Revenue			
Ministry of Health/OH			
Base funding	400,000	400,000	400,000
Other income	32,338	9,766	72,000
Funding repayable to MOH	-	(28,575)	(58,535)
Less: current year deferred revenue	-	-	(22,338)
Add: prior year deferred revenue	-	22,338	-
	432,338	403,529	391,127
Expenses			
Building occupancy	12,000	12,000	12,000
Contract services	28,800	-	2,904
Information technology	6,000	6,000	6,000
Meeting	-	209	1,804
Office expenses	1,200	1,200	1,166
Program supplies	23,821	22,030	5,492
Salaries and benefits	336,517	338,524	350,600
Staff development	4,000	4,205	3,848
Telephone	1,000	1,000	1,000
Travel	19,000	18,361	6,313
	432,338	403,529	391,127
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres
Schedule 9 - Schedule of RAAM Program Revenue and Expenses

For the year ended March 31, 2026

	2026 Budget (Unaudited)	2026 Actual (Unaudited)	2025 Actual (Unaudited)
Revenue			
St. Joseph's Care Group	518,325	497,740	457,676
Expenses			
Capital assets acquisitions	-	5,605	-
Medical supplies	27,716	41,285	15,966
Meeting	1,050	269	1,000
Office expenses	1,675	5,579	1,492
Program supplies	4,200	7,657	10,453
Salaries and benefits	471,714	432,267	416,466
Staff development	2,100	1,040	2,047
Telephone	3,150	3,150	3,000
Travel	6,720	888	7,252
	518,325	497,740	457,676
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres

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

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH			
Base funding	-	-	985,626
Funding repayable to MOH	-	-	(245,257)
	-	-	740,369
Expenses			
Building occupancy	-	-	120,475
Medical supplies	-	-	24,006
Office expenses	-	-	600
Program supplies	-	-	12,920
Salaries and benefits	-	-	575,683
Staff development	-	-	2,157
Telephone	-	-	2,400
Travel	-	-	2,128
	-	-	740,369
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres
Schedule 11 - Schedule of Thunder Bay Safer Supply Program Revenue and Expenses

For the year ended March 31, 2026

	2026 Budget (Unaudited)	2026 Actual (Unaudited)	2025 Actual (Unaudited)
Revenue			
Public Health Agency of Canada	-	-	616,298
Expenses			
Information technology	-	-	5,000
Medical supplies	-	-	4,832
Meeting	-	-	2,899
Office expenses	-	-	4,800
Postage and courier	-	-	1,200
Program supplies	-	-	34,807
Salaries and benefits	-	-	513,645
Staff development	-	-	4,492
Telephone	-	-	6,000
Travel	-	-	38,623
	-	-	616,298
Excess of revenue over expenses	-	-	-

NorWest Community Health Centres Schedule 12 - Schedule of HART Hub Program Revenues and Expenses

For the year ended March 31, 2026

	2026 <i>Budget</i> <i>(Unaudited)</i>	2026 <i>Actual</i> <i>(Unaudited)</i>	2025 <i>Actual</i> <i>(Unaudited)</i>
Revenue			
Ministry of Health/OH NW			
Non-recurring	5,000,000	6,286,000	865,408
Funding repayable to MOH	-	(2,461,658)	-
Less: current year deferred revenue	-	-	(325,713)
Add: prior year deferred revenue	-	325,713	-
	5,000,000	4,150,055	539,695
Expenses			
Administration fee	47,954	165,178	-
Building occupancy	175,600	69,758	-
Capital assets acquisitions	-	438,513	160,200
Consultants	3,600	10,644	5,502
Information technology	24,000	25,111	78,128
Insurance	12,000	12,000	-
Medical supplies	50,972	12,958	18,161
Meeting	-	1,541	703
Office expenses	4,800	4,941	214,870
Professional fees	6,000	6,000	-
Program supplies	52,180	80,801	61,048
Salaries and benefits	4,559,894	3,301,727	-
Staff development	10,000	963	-
Telephone	12,000	7,455	1,083
Travel	41,000	12,465	-
	5,000,000	4,150,055	539,695
Excess of revenue over expenses	-	-	-