

**OXFORD COUNTY COMMUNITY
HEALTH CENTRE
Financial Statements
For the Year Ended March 31, 2024**

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Financial Statements
For the Year Ended March 31, 2024

Contents

Independent Auditor's Report	1 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Deficit	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 13



Tel: 519 539 2081
Fax: 519 539 2571
www.bdo.ca

BDO Canada LLP
94 Graham St.
Woodstock, ON N4S 6J7 Canada

Independent Auditor's Report

To the Members of OXFORD COUNTY COMMUNITY HEALTH CENTRE

Opinion

We have audited the financial statements of OXFORD COUNTY COMMUNITY HEALTH CENTRE (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in deficit 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 Organization 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the 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 through 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement 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 controls that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Woodstock, Ontario
June 27, 2024

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Statement of Financial Position

March 31	2024	2023
Assets		
Current		
Cash	\$ 427,379	\$ 328,269
Short-term investments (Note 2)	1,416,122	1,350,775
Accounts receivable	133,085	46,077
HST recoverable	43,473	57,179
Prepaid expenses	61,166	45,302
	2,081,225	1,827,602
Capital assets (Note 3)	205,420	233,150
	\$ 2,286,645	\$ 2,060,752

Liabilities and Deficit

Current		
Accounts payable and accrued liabilities (Note 4)	\$ 300,810	\$ 244,643
Payable to Ontario Health West (Note 5)	213,865	300,961
Deferred revenues	585,764	353,061
	1,100,439	898,665
Deferred capital contributions (Note 6)	205,422	233,150
Deferred restricted contributions for capital project (Note 7)	1,166,896	1,121,653
	2,472,757	2,253,468
Deficit	(186,112)	(192,716)
	\$ 2,286,645	\$ 2,060,752

On behalf of the Board:

_____ Director

_____ Director

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Statement of Changes in Deficit

For the year ended March 31	2024	2023
Deficit, beginning of the year	\$ (192,716)	\$ (194,235)
Excess of revenues over expenses	6,604	1,519
Deficit, end of the year	\$ (186,112)	\$ (192,716)

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

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Statement of Operations

For the year ended March 31	2024	2023
Revenue		
Ontario Health West (Note 8)	\$ 4,035,900	\$ 4,157,855
Amortization of deferred revenue relating to capital assets	38,441	81,271
Grants	611,876	655,570
Donations	55	774
Other	33,465	25,826
	<u>4,719,737</u>	<u>4,921,296</u>
Expenses		
Staff wages and benefits (Note 10)	3,709,055	3,674,112
Occupancy cost	417,478	415,383
Contracted services	163,670	335,140
Other expense	161,534	176,992
Administration expense	172,819	138,806
Amortization of capital assets	38,441	81,271
Medical and program supplies	35,874	58,461
Professional development	9,156	21,845
Staff recruitment, training and travel	5,106	17,767
	<u>4,713,133</u>	<u>4,919,777</u>
Excess of revenues over expenses	\$ 6,604	\$ 1,519

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

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Statement of Cash Flows

For the year ended March 31	2024	2023
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ 6,604	\$ 1,519
Items not affecting cash:		
Amortization	38,441	81,271
Amortization of deferred contributions relating to capital assets	(38,441)	(81,271)
	<u>6,604</u>	<u>1,519</u>
Changes in non-cash working capital:		
Accounts receivable	(87,008)	(21,061)
HST recoverable	13,706	(19,828)
Prepaid expenses	(15,864)	6,521
Accounts payable and accrued liabilities	56,167	15,967
Payable to Ontario Health West	(87,096)	(521,012)
Deferred revenues	232,703	(54,853)
	<u>119,212</u>	<u>(592,747)</u>
Cash flows from investing activities		
Purchase of short-term investments	(65,345)	(31,114)
Acquisition of capital assets	(10,712)	(63,827)
	<u>(76,057)</u>	<u>(94,941)</u>
Cash flows from financing activities		
Deferred capital contributions	-	10,481
Deferred restricted contributions for capital project	55,955	31,114
	<u>55,955</u>	<u>41,595</u>
Net increase (decrease) in cash	99,110	(646,093)
Cash, beginning of the year	<u>328,269</u>	<u>974,362</u>
Cash, end of the year	\$ 427,379	\$ 328,269

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

OXFORD COUNTY COMMUNITY HEALTH CENTRE Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies

Nature and Purpose of Organization The organization is a Community Health Centre funded by the Ministry of Health and Long-Term Care through Ontario Health West. The organization's purpose is to provide primary health care to area residents through its location in the City of Woodstock and access points in the Towns of Ingersoll and Tillsonburg. The organization also runs programs to educate and support the health of the community.

Basis of Accounting The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Capital Assets Capital assets are stated at cost less accumulated amortization. Amortization is provided using the following methods and annual rates (1/2 the annual rate in the year of acquisition):

	Method	Rate
Leasehold improvements	Straight-line	10%
Phone system	Straight-line	20%
Medical equipment	Straight-line	20%
Computer equipment	Straight-line	30%
Furniture	Straight-line	20%
Vehicles	Straight-line	30%
Dental clinic	Straight-line	10%

Revenue Recognition The organization follows 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.

Employee Future Benefits The organization is an employer member of the Healthcare of Ontario Pension Plan (HOOPP), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The organization has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The costs of multi-employer defined pension plan benefits are the employer's contributions due to the Plan in the year.

OXFORD COUNTY COMMUNITY HEALTH CENTRE Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Financial Instruments	Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial instruments are tested for impairment when changes in circumstances indicate the asset could be impaired.
Income Taxes	The organization was incorporated under the laws of the Province of Ontario. The organization is a not-for-profit organization under the Income Tax Act and therefore is not subject to either federal or provincial income taxes.
Use of Estimates	The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. These financial statements include estimates in depreciation and amounts repayable to Ontario Health. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Short-term Investments

	2024	2023
4.43% GIC, Royal Bank of Canada, redeemed during the year	\$ -	\$ 1,350,775
5.20% GIC, Royal Bank of Canada, matures May 2024	1,416,122	-
	\$ 1,416,122	\$ 1,350,775

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Notes to Financial Statements

March 31, 2024

3. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Leasehold improvements	\$ 893,803	\$ 826,047	\$ 883,092	\$ 821,695
Phone system	24,888	24,888	24,888	24,888
Medical equipment	119,513	119,513	119,513	117,439
Computer equipment	192,432	192,432	192,432	192,432
Furniture	122,665	122,665	122,665	122,087
Vehicles	116,360	116,360	116,360	116,360
Capital project	198,570	60,906	198,570	29,469
	\$ 1,668,231	\$ 1,462,811	\$ 1,657,520	\$ 1,424,370
		\$ 205,420		\$ 233,150

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$42,426 (2023 - \$52,149).

5. Payable to the Ontario Health West

The Ontario Health West requires repayment of all the excess of revenue (including interest income on funds advanced) over expenses based on their annual review of the organization's operating results for the programs funded by them. This amount excludes donations to the Centre that are able to be retained by the organization. The amount due to the Ontario Health West at March 31, 2024 is \$213,865 including \$109,048 which pertains to fiscal years prior to 2024.

OXFORD COUNTY COMMUNITY HEALTH CENTRE
Notes to Financial Statements

March 31, 2024

6. Deferred Capital Contributions

Deferred contributions related to capital assets represent the unamortized portion of restricted contributions used to purchase capital assets. The changes in the deferred contributions balance for the period are as follows:

	2024	2023
Beginning balance	\$ 233,150	\$ 250,594
Add: restricted contributions during the year	10,712	63,827
Less: amounts amortized to revenue	(38,440)	(81,271)
Ending balance	\$ 205,422	\$ 233,150

7. Deferred Restricted Contributions for Capital Project

The organization received \$1,096,140 in Ministry funding in 2014 for a project that was cancelled. During the 2019 fiscal year, the Ministry has reallocated these funds to be used for completing renovations to the current building space.

	2024	2023
Beginning balance	\$ 1,121,653	\$ 1,143,885
Add: interest earned on restricted contributions	55,955	31,114
Less: costs incurred on capital project	(10,712)	(53,346)
Ending balance	\$ 1,166,896	\$ 1,121,653

8. Ontario Health West Funding

	2024	2023
Gross funding received	\$ 4,007,951	\$ 3,974,860
One-time funding received	69,500	249,600
Unspent funding repayable - current year	(41,551)	(66,605)
Net revenue earned	\$ 4,035,900	\$ 4,157,855

OXFORD COUNTY COMMUNITY HEALTH CENTRE Notes to Financial Statements

March 31, 2024

9. Commitments

The organization's total obligations under various leases for occupied premises, exclusive of realty taxes and other occupancy charges, for the next five years are as follows:

2025	\$ 377,348
2026	\$ 347,889
2027	\$ 226,929
2028	\$ 226,929
2029	\$ 226,929

The organization also has obligation under an agreement with Woodstock Hospital for provision finance services as follows:

2025	\$ 53,325
2026	\$ 40,591

10. Employee Future Benefits

The organization is a member of the Healthcare of Ontario Pension Plan (HOOPP). The Plan has a two-tier contribution rate system. Because HOOPP is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of all employers who are members. As a result the organization does not recognize any share of the HOOPP surplus or deficit. The employer is required to contribute 8.69% on the annualized earnings up to the year's maximum pensionable earnings and 11.59% on the annualized earnings in excess of the year's maximum pensionable earnings. In 2024, the year's maximum pensionable earnings is set at \$68,500 (2023 - \$66,600). The Plan expense for the year was \$281,497 (2023 - \$270,596) and is included in staff wages and benefits in the Statement of Operations.

11. Economic Dependence

Oxford County Community Health Centre is dependent on funding received from Ontario Health West to continue as a going concern. The organization received 86% (2023 - 84%) of its stated revenue from Ontario Health West.

OXFORD COUNTY COMMUNITY HEALTH CENTRE Notes to Financial Statements

March 31, 2024

12. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or if financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. This is mitigated by the fact that the majority of the receivables are with the government.

There have not been any changes in the risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and commitments.

There have not been any changes in the risk from the prior year.