

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

CONTENTS

Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Changes in Restrictive Fund - Capital	3
Statement of Receipts and Expenditures - Core Operations	4
Statement of Receipts and Expenditures - Diabetes Education Program	5
Statement of Internally Restricted Project Funds Operations and Net Assets	6
Statement of Other Restricted Project Funds Operations and Net Assets	7
Statement of Community Health Project Funds - City of Toronto Grants Operations and Net Assets	8
Statement of Community Health Project Funds - Other Funders Operations and Net Assets	9
Statement of HIV/AIDS Project Funds Operations and Net Assets	10
Statement of Cash Flows	11
Notes to Financial Statements	12 - 22



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Regent Park Community Health Centre (Core Operations)

We have audited the accompanying financial statements of Regent Park Community Health Centre (Core Operations), which are comprised of the statement of Financial Position as at March 31, 2016 and the statements of Changes in Restrictive Fund - Capital, Receipts and Expenditures - Core Operations, Receipts and Expenditures - Diabetes Education Program, Internally Restricted Project Funds Operations and Net Assets, Other Restricted Project Funds Operations and Net Assets, Community Health Project Funds - City of Toronto Grants Operations and Net Assets, Community Health Project Funds - Other Funders Operations and Net Assets, HIV/AIDS Project Funds Operations and Net Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As more fully described in note 2(d) of the financial statements, the Community Health Centre accounts for vacation pay on a cash basis, in accordance with the funding policies of the Toronto Central Local Health Integration Network. In this respect, the financial statements are not in accordance with Canadian accounting standards for not-for-profit organizations. The effect of the departure from Canadian accounting standards for not-for-profit organizations for vacation pay is outlined in note 3 to the financial statements.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Regent Park Community Health Centre (Core Operations) as at March 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Richmond Hill, Canada
June 28, 2016

Hennick Herman, LLP
CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Statement of Financial Position

March 31, 2016

	2016	(note 21) 2015
ASSETS		
Current		
Cash and cash equivalents - restricted (note 4)	\$ 539,910	\$ 511,385
Amounts receivable (note 5)	<u>181,436</u>	<u>215,502</u>
	721,346	726,887
Cash and Cash Equivalents - Unrestricted for Future Use (note 4)	1,167,134	1,159,663
Cash and Cash Equivalents - Internally Restricted for Future Use (note 4)	132,245	132,316
Property and Equipment (note 6)	<u>2,788,364</u>	<u>3,036,954</u>
	\$ 4,809,089	\$ 5,055,820

LIABILITIES AND FUND BALANCES

Current		
Accounts payable and accrued charges	\$ 24,721	\$ 34,766
Due to Toronto Central Local Health Integration Network - Core Operation (note 15)	10,000	-
Due to Toronto Central Local Health Integration Network - Diabetes Education Program (note 16)	28,583	-
Due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link (note 17)	<u>218,553</u>	<u>166,511</u>
	<u>281,857</u>	<u>201,277</u>

NET ASSETS

Restrictive Fund - Capital (page 3)	2,788,364	3,036,954
Internally Restricted Project Funds (page 6)	1,503,339	1,540,934
Other Restricted Project Funds (page 7)	100,109	113,147
Community Health Project Funds - City of Toronto Grants (page 8)	13,843	7,726
Community Health Project Funds - Other Funders (page 9)	36,972	41,032
HIV/AIDS Project Funds (page 10)	<u>84,605</u>	<u>114,750</u>
	<u>4,527,232</u>	<u>4,854,543</u>
	\$ 4,809,089	\$ 5,055,820

APPROVED ON BEHALF OF THE BOARD



Director



Director

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Statement of Changes in Restrictive Fund - Capital (note 7)
Year Ended March 31, 2016

	2016	2015
Balance - beginning of year	\$ 3,036,954	\$ 3,131,461
Funds transferred from Core Operations to purchase property and equipment (page 4)	23,951	40,805
Funds transferred from Internally Restricted Project Funds Operations to purchase property and equipment (page 6)	474	92,276
Funds transferred from Other Restricted Project Funds Operations to purchase property and equipment (page 7)	9,026	17,511
Funds recovered from insurance claim to re-purchase property and equipment	-	41,708
Amortization for the year	<u>(282,041)</u>	<u>(286,807)</u>
Balance - end of year	<u>\$ 2,788,364</u>	<u>\$ 3,036,954</u>

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Statement of Receipts and Expenditures - Core Operations (note 8)
Year Ended March 31, 2016

	2016	(note 21) 2015
Receipts		
Toronto Central Local Health Integration Network		
- Core	\$ 6,369,233	\$ 6,391,486
- Non-recurring (note 18)	39,200	10,000
	<u>6,408,433</u>	<u>6,401,486</u>
Expenditures		
Salaries	4,215,458	4,187,173
Benefits	924,696	902,724
Buildings and grounds	137,263	171,603
IT network/computer expenses	85,147	74,024
Medical supplies	75,723	82,372
Purchased services	67,262	56,690
Non-insured program (specialist/diagnostics)	49,997	40,000
Legal and audit	49,828	19,023
Resources/materials	36,386	37,422
Telephone	35,701	29,515
Memberships and accreditation	32,467	44,337
Printing and copying	23,135	25,135
Insurance	18,240	17,842
Travel - clients	12,863	27,179
Bookkeeping	12,000	12,000
Staff development	10,920	21,430
Board expenses	10,170	13,694
Meetings	9,363	12,186
External consultations	9,008	19,627
Postage and courier	6,903	7,250
Office supplies	3,748	11,025
Recruitment	3,172	2,902
Furniture/equipment	2,157	1,427
Clinical and professional insurance	-	3,339
Additional Operating - Pay Equity	31,953	31,953
Early Years Program	35,676	34,585
Access to Health Card Project	172,360	172,360
Fundholding	144,999	145,000
Scarborough Homeless Project	123,067	123,048
Harm Reduction Program	5,620	6,178
Non-recurring (note 18)	39,200	10,000
	<u>6,384,482</u>	<u>6,343,043</u>
Excess of Receipts over Expenditures Before Funds Transferred	23,951	58,443
Less: Funds transferred to Restrictive Fund - Capital to purchase property and equipment (page 3)	(23,951)	(40,805)
Less: Funds transferred to Diabetes Education (page 5)	-	(17,638)
Excess of Receipts over Expenditures After Funds Transferred	\$ -	\$ -

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Statement of Receipts and Expenditures - Diabetes Education Program (note 9)
Year Ended March 31, 2016

	2016	2015
Receipts		
Toronto Central Local Health Integration Network		
- Diabetes Education Program	\$ 464,304	\$ 464,304
- Non-recurring	45,000	-
	<u>509,304</u>	<u>464,304</u>
Expenditures		
Salaries	273,222	309,275
Benefits	68,307	77,319
Program	76,050	68,984
Purchased services	10,298	17,630
Resources and materials	7,043	7,133
Travel - clients	801	1,601
Non-recurring	45,000	-
	<u>480,721</u>	<u>481,942</u>
Excess of Receipts Over Expenditures / (Expenditures Over Receipts) before Funds Transferred	28,583	(17,638)
Add: Funds Transferred from Core Operations (page 4)	-	17,638
Less: Amount refundable to Toronto Central Local Health Integration Network - Diabetes Education Program (note 16)	<u>(28,583)</u>	<u>-</u>
Excess of Receipts Over Expenditures after Funds Transferred	\$ -	\$ -

(See Accompanying Notes to Financial Statements)

REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)
STATEMENT OF INTERNALLY RESTRICTED PROJECT FUNDS
OPERATIONS AND NET ASSETS (notes 10 & 21)
YEAR ENDED MARCH 31, 2016

	Growth & Development		Donations		Administration		Clinical Programs		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RECEIPTS										
Income		724	243,814	208,223	213,416	224,600	600	-	457,830	433,547
Unrealized gain/(loss)	(71)	-	-	-	(4,339)	8,163	-	-	(4,410)	8,163
	(71)	724	243,814	208,223	209,077	232,763	600	-	453,420	441,710
EXPENDITURES										
Salaries	-	-	135,662	78,362	85,048	125,028	-	-	220,710	203,390
Benefits	-	-	22,292	13,372	115,542	56,012	-	-	137,834	69,384
Program	-	-	58,249	3,304	22,556	-	-	-	80,805	3,304
Purchased services	-	-	44,017	24,862	-	-	-	-	44,017	24,862
Resources/materials	-	-	-	33,627	-	-	82	-	82	33,627
	-	-	260,220	153,527	223,146	181,040	82	-	483,448	334,567
EXCESS OF (EXPENDITURES OVER RECEIPTS) / RECEIPTS OVER EXPENDITURES BEFORE TRANSFERS										
	(71)	724	(16,406)	54,696	(14,069)	51,723	518	-	(30,028)	107,143
Funds transferred to Restrictive Fund - Capital to purchase property and equipment (page 3)	-	-	(474)	(57,371)	-	(34,905)	-	-	(474)	(92,276)
Funds transferred from Donations to Clinical Programs	-	-	(2,994)	-	-	-	2,994	-	-	-
Funds transferred to Housing Support (page 8)	-	-	-	-	(6,632)	-	-	-	(6,632)	-
Fund transferred from Harm Reduction - Voices (page 8)	-	-	104	-	-	-	-	-	104	-
Fund transferred from Harm Reduction - Stories (page 8)	-	-	3	-	-	-	-	-	3	-
Fund transferred from CAAT - HIV/AIDS & Immigration Services (page 10)	-	-	169	-	-	-	-	-	169	-
Fund transferred from CAAT-Legacy (page 10)	-	-	960	-	-	-	-	-	960	-
Refunded to funder	-	-	-	-	-	-	(1,697)	-	(1,697)	-
EXCESS OF RECEIPTS OVER EXPENDITURES AFTER TRANSFERS										
	(71)	724	(18,638)	(2,675)	(20,701)	16,818	1,815	-	(37,595)	14,867
FUND BALANCE - BEGINNING OF YEAR	132,316	131,592	142,398	145,073	1,173,243	1,156,425	92,977	92,977	1,540,934	1,526,067
FUND BALANCE - END OF YEAR	132,245	132,316	123,760	142,398	1,152,542	1,173,243	94,792	92,977	1,503,339	1,540,934

(See Accompanying Notes to Financial Statements)

REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)
STATEMENT OF OTHER RESTRICTED PROJECT FUNDS
OPERATIONS AND NET ASSETS (note 11 and 21)
YEAR ENDED MARCH 31, 2016

	Mid East Toronto Health Link		CATCH-ED		Physiotherapy Program		Greater Toronto CHC Network		Resiliency In Action - (Ont. Trillium Foundation)		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RECEIPTS												
Income	195,550	331,687	119,657	119,657	101,699	-	46,000	26,575	-	75,000	462,906	552,919
Recovery of expense	18,735	-	-	-	-	-	-	-	-	-	18,735	-
	214,285	331,687	119,657	119,657	101,699	-	46,000	26,575	-	75,000	481,641	552,919
EXPENDITURES												
Salaries	88,006	106,527	74,795	74,794	65,914	-	37,340	40,537	-	47,690	266,055	269,548
Benefits	14,790	18,418	16,500	16,495	16,642	-	-	-	-	13,130	47,932	48,043
Program	4,144	7,666	10,383	13,058	-	-	14,025	4,830	4,350	-	32,902	25,554
Purchased services	26,709	7,338	2,580	2,875	-	-	-	-	-	-	29,289	10,213
Resources/materials	4,241	-	-	-	10,117	-	-	-	-	-	14,358	-
Administration	11,733	2,263	7,262	7,262	-	-	-	-	-	6,500	18,995	16,025
Honoraria	-	80	2,500	-	-	-	-	-	-	6,000	2,500	6,080
Printing and office supplies	3,620	3,373	3,049	2,750	-	-	-	-	-	1,680	6,669	7,803
Staff development	-	-	2,588	2,423	-	-	-	-	-	-	2,588	2,423
Rent	9,000	2,000	-	-	-	-	-	-	-	-	9,000	2,000
Travel - clients	-	-	-	-	-	-	-	242	-	-	-	242
	162,243	147,665	119,657	119,657	92,673	-	51,365	45,609	4,350	75,000	430,288	387,931
EXCESS OF RECEIPTS OVER EXPENDITURES BEFORE TRANSFERS	52,042	184,022	-	-	9,026	-	(5,365)	(19,034)	(4,350)	-	51,353	164,988
Funds transferred to Restrictive Fund - Capital to purchase property and equipment (page 3)	-	(17,511)	-	-	(9,026)	-	-	-	-	-	(9,026)	(17,511)
Amount refundable to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link (note 17)	(52,042)	(166,511)	-	-	-	-	-	-	-	-	(52,042)	(166,511)
Refunded to funder	-	-	-	-	-	-	-	-	(3,323)	-	(3,323)	-
EXCESS OF (EXPENDITURES OVER RECEIPTS) AFTER TRANSFERS	-	-	-	-	-	-	(5,365)	(19,034)	(7,673)	-	(13,038)	(19,034)
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-	-	-	105,474	124,508	7,673	7,673	113,147	132,181
FUND BALANCE - END OF YEAR	-	-	-	-	-	-	100,109	105,474	-	7,673	100,109	113,147

(See Accompanying Notes to Financial Statements)

REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)
STATEMENT OF COMMUNITY HEALTH PROJECT FUNDS - CITY OF TORONTO GRANTS
OPERATIONS AND NET ASSETS (note 12 and 21)
YEAR ENDED MARCH 31, 2016

	Housing Support		Harm Reduction - Voices		Harm Reduction - Stories		Reducing Harm through Outreach and Education		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RECEIPTS										
Income	61,074	54,915	-	1,402	-	360	48,942	48,880	110,016	105,557
EXPENDITURES										
Salaries	53,109	47,752	-	5,968	-	3,382	27,500	20,625	80,609	77,727
Benefits	7,965	13,915	-	-	-	1,089	4,222	2,982	12,187	17,986
Program	-	-	-	950	-	2,655	979	302	979	3,907
Purchased services	-	-	-	-	-	1,628	-	-	-	1,628
Administration	-	-	-	-	-	-	2,000	1,500	2,000	1,500
Honoraria	-	-	-	2,400	-	1,800	12,747	9,066	12,747	13,266
Travel - clients	-	-	-	-	-	265	1,902	154	1,902	419
	61,074	61,667	-	9,318	-	10,819	49,350	34,629	110,424	116,433
EXCESS OF (EXPENDITURES OVER RECEIPTS)	-	(6,752)	-	(7,916)	-	(10,459)	(408)	14,251	(408)	(10,876)
Funds transferred to Donation (page 6)	-	-	(104)	-	(3)	-	-	-	(107)	-
Funds transferred from Administration (page 6)	6,632	-	-	-	-	-	-	-	6,632	-
FUND BALANCE - BEGINNING OF YEAR	(6,632)	120	104	8,020	3	10,462	14,251	-	7,726	18,602
FUND BALANCE - END OF YEAR	-	(6,632)	-	104	-	3	13,843	14,251	13,843	7,726

(See Accompanying Notes to Financial Statements)

REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)
STATEMENT OF COMMUNITY HEALTH PROJECT FUNDS - OTHER FUNDERS
OPERATIONS AND NET ASSETS (note 13 and 21)
YEAR ENDED MARCH 31, 2016

	Women's Art Afternoon		Toronto Art Council		HIV Information, Prevention & Support		TCHC Relocation Pilot Project		Rebuilding Lives through Peer Intervention		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RECEIPTS												
Income	21,264	15,177	615	-	50,000	49,520	-	36,000	-	25,000	71,879	125,697
EXPENDITURES												
Salaries	-	-	-	-	17,700	16,808	-	31,928	9,398	9,375	27,098	58,111
Benefits	-	-	-	-	3,939	1,928	-	4,072	-	-	3,939	6,000
Program	2,147	-	1,055	454	4,033	3,624	-	-	-	-	7,235	4,078
Purchased services	15,850	13,896	-	-	-	-	-	-	-	1,327	15,850	15,223
Resources/materials	-	485	-	-	2,770	685	-	-	400	-	3,170	1,170
Travel - clients	-	-	-	-	-	250	-	-	-	-	-	250
Administrative	-	-	-	-	1,902	3,900	-	-	-	-	1,902	3,900
Honoraria	1,294	1,060	-	-	11,951	13,502	-	-	3,500	1,000	16,745	15,562
	19,291	15,441	1,055	454	42,295	40,697	-	36,000	13,298	11,702	75,939	104,294
EXCESS OF (EXPENDITURES OVER RECEIPTS) / RECEIPTS OVER EXPENDITURES	1,973	(264)	(440)	(454)	7,705	8,823	-	-	(13,298)	13,298	(4,060)	21,403
FUND BALANCE - BEGINNING OF YEAR	122	386	661	1,115	26,951	18,128	-	-	13,298	-	41,032	19,629
FUND BALANCE - END OF YEAR	2,095	122	221	661	34,656	26,951	-	-	-	13,298	36,972	41,032

(See Accompanying Notes to Financial Statements)

REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)
STATEMENT OF HIV/AIDS PROJECT FUNDS
OPERATIONS AND NET ASSETS (notes 14 & 21)
YEAR ENDED MARCH 31, 2016

	CAAT - HIV/AIDS & Immigration Services		CAAT - Donations		CAAT - Legacy		Newcomer PHA Sexual Health Promotion		Ontario HIV Treatment Network (OHTN) Secondment Agreement		CHAMP		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RECEIPTS														
Income	199,900	199,900	-	-	84,133	84,133	-	-	50,000	75,000	-	41,667	334,033	400,700
Donations	-	-	3,750	8,262	-	-	-	-	-	-	-	-	3,750	8,262
	199,900	199,900	3,750	8,262	84,133	84,133	-	-	50,000	75,000	-	41,667	337,783	408,962
EXPENDITURES														
Salaries	104,350	104,350	-	-	35,991	36,000	-	19,292	54,399	57,264	-	29,499	194,740	246,405
Benefits	20,870	20,870	-	-	6,489	6,880	-	2,817	1,963	397	-	2,751	29,322	33,715
Program	15,182	21,856	-	2,237	7,598	13,900	-	822	3,364	750	-	3,334	26,144	40,662
Purchased services	5,610	8,000	-	-	7,140	7,140	-	1,761	-	2,625	-	10,615	12,750	30,141
Resources/materials	22,557	20,719	-	-	9,500	3,208	-	2,607	8,498	1,500	-	1,041	40,555	29,075
Administration	-	-	-	-	-	-	-	-	8,382	7,500	737	-	5,997	7,500
Building occupancy	7,200	7,200	-	-	8,400	8,400	-	-	-	-	-	-	15,600	15,600
Honoraria	-	-	-	-	-	-	-	4,287	5,424	4,125	-	14,700	5,424	23,112
Organizational development	8,150	3,429	-	-	-	-	-	-	-	-	-	6,701	8,150	10,130
Printing and office supplies	7,200	7,200	-	-	-	-	-	-	-	-	-	7,318	7,200	14,518
Volunteer support	2,000	2,000	-	-	8,090	7,755	-	-	-	-	-	-	10,090	9,755
Staff development	2,500	2,500	-	-	-	-	-	-	-	2,250	-	-	2,500	4,750
Travel - clients	4,281	1,775	-	-	924	850	-	999	-	-	-	4,600	5,205	8,224
	199,900	199,899	-	2,237	84,132	84,133	-	32,585	82,030	76,411	737	80,559	366,799	475,824
EXCESS OF (EXPENDITURES OVER RECEIPTS)	-	1	3,750	6,025	1	-	-	(32,585)	(32,030)	(1,411)	(737)	(38,892)	(29,016)	(66,862)
Funds transferred to Donation (page 6)	(169)	-	-	-	(960)	-	-	-	-	-	-	-	(1,129)	-
FUND BALANCE - BEGINNING OF YEAR	169	168	76,846	70,821	959	959	-	32,585	36,039	37,450	737	39,629	114,750	181,612
FUND BALANCE - END OF YEAR	-	169	80,596	76,846	-	959	-	-	4,009	36,039	-	737	84,605	114,750

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Statement of Cash Flows
Year Ended March 31, 2016

	2016	(note 21) 2015
Cash Flows from Operating Activities		
Excess of receipts over expenditures	\$ (45,270)	\$ 415,981
Changes in non-cash working capital:		
Amounts receivable	34,066	(27,613)
Accounts payable and accrued charges	(10,045)	(22,152)
Due to Toronto Central Local Health Integration Network	10,000	(31,346)
Due to Toronto Central Local Health Integration Network - Diabetes Education Program	28,583	-
Due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link	52,042	166,511
	<u>69,376</u>	<u>168,359</u>
Cash Flows from Investing Activities		
Acquisitions - property and equipment	(33,451)	(192,300)
Funds recovered from insurance claim to re- purchase property and equipment	-	41,708
Cash and cash equivalents - unrestricted for future use	(7,471)	239,987
Cash and cash equivalents - internally restricted for future use	71	(724)
	<u>(40,851)</u>	<u>88,671</u>
Net Increase in Cash and Cash Equivalents	28,525	257,030
Cash and Cash Equivalents - beginning of year	511,385	254,355
Cash and Cash Equivalents - end of year	\$ 539,910	\$ 511,385
Cash and Cash Equivalents - consists of:		
Cash and cash equivalents - restricted	<u>\$ 539,910</u>	<u>\$ 511,385</u>

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Notes to Financial Statements

March 31, 2016

1. Organization - Overview

The Regent Park Community Health Centre (the Community Health Centre) is a community-based organization that provides a wide range of services and initiatives including primary health care, health promotion, service integration and community capacity building. Our services and programs are designed to respond to the unique needs of the communities we work with and the barriers to health and access to services that impact them. Those barriers may be economic, social, cultural, linguistic or related to mental health or substance use. Our work includes both ameliorating the negative health impacts of social inequities and promoting policy and system change to improve health and wellbeing. Regent Park Community Health Centre is incorporated in Ontario as a non-profit organization.

Regent Park, in the downtown east of Toronto, was the oldest and largest public housing development in Canada and is in the midst of a multi-year redevelopment. Through this process the community is transitioning from a primarily low-income, racialized, and very culturally diverse community that was spatially isolated from the rest of Toronto to one that is more mixed income and more spatially integrated.

The Community Health Centre receives funding from a variety of sources including the Toronto Central Local Health Integration Network (TC-LHIN).

Any excess of receipts over expenditures on TC-LHIN funding in the year is recoverable by the TC-LHIN.

2. Summary of Significant Accounting Policies

The financial statements have been prepared for filing with the TC-LHIN and other funders. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations except for note 2(d). The following are the significant accounting policies:

a) **Basis of Accounting**

The Community Health Centre follows the restricted fund method of accounting.

Restricted contributions related to general operations are recognized as receipts of the Operating Fund in the year in which the related expenditures are incurred. All other restricted contributions are recognized as receipts of the appropriate restricted fund.

Unrestricted contributions are recognized as receipts of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

See notes 7- 14 for a description of all funds.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

2. Summary of Significant Accounting Policies (cont'd)

b) 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and expenditures during the reporting period. Such estimates include providing for amortization of property and equipment as explained in note 2(c). Actual results could differ from those estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in net assets in the period in which they become known.

c) Property and Equipment - Amortization

Property and equipment are stated at cost. Amortization, which is reported in the Statement of Changes in Restrictive Fund - Capital is based on the estimated useful lives of the assets and is provided using the undernoted annual rates and methods:

Building	25 years	Straight line
Furniture and fixtures	5 years	Straight line
Computer hardware	3 years	Straight line
Medical equipment	5 years	Straight line

In the year of acquisition one half of the annual rate is used to calculate amortization.

d) Vacation Pay

The Community Health Centre accounts for vacation pay on a cash basis in accordance with the funding policies of the TC-LHIN, as described in note 3 of the financial statements.

e) Parents for Better Beginnings and Pathways to Education

These statements do not include the operations, assets and liabilities of Parents for Better Beginnings and Pathways to Education, programs of the Community Health Centre, reported separately.

The Community Health Centre has prepared audited financial statements that combined all three programs to which is attached an Independent Auditor's Report dated June 28, 2016.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

2. Summary of Significant Accounting Policies (cont'd)

f) Impairment of Long-lived Assets

Property and equipment and other long-lived assets are reviewed for impairment whenever changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset with its expected future net undiscounted cash flows from use together with its residual value (net recoverable value). If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds its net recoverable value. Any impairment results in a write-down of the asset and a charge to net assets during the year.

g) Financial Instruments

The Community Health Centre initially measures its financial assets and liabilities at fair value. The Community Health Centre subsequently measures all its financial assets and financial liabilities at amortized cost, except for cash and cash equivalents, which is at fair value. Changes in fair value are recognized in the Statement of Receipts and Expenditures.

Financial assets measured at amortized cost include amounts receivable.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities, and recoveries due to Toronto Central Local Health Integration Network.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the Statement of Receipts and Expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the Statement of Receipts and Expenditures.

Investments in fixed income funds are financial assets measured at fair value. Changes in fair value are recognized in the Statement of Receipts and Expenditures.

3. Vacation Pay

The Community Health Centre accounts for vacation pay on a cash basis in accordance with the funding policies of the TC-LHIN. Canadian accounting standards for not-for-profit organizations require that vacation pay earned and not paid be accrued as a liability in the accounts.

The unrecorded vacation pay liability as at March 31, 2016 was \$284,262 (2015 - \$357,621, 2014 - \$421,087). Had the 2016 vacation pay been accrued, the excess of receipts over expenditures would have increased by \$73,359 (2015 - \$63,466). In addition the current liabilities would have increased and the net assets would have decreased by \$284,262 (2015 - \$357,621).

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

4. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and term deposits with maturities of less than 90 days. Cash and cash equivalents not currently needed and with maturities of greater than 90 days are classified as restricted for future use.

5. Amounts Receivable

	2016	(note 21) 2015
Harmonized Sales Tax Rebate	\$ 101,824	\$ 99,289
City of Toronto Grant	-	41,049
Accounts Receivable - Other	<u>79,612</u>	<u>75,164</u>
	<u>\$ 181,436</u>	<u>\$ 215,502</u>

6. Property and Equipment

	2016		2015	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 664,028	\$ -	\$ 664,028	\$ -
Building	5,770,358	3,734,663	5,770,358	3,503,849
Furniture and fixtures	647,270	575,020	615,327	539,822
Computer hardware	469,581	461,455	469,581	449,606
Medical equipment	<u>174,066</u>	<u>165,801</u>	<u>172,558</u>	<u>161,621</u>
	<u>\$ 7,725,303</u>	<u>\$ 4,936,939</u>	<u>\$ 7,691,852</u>	<u>\$ 4,654,898</u>
Net book value		<u>\$ 2,788,364</u>		<u>\$ 3,036,954</u>

7. Restrictive Fund - Capital

The Restrictive Fund - Capital reflects the net amounts invested in property and equipment. The majority of the acquisitions in the current year were funded by The Toronto Central Local Health Integration Network. The amortization based on the useful life of the assets is also reflected in this fund.

8. Core Operations (Restricted)

The Core Operations are funded by Toronto Central Local Health Integration Network for the Community Health Centre's day-to-day operations. Any funding unspent at the end of the year and the interest received on these funds is refundable to the Toronto Central Local Health Integration Network (note 15).

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

9. Diabetes Education Program (Restricted)

The Diabetes Education Program, funded by the Toronto Central Local Health Integration Network, delivers diabetes education and treatment to the Community Health Centre catchment area. Any funding unspent at the end of the year is refundable to the Toronto Central Local Health Integration Network (note 16).

10. Internally Restricted Project Funds

a) Growth and Development

This fund represents the excess of receipts over expenditures for non-Toronto Central Local Health Integration Network grant projects for which the Community Health Centre has gained approval to retain the surpluses. The funds are directed towards specific projects identified from the Community Health Centre's goals and objectives and for which other funding sources cannot be found. These funds can only be used upon approval from the Board.

b) Donations

Donations of a general and designated nature given in support of the Community Health Centre's programs and services.

c) Administration

This fund was established for administrative charges to the various programs.

d) Clinical Programs

This fund provides compensation for staff time used by other organizations seeking the time of a community nurse.

11. Other Restricted Project Funds

a) Mid-East Toronto Health Link (METHL)

One of nine Health Links established by the Toronto Central Health Integration Network to facilitate greater collaboration and integration among health service providers in order to more effectively respond to the health needs of people with complex health and social issues that result in high resource utilization.

b) Co-ordinated Access to Care from Hospital Emergency Departments (CATCH-ED)

A Toronto Central Local Health Integration Network funded program designed to connect people with mental illness who frequently use local emergency departments with primary care and counselling supports.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Notes to Financial Statements

March 31, 2016

11. Other Restricted Project Funds (cont'd)

c) Physiotherapy Program

A new program funded through the Toronto Central Local Health Integration Network to provide individual and group physiotherapy sessions to clients of the Community Health Centre.

d) Greater Toronto Community Health Centre (CHC) Network

This fund is administered by the Community Health Centre on behalf of the network of twenty-two GTA community health centres. Revenue is derived from membership dues or special contributions from the CHCs and is used to pursue projects of common network interest.

e) Resiliency in Action (Ont. Trillium Foundation)

This twenty-four month project ended in April 2015 and was funded by the Ontario Trillium Foundation. The project provided training and coaching and programmatic support to youth and other residents of Regent Park and area to strengthen the community capacity to respond to adverse events.

12. Community Health Project Funds - City of Toronto Grants

Externally Restricted

a) Housing Support

Funded by the City of Toronto, the purpose of this project is to provide outreach and support services, assistance in developing mutual self-help and support networks and assistance in accessing community services to under housed and homeless people in the Regent Park Community.

b) Harm Reduction - Voices

This project was funded by the City of Toronto to recruit, train and support six peer workers to assist with the development of peer harm reduction videos.

c) Harm Reduction - Stories

This project increased community discussion about harm reduction by using peer workers to create harm reduction educational videos and a discussion guide. The peer videos focused on crack use, sex work and safety, diabetes and drug use and housing and drug use.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

12. Community Health Project Funds - City of Toronto Grants (cont'd)

d) Reducing Harm through Outreach and Education

This project's funding is provided by the Toronto Urban Health Fund to promote the health and well-being of street-involved women through a multi-faceted and peer-based approach. Peer harm reduction workers provided workshops, increased awareness of community resources and increased access to supportive environments for vulnerable women.

13. Community Health Project Funds - Other Funders

Externally Restricted

a) Women's Art Afternoon

This fund provides program expenses and purchased services for the "Against All Odds" innovative art program for homeless and marginally housed women.

b) Toronto Arts Council

This fund supports a series of free arts workshops, studios and one-on-one mentoring opportunities from visual artists.

c) HIV Information, Prevention and Support (HIPS)

This project is funded by the M.A.C. AIDS Foundation. The purpose is to increase the Regent Park community's capacity to target HIV prevention amongst women involved in sex work. In partnership with other agencies in Regent Park, the project works with women using three local drop-in services that provide support to women involved in sex work.

d) TCHC Relocation Pilot Project

Funded by Toronto Community Housing, this pilot project provided limited social work supports to assist residents being relocated due to redevelopment.

e) Rebuilding Lives through Peer Intervention

A project funded by the Canadian Women's Foundation to address violence against women who are homeless and/or street-involved. This project uses a peer model of outreach, education and support and draws on the leadership of women who have, or continue to experience, homelessness or street-involvement.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Notes to Financial Statements

March 31, 2016

14. HIV/AIDS Project Funds

Externally Restricted

- a) Committee for Accessible AIDS Treatment (CAAT) - HIV/AIDS & Immigration Services

This fund provides for a committee for accessible AIDS treatment which deals with HIV & immigration service accessibility, training and community capacity building.

- b) Committee for Accessible AIDS Treatment (CAAT) - Donations

Donations received from other HIV/AIDS agencies and other donors in support of the CAAT's program and services.

- c) Committee for Accessible AIDS Treatment (CAAT) - Legacy project

This fund provides for an increase in the level of social, communal and professional engagement of persons living with HIV/AIDS. It is also intended to increase access to service organizations and collaboration and partnerships among different generations of persons living with HIV/AIDS and service organizations.

- d) Newcomer PHA Sexual Health Promotion Project

This project addresses HIV and newcomers' needs in service navigation, HIV disclosure skills (including anti-stigma and discrimination skills) and STI and POZ prevention knowledge and skills.

- e) Ontario HIV Treatment Network (OHTN) Secondment Agreement

This agreement involves the secondment of a Health Centre physician on a part-time basis to participate in OHTN research strategies.

- f) Community Champion HIV/AIDS Advocates Mobilization Project (CHAMP)

This is a community-based intervention study to evaluate promising strategies that support the development of community champions as key agents to advance HIV/AIDS in three ethno-racial communities.

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**
Notes to Financial Statements
March 31, 2016

15. Due to Toronto Central Local Health Integration Network - Core Operation

	2016	2015
Total receipts for operations (page 4)	\$ 6,408,433	\$ 6,401,486
Less: expenditures eligible for operations (page 4)	<u>6,384,482</u>	<u>6,343,043</u>
Excess of receipts over expenditures	23,951	58,443
Less: property and equipment transferred to Restrictive Fund - Capital	(23,951)	(40,805)
Less: funds transferred to Diabetes Education	-	(17,638)
Additional funding received for non-insured program (note a)	<u>10,000</u>	<u>-</u>
Amounts due to Toronto Central Local Health Integration Network - Core Operation	<u>\$ 10,000</u>	<u>\$ -</u>

a) Additional Funding Received for Non-insured Program

This was a one-time increase in funding for the non-insured program for the year ended March 31, 2015. The Community Health Centre was not notified of this increase in funding and therefore did not incur the expenditures. This amount is refundable to Toronto Central Local Health Network.

16. Due to Toronto Central Local Health Integration Network - Diabetes Education Program

	2016	2015
Total receipts for operations (page 5)	\$ 509,304	\$ 464,304
Less: expenditures eligible for operations (page 5)	<u>480,721</u>	<u>481,942</u>
Excess of expenditures over receipts	28,583	(17,638)
Add: funds transferred from Core Operations	<u>-</u>	<u>17,638</u>
Amounts due to Toronto Central Local Health Integration Network - Diabetes Education Program	<u>\$ 28,583</u>	<u>\$ -</u>

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Notes to Financial Statements
March 31, 2016

17. Due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link

	2016	2015
Total receipts for operations (page 7)	\$ 214,285	\$ 331,687
Less: expenditures eligible for operations (page 7)	<u>162,243</u>	<u>147,665</u>
Excess of expenditures over receipts	52,042	184,022
Less: funds transferred to Restrictive Fund - Capital to purchase property and equipment	<u>-</u>	<u>(17,511)</u>
Amounts due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link - current year	<u>\$ 52,042</u>	<u>\$ 166,511</u>
Amounts due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link for:		
2014/2015	\$ 166,511	\$ 166,511
2015/2016	<u>52,042</u>	<u>-</u>
	<u>\$ 218,553</u>	<u>\$ 166,511</u>

18. Non-Recurring Expenditures Funded by Toronto Central Local Health Integration Network

Non-recurring expenditures consist of the following:

	2016	2015
Dental Equipment	\$ 16,000	
Equipment Replacement	18,300	-
Minor Renovation/Repair	4,900	-
Non-Insured Program	<u>-</u>	<u>10,000</u>
	<u>\$ 39,200</u>	<u>\$ 10,000</u>

**REGENT PARK COMMUNITY HEALTH CENTRE
(CORE OPERATIONS)**

Notes to Financial Statements
March 31, 2016

19. Lease Commitments

The Diabetes Education Program is committed to a five-year lease ending on June 30, 2019. Annual rental payments, exclusive of sales taxes, are as follows:

2016/2017	\$ 45,991
2017/2018	45,991
2018/2019	45,991
2019/2020	<u>11,498</u>
	<u>\$ 149,471</u>

In addition, the Program has committed to pay its proportionate share of realty taxes and common area maintenance.

20. Financial Instruments

The Community Health Centre's financial instruments recorded on the Statement of Financial Position consist of cash and cash equivalents, amounts receivable and current liabilities. In management's opinion, the Community Health Centre is not exposed to significant currency, market or credit risks arising from these financial instruments as explained below.

Liquidity Risk

Liquidity risk is the risk that the Community Health Centre may not be able to meet its obligations. To mitigate this risk, the Community Health Centre commits to spending on the various projects only after the funds are received from the various funders or has reasonable assurance that the funds will be received.

Credit Risk

Credit risk is the risk that the Community Health Centre will incur a financial loss if the other party to a financial instrument fails to discharge the obligation. The Community Health Centre is subject to credit risk on its amounts receivable. The Community Health Centre actively manages and monitors its receivables on a regular basis to mitigate this risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Financial instruments which potentially subject the Program to market risk, consist primarily of investments in fixed income funds. However, due to the liquid nature and regular review of the investments, the market risk is minimal.

21. Comparative Information

Certain figures for the year ended March 31, 2015 have been reclassified to conform with the current year's financial statement presentation.