

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

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2018**

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## **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, 2018 and the statements of Changes in Restrictive Fund - Capital, Receipts and Expenditures - Core Operations, Internally Restricted Project Funds Operations and Net Assets, Other Restricted Project Funds Operations and Net Assets, Community Health Project Funds 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.

## **INDEPENDENT AUDITORS' REPORT**

### **Basis for Qualified Opinion**

In common with many charitable organizations, the Community Health Centre (Core Operations) derives a portion of its receipts from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the Community Health Centre (Core Operations). Therefore, we were not able to determine whether any adjustments might be necessary to receipts, excess of receipts over expenditures, and cash flows from operations for the year ended March 31, 2108, current assets and net assets as at March 31, 2018.

As more fully described in note 2(d) of the financial statements, the Community Health Centre (Core Operations) 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, 2018, 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 26, 2018

**CHARTERED PROFESSIONAL ACCOUNTANTS**  
**LICENSED PUBLIC ACCOUNTANTS**

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

Statement of Financial Position

March 31, 2018

(note 18) (note 18)  
2018 2017

**ASSETS**

**Current**

Cash and cash equivalents - restricted (note 4)	\$ 300,294	\$ 416,108
Amounts receivable (note 5)	169,094	138,405
Prepaid expenses	33,266	-
	<u>502,654</u>	<u>554,513</u>
<b>Cash and Cash Equivalents - Unrestricted for Future Use (note 4)</b>	<b>1,544,830</b>	<b>1,259,992</b>
<b>Cash and Cash Equivalents - Internally Restricted for Future Use (note 4)</b>	<b>133,568</b>	<b>132,478</b>
<b>Property and Equipment (note 6)</b>	<b><u>2,467,526</u></b>	<b><u>2,523,404</u></b>
	<b>\$ 4,648,578</b>	<b>\$ 4,470,387</b>

**LIABILITIES**

**Current**

Accounts payable and accrued charges	\$ 48,724	\$ 34,970
Due to Toronto Central Local Health Integration Network - Core Operation (note 13)	60,320	-
Due to Toronto Central Local Health Integration Network - Diabetes Education Program (note 14)	-	28,583
Due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link (note 15)	-	52,042
	<u>109,044</u>	<u>115,595</u>

**NET ASSETS**

<b>Restrictive Fund - Capital (page 4)</b>	<b>2,467,526</b>	<b>2,523,404</b>
<b>Internally Restricted Project Funds (page 6)</b>	<b>1,859,188</b>	<b>1,702,853</b>
<b>Other Restricted Project Funds (page 7)</b>	<b>6</b>	<b>-</b>
<b>Community Health Project Funds (page 8)</b>	<b>74,167</b>	<b>40,762</b>
<b>HIV/AIDS Project Funds (page 9)</b>	<b>138,647</b>	<b>87,773</b>
	<u>4,539,534</u>	<u>4,354,792</u>
	<b>\$ 4,648,578</b>	<b>\$ 4,470,387</b>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

Statement of Changes in Restrictive Fund - Capital (note 7)  
Year Ended March 31, 2018

	2018	2017
<b>Balance - beginning of year</b>	<b>\$ 2,523,404</b>	<b>\$ 2,788,364</b>
Funds transferred from Core Operations to purchase property and equipment (page 5)	205,459	-
Amortization for the year	<u>(261,337)</u>	<u>(264,960)</u>
<b>Balance - end of year</b>	<b><u>\$ 2,467,526</u></b>	<b><u>\$ 2,523,404</u></b>

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

Statement of Receipts and Expenditures - Core Operations (note 8)  
Year Ended March 31, 2018

	(note 18) 2018	(note 18) 2017
<b>Receipts</b>		
Toronto Central Local Health Integration Network		
- Core	\$ 7,331,386	\$ 6,974,886
- Capital funding	205,450	-
- One time funding	-	57,000
	<u>7,536,836</u>	<u>7,031,886</u>
<b>Expenditures</b>		
Salaries	4,693,608	4,547,526
Benefits	1,130,702	1,061,772
Buildings and grounds	220,604	203,501
IT network/computer expenses	101,220	87,345
Medical supplies	89,472	85,061
Legal and audit	55,524	71,731
Purchased services	52,557	83,169
Non-insured program (specialist/diagnostics)	50,174	50,007
Resources/materials	43,298	35,072
Telephone	31,001	30,770
Memberships and accreditation	26,775	31,551
Printing and copying	26,037	20,114
Staff development	23,259	24,199
Travel - clients	21,655	24,272
External consultations	21,604	15,378
Insurance	20,393	10,116
Meetings	11,949	13,016
Board expenses	10,030	7,942
Office supplies	8,251	4,044
Postage and courier	7,676	5,818
Furniture/equipment	5,001	4,986
Recruitment	714	4,349
Harm Reduction Program	5,171	3,623
Diabetes Education Program	100,928	100,641
Additional Operating - Pay Equity	31,953	31,953
Early Years Program	41,099	33,587
Access to Health Card Project	172,360	172,360
Fundholding	145,000	144,636
Scarborough Homeless Project	123,033	123,347
	<u>7,271,048</u>	<u>7,031,886</u>
<b>Excess of Receipts over Expenditures Before Funds Transferred</b>	<b>265,788</b>	<b>-</b>
Less: Funds transferred to Restrictive Fund - Capital to purchase property and equipment (page 4)	(205,459)	-
Add: Funds transferred from Administration (page 6)	31,489	-
Less: Amounts refunded to the Toronto Central Local Health Integration Network (note 13)	(31,498)	-
Less: Amount refundable to Toronto Central Local Health Integration Network (note 13)	(60,320)	-
<b>Excess of Receipts over Expenditures After Funds Transferred</b>	<b>\$ -</b>	<b>\$ -</b>

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)**  
**STATEMENT OF INTERNALLY RESTRICTED PROJECT FUNDS**  
**OPERATIONS AND NET ASSETS (note 9)**  
**YEAR ENDED MARCH 31, 2018**

	Growth and Development		Donations		Administration		Clinical Programs		Mid-East Toronto Health Link		Total (note 18)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>RECEIPTS</b>												
Income	2,800	4,073			239,132	195,340					466,251	518,944
Changes in fair value of investments	(1,711)	(1,288)	224,319	275,479	(9,335)	(7,668)					(11,046)	(8,956)
	1,089	2,785	224,319	275,479	229,797	187,672					455,205	509,988
<b>EXPENDITURES</b>												
Salaries			122,998	128,677	6,211	8,388					129,209	162,290
Benefits			13,436	18,307	1,119	34,196					14,555	60,011
Program			53,487	60,137	16,866	7,320					70,353	75,050
Purchased services			6,218	14,125							6,218	16,345
Printing and office supplies												1,706
			196,139	221,246	24,196	50,104					220,335	315,402
<b>EXCESS OF RECEIPTS OVER EXPENDITURES TRANSFERS</b>												
Funds transferred to Charite's Free Wheels												
Fund transferred to Toronto Central Local Health Integration Network (page 5)	1,089	2,785	28,180	54,233	205,601	137,568					234,870	194,586
Funds transferred from Greater Toronto CHC Network (page 7)			(47,046)		(31,489)						(47,046)	
											(31,489)	4,928
<b>EXCESS OF RECEIPTS OVER EXPENDITURES (EXPENDITURES OVER RECEIPTS) AFTER TRANSFERS</b>												
FUND BALANCE - BEGINNING OF YEAR	1,089	2,785	(18,866)	59,161	174,112	137,568					156,335	199,514
FUND BALANCE - END OF YEAR	135,030	132,245	182,921	123,760	1,290,110	1,152,542	94,792	94,792			1,702,853	1,503,339
	136,119	135,030	164,055	182,921	1,464,222	1,290,110	94,792	94,792			1,859,188	1,702,853

(See Accompanying Notes to Financial Statements)

**REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)**  
**STATEMENT OF OTHER RESTRICTED PROJECT FUNDS**  
**OPERATIONS AND NET ASSETS (note 10)**  
**YEAR ENDED MARCH 31, 2018**

	CATCH-ED		Physiotherapy Program		Greater Toronto CHC Network		Total (note 18)	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
<b>RECEIPTS</b>								
Income	119,657	119,657	82,736	57,864	-	8,425	202,393	185,946
<b>EXPENDITURES</b>								
Salaries	71,936	64,895	64,451	42,916	-	-	136,387	107,811
Benefits	19,360	26,400	18,047	14,948	-	-	37,407	41,348
Program	10,500	10,502	-	-	-	606	10,500	11,108
Purchased services	2,600	2,600	-	-	-	-	2,600	2,600
Resources/materials	-	-	232	-	-	-	232	-
Administration	7,261	7,262	-	-	-	-	7,261	7,262
Honoraria	2,375	2,500	-	-	-	-	2,375	2,500
Printing and office supplies	3,125	2,999	-	-	-	-	3,125	2,999
Staff development	2,500	2,499	-	-	-	-	2,500	2,499
Travel - clients	-	-	-	-	-	-	-	-
	119,657	119,657	82,730	57,864	-	606	202,387	178,127
<b>EXCESS OF RECEIPTS OVER EXPENDITURES BEFORE TRANSFERS</b>								
Amount refundable to Centre Francophone de Toronto	-	-	6	-	-	7,819	6	7,819
Funds transferred to Donations (page 6)	-	-	-	-	-	(103,000)	-	(103,000)
	-	-	-	-	-	(4,928)	-	(4,928)
<b>EXCESS OF RECEIPTS OVER EXPENDITURES (EXPENDITURES OVER RECEIPTS) AFTER TRANSFERS</b>								
	-	-	6	-	-	(100,109)	6	(100,109)
<b>FUND BALANCE - BEGINNING OF YEAR</b>								
	-	-	-	-	-	100,109	-	100,109
<b>FUND BALANCE - END OF YEAR</b>								
	-	-	6	-	-	-	6	-

(See Accompanying Notes to Financial Statements)



**REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)**  
**STATEMENT OF COMMUNITY HEALTH PROJECT FUNDS**  
**OPERATIONS AND NET ASSETS (note 11)**  
**YEAR ENDED MARCH 31, 2018**

	Women's Art Afternoon		Toronto Arts Council		HIV Information, Prevention & Support		Housing Support		Reducing Harm through Outreach and Education		Total (note 18)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>RECEIPTS</b>												
Income	16,124	19,995	235	2,400	35,000	40,000	62,174	61,074	53,833	48,942	167,366	172,411
<b>EXPENDITURES</b>												
Salaries	-	-	-	-	12,349	37,132	53,314	53,108	11,635	27,421	77,298	117,661
Benefits	-	-	-	-	6,559	7,430	10,646	7,966	4,746	4,750	21,951	20,146
Program	4,291	1,544	-	-	-	2,500	-	-	1,367	780	5,658	4,824
Purchased services	13,974	12,300	-	-	-	-	-	-	6,620	-	20,594	12,300
Resources/materials	-	-	-	-	-	2,358	-	-	-	-	-	2,358
Travel - clients	-	-	-	-	-	-	34	-	714	330	748	330
Administrative	-	-	-	-	-	90	-	-	1,500	1,000	1,500	1,090
Honoraria	720	2,327	-	-	1,057	3,920	-	-	4,435	17,508	6,212	23,755
	18,985	16,171	-	-	19,965	53,430	63,994	61,074	31,017	51,789	133,961	182,464
<b>EXCESS OF RECEIPTS OVER EXPENDITURES</b>												
(EXPENDITURES OVER RECEIPTS)	(2,861)	3,824	235	2,400	15,035	(13,430)	(1,820)	-	22,816	(2,847)	33,405	(10,053)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	5,919	2,095	2,621	221	21,226	34,656	-	-	10,996	13,843	40,762	50,815
<b>FUND BALANCE - END OF YEAR</b>	3,058	5,919	2,856	2,621	36,261	21,226	(1,820)	-	33,812	10,996	74,167	40,762

**EXCESS OF RECEIPTS OVER EXPENDITURES**  
**(EXPENDITURES OVER RECEIPTS)**

**FUND BALANCE - BEGINNING OF YEAR**

**FUND BALANCE - END OF YEAR**

**REGENT PARK COMMUNITY HEALTH CENTRE (CORE OPERATIONS)**  
**STATEMENT OF HIV/AIDS PROJECT FUNDS**  
**OPERATIONS AND NET ASSETS (note 12)**  
**YEAR ENDED MARCH 31, 2018**

	CAAT - HIV/AIDS & Immunization Services		CAAT - Donations		CAAT - Legacy		Ontario HIV Treatment Network (OHTN) Secondment Agreement		Community Champion HIV/AIDS Advocates Mobilization Project (CHAMP In Action)		Ethno-racial Treatment Support Network (ETSN) Evaluation Project		VIV - Healthcare - Synergy of Care		Total (note 18)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>RECEIPTS</b>																
Income	262,900	199,900	-	-	138,957	84,133	50,000	50,000	92,260	-	24,990	-	27,000	-	596,107	334,033
Donations	262,900	199,900	100	161	138,957	84,133	50,000	50,000	92,260	-	24,990	-	27,000	-	100	161
	118,477	109,533	-	-	74,736	43,478	45,992	46,993	43,583	-	-	-	-	-	282,778	200,004
Salaries	26,065	24,119	-	-	10,486	6,532	-	-	5,369	-	-	-	-	-	41,970	30,451
Benefits	68,570	17,987	-	-	11,295	7,192	-	-	10,483	-	-	-	-	-	98,646	25,179
Program	6,778	6,045	-	-	1,500	120	-	-	-	-	-	-	-	-	8,278	6,165
Purchased services	15,583	16,564	-	-	3,321	9,554	-	-	329	-	-	-	-	-	19,233	26,118
Resources/materials	7,200	7,200	-	-	24,195	8,400	-	-	12,431	-	1,800	-	-	-	38,426	15,600
Administration	3,902	3,001	-	-	9,145	-	-	-	-	-	-	-	-	-	16,345	316
Building occupancy	9,452	7,951	-	-	1,185	-	-	-	9,266	-	-	-	-	-	3,802	3,001
Honoraria	2,000	2,000	-	-	615	8,037	-	-	-	-	-	-	-	-	19,903	7,951
Organizational development	2,500	2,500	-	-	400	90	-	-	-	-	-	-	-	-	2,615	10,037
Printing and office supplies	2,673	3,000	-	-	2,089	930	-	-	2,145	-	-	-	-	-	2,900	2,590
Volunteer support	262,900	199,900	-	-	138,957	84,133	45,992	46,993	83,606	-	1,800	-	3,264	-	10,171	3,930
Start development	-	-	100	161	-	-	4,008	3,007	8,654	-	23,190	-	14,922	-	50,874	3,168
Travel - clients	-	-	80,757	80,596	-	-	7,016	4,009	-	-	-	-	-	-	87,773	84,605
	-	-	80,857	80,757	-	-	11,024	7,016	8,654	-	23,190	-	14,922	-	138,647	87,773
<b>EXPENDITURES</b>																
<b>EXCESS OF RECEIPTS OVER EXPENDITURES</b>																
<b>FUND BALANCE - BEGINNING OF YEAR</b>																
<b>FUND BALANCE - END OF YEAR</b>																

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

Statement of Cash Flows  
Year Ended March 31, 2018

	2018	2017
<b>Cash Flows from (used by) Operating Activities</b>		
Excess of receipts over expenditures after funds transferred	\$ 240,620	\$ 92,520
Changes in non-cash working capital:		
Amounts receivable	(30,689)	43,031
Prepaid expenses	(33,266)	-
Accounts payable and accrued charges	13,754	10,249
Due to Toronto Central Local Health Integration Network - Core Operations	60,320	(10,000)
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>170,114</u>	<u>(30,711)</u>
<b>Cash Flows from (used by) Investing Activities</b>		
Cash and cash equivalents - unrestricted for future use	(284,838)	(92,858)
Cash and cash equivalents - internally restricted for future use	(1,090)	(233)
	<u>(285,928)</u>	<u>(93,091)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(115,814)</b>	<b>(123,802)</b>
<b>Cash and Cash Equivalents - beginning of year</b>	<u>416,108</u>	<u>539,910</u>
<b>Cash and Cash Equivalents - end of year</b>	<u>\$ 300,294</u>	<u>\$ 416,108</u>

(See Accompanying Notes to Financial Statements)

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

Notes to Financial Statements  
March 31, 2018

**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, primarily 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- 12 for a description of all funds.

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

Notes to Financial Statements  
March 31, 2018

**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

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) Contributed Services

Volunteers contribute many hours per year to assist the Community Health Centre in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

f) 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 26, 2018.

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

### **g) 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.

### **h) 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 charges, 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, 2018 was \$206,600 (2017 - \$252,053, 2016 - \$284,262). Had the 2018 vacation pay been accrued, the excess of receipts over expenditures would have increased by \$45,453 (2017 - \$32,209). In addition the current liabilities would have increased and the net assets would have decreased by \$206,600 (2017 - \$252,053).

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

Notes to Financial Statements  
March 31, 2018

**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 are classified as either unrestricted or restricted.

**5. Amounts Receivable**

	2018	2017
Harmonized Sales Tax Rebate	\$ 114,135	\$ 77,838
Accounts Receivable - Other	<u>54,959</u>	<u>60,567</u>
	<u>\$ 169,094</u>	<u>\$ 138,405</u>

**6. Property and Equipment**

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 664,028	\$ -	\$ 664,028	\$ -
Building	5,975,817	4,204,510	5,770,358	3,965,478
Furniture and fixtures	647,270	618,888	647,270	601,379
Computer hardware	469,581	469,349	469,581	466,717
Medical equipment	<u>174,066</u>	<u>170,489</u>	<u>174,066</u>	<u>168,325</u>
	<u>\$ 7,930,762</u>	<u>\$ 5,463,236</u>	<u>\$ 7,725,303</u>	<u>\$ 5,201,899</u>
Net book value		<u>\$ 2,467,526</u>		<u>\$ 2,523,404</u>

**7. Restrictive Fund - Capital**

The Restrictive Fund - Capital reflects the net amounts invested in property and equipment. The majority of the acquisitions 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 13).

**(CORE OPERATIONS)**

Notes to Financial Statements

March 31, 2018

**9. 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.

e) 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.

**10. Other Restricted Project Funds**

a) 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 health issues who frequently use local emergency departments with primary care and counselling supports.

b) Physiotherapy Program

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

c) Greater Toronto Community Health Centre (CHC) Network

This fund was 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. In 2016/2017, administration of the fund was transferred to Centre Francophone de Toronto.



**REGENT PARK COMMUNITY HEALTH CENTRE  
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Notes to Financial Statements

March 31, 2018

**11. Community Health Project Funds**

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) 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.

e) 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.

## **12. 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) **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.

- e) **Community Champion HIV/AIDS Advocates Mobilization Project (CHAMP In Action)**

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

- f) **The Ethno-racial Treatment Support Network (ETSN) Evaluation Project**

This project was funded by the Canadian Institute of HIV Research (CIHR) to implement the CHAMP study by introducing intervention strategies to support community champions to advance issues related to HIV/AIDS in ethno-racial communities.

- g) **ViiV Health Care - Synergy of Care**

This project was funded by ViiV Healthcare with the purpose of promoting resilience and balancing family, work and community demands among PHAs in service provider roles.

**REGENT PARK COMMUNITY HEALTH CENTRE  
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Notes to Financial Statements  
March 31, 2018

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

	2018	2017
Total receipts for operations (page 5)	\$ 7,536,836	\$ 7,031,886
Less: expenditures eligible for operations (page 5)	<u>7,271,048</u>	<u>7,031,886</u>
Excess of receipts over expenditures	265,788	-
Less: property and equipment transferred to Restrictive Fund - Capital (page 5)	(205,459)	-
Less: amounts refunded to Toronto Central Local Health Integration Network - Core Operation (page 5)	(31,498)	-
Add: funds transferred from Administration (page 6)	<u>31,489</u>	<u>-</u>
Amounts due to Toronto Central Local Health Integration Network - Core Operation	<u>\$ 60,320</u>	<u>\$ -</u>

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

	2018	2017
Amounts due to Toronto Central Local Health Integration Network - Diabetes Education Program: 2015/2016	<u>\$ -</u>	<u>\$ 28,583</u>

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

	2018	2017
Total receipts for operations (page 7)	\$ -	\$ 44,052
Less: expenditures eligible for operations (page 7)	<u>-</u>	<u>44,052</u>
Amounts due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link - current year	<u>\$ -</u>	<u>\$ -</u>
Amounts due to Toronto Central Local Health Integration Network - Mid-East Toronto Health Link for: 2015/2016	<u>\$ -</u>	<u>\$ 52,042</u>
	<u>\$ -</u>	<u>\$ 52,042</u>

**REGENT PARK COMMUNITY HEALTH CENTRE  
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**16. 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:

2018/2019	\$ 45,991
2019/2020	<u>11,498</u>
	<u>\$ 57,489</u>

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

**17. Financial Instruments**

The Community Health Centre's financial instruments recorded on the Statement of Financial Position consist of cash and cash equivalents, amounts receivable, prepaid expenses and accounts payable and accrued charges. 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.

**18. Comparative Information**

Certain figures for the year ended March 31, 2017 have been reclassified to conform with the current year's financial statement presentation.