

**Riverside Health Care Facilities, Inc.**  
**Financial Statements**  
For the year ended March 31, 2022

**Riverside Health Care  
Facilities, Inc.  
Financial Statements  
For the year ended March 31, 2022**

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## Riverside Health Care Facilities, Inc. Management's Responsibility for the Financial Statements

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The accompanying financial statements of Riverside Health Care Facilities, Inc. are the responsibility of management and have been approved by the Board Chair and CEO on behalf of the Organization.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Organization maintains systems of internal accounting and administrative controls of high quality consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Organization's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Directors review the Organization's financial statements and meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Organization. The audit has been performed in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Organization's financial statements.



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Board Chair



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CEO



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607 Portage Avenue  
Fort Frances ON P9A 0A7 Canada

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## Independent Auditor's Report

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To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

### Opinion

We have audited the financial statements of Riverside Health Care Facilities, Inc. (the Organization), which comprise the Statement of Financial Position as at March 31, 2022, and the Statement of Operations, the Statement of Changes in Net Assets (Debt), and the Statement of Cash Flows for the year then ended, and the Notes to 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, 2022, and its results of operations, changes in net assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### 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 for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario  
July 13, 2022

**Riverside Health Care Facilities, Inc.**  
**Statement of Financial Position**

March 31	2022	2021
<b>Assets</b>		
<b>Current</b>		
Cash and bank (Note 3)	\$ 7,441,568	\$ -
Short-term deposits	30,303	30,106
Accounts receivable (Note 4)	5,965,134	11,325,474
Inventories (Note 5)	565,981	503,594
Prepaid expenses	505,609	409,106
	<u>14,508,595</u>	<u>12,268,280</u>
Capital assets (Note 6)	22,724,625	23,237,830
Construction in progress	1,359,923	2,547
Other assets	30,000	90,000
	<u>\$ 38,623,143</u>	<u>\$ 35,598,657</u>

**Liabilities and Net Assets**

<b>Current</b>		
Bank indebtedness (Note 7)	\$ -	\$ 71,456
Accounts payable and accrued liabilities (Note 8)	8,133,802	6,994,177
Due to LHIN/MOHLTC/other agencies	5,374,837	4,651,032
	<u>13,508,639</u>	<u>11,716,665</u>
Post-employment benefits and compensated absences (Note 9)	6,073,800	5,703,400
Deferred revenue (Note 10)	14,774,496	14,313,095
Long-term debt (Note 11)	929,597	265,642
	<u>35,286,532</u>	<u>31,998,802</u>
<b>Net assets</b>		
Unrestricted	(6,415,356)	(5,262,191)
Investment in capital assets (Note 12)	9,693,849	8,804,097
Board designated	58,118	57,949
	<u>3,336,611</u>	<u>3,599,855</u>
	<u>\$ 38,623,143</u>	<u>\$ 35,598,657</u>

**Contingencies (Note 14)**

On behalf of the Board:



Director



Director

## Riverside Health Care Facilities, Inc. Summary Statement of Operations

For the year ended March 31	2022	2021
<b>Operating</b>		
<b>Revenue</b>		
LHIN - base allocation	\$ 27,539,043	\$ 26,919,193
LHIN/MOHLTC - one-time payment	3,049,950	3,470,502
LHIN/MOHLTC - quality based procedures	874,827	1,014,864
LHIN/MOHLTC - other revenue	603,048	496,472
	<u>32,066,868</u>	<u>31,901,031</u>
Patient revenue, differential and co-payment revenue	2,466,323	2,418,687
Recoveries and miscellaneous revenue	4,223,335	3,580,024
Amortization of deferred contributions related to equipment	319,188	407,670
Cancer care	12,574	9,948
	<u>39,088,288</u>	<u>38,317,360</u>
<b>Total revenue</b>		
<b>Expenses</b>		
Salaries and wages	20,412,949	20,733,979
Benefits contributions from employers	5,353,102	5,437,709
Post-employment benefits and compensated absences	199,100	170,085
Medical staff remuneration	1,858,445	1,467,184
Nurse practitioners remuneration	143,449	149,481
Supplies and other expenses	6,063,674	5,814,378
Amortization of software licenses and fees	33,465	34,887
Medical and surgical supplies	1,047,908	1,069,998
Drugs and medical gases	1,843,279	1,926,414
Bad debts	73,577	164,319
Amortization of major equipment	754,276	1,201,305
Rent/lease of equipment	114,788	148,632
	<u>37,898,012</u>	<u>38,318,371</u>
<b>Total expenses</b>		
	<u>37,898,012</u>	<u>38,318,371</u>
<b>Surplus (deficit) from operations</b>	<u>1,190,276</u>	<u>(1,011)</u>
<b>Other votes (Schedule 1) (Note 13)</b>		
Revenue	17,936,595	18,147,426
Expenses	18,909,535	17,577,421
	<u>(972,940)</u>	<u>570,005</u>
<b>Surplus (deficit) from other votes</b>		
	<u>(972,940)</u>	<u>570,005</u>
<b>Other funding sources (Schedule 2) (Note 13)</b>		
Revenue	213,730	257,665
Expenses	211,156	257,665
	<u>2,574</u>	<u>-</u>
<b>Surplus from other funding sources</b>		
	<u>2,574</u>	<u>-</u>
<b>Surplus from operations, other votes and other funding sources</b>	<u>\$ 219,910</u>	<u>\$ 568,994</u>

**Riverside Health Care Facilities, Inc.**  
**Summary Statement of Operations**  
**(Continued)**

<u>For the year ended March 31</u>	<u>2022</u>	<u>2021</u>
Surplus, carried forward	\$ 219,910	\$ 568,994
Ministry of Health - one-time working capital relief	-	5,561,900
Capital revenue		
Amortization of deferred contributions related to non-marketed buildings and service equipment	<u>779,996</u>	<u>765,887</u>
	999,906	6,896,781
Capital expenses		
Amortization of non-marketed buildings and service equipment	<u>(1,263,319)</u>	<u>(1,299,344)</u>
Surplus (deficit) for the year	<u>\$ (263,413)</u>	<u>\$ 5,597,437</u>



**Riverside Health Care Facilities, Inc.**  
**Statement of Changes in Net Assets (Debt)**

<b>For the year ended March 31</b>	<b>Unrestricted</b>	<b>Invested in Capital Assets</b>	<b>Board Designated</b>	<b>Total 2022</b>	<b>Total 2021</b>
<b>Balance, beginning of year</b>	\$ (5,262,191)	\$ 8,804,097	\$ 57,949	\$ 3,599,855	\$ (1,997,752)
<b>Surplus (deficit) for the year</b>	(263,413)	-	-	(263,413)	5,597,437
<b>Net change in investment in capital assets (Note 12)</b>	(889,752)	889,752	-	-	-
<b>Net transfer to board designated</b>	-	-	169	169	170
<b>Balance, end of year</b>	\$ (6,415,356)	\$ 9,693,849	\$ 58,118	\$ 3,336,611	\$ 3,599,855

## Riverside Health Care Facilities, Inc. Statement of Cash Flows

For the year ended March 31	2022	2021
<b>Cash provided by (used in) operating activities</b>		
Surplus (deficit) for the year	\$ (263,413)	\$ 5,597,437
Adjustments to net assets	169	170
Items not involving cash		
Amortization of capital assets	2,051,467	2,534,753
Amortization of deferred contribution related to capital assets	(1,099,185)	(1,173,556)
Net increase in post-employment benefits and compensated absences	370,400	235,300
	<u>1,059,438</u>	<u>7,194,104</u>
<b>Change in non-cash working capital items</b>		
Accounts receivable	5,420,340	(6,673,993)
Inventories	(62,387)	(162,314)
Prepaid expenses	(96,498)	1,216
Accounts payable and accrued liabilities	1,139,621	1,222,899
Due to LHIN/MOHLTC	723,805	51,820
Deferred revenue	1,170,937	119,644
	<u>8,295,818</u>	<u>(5,440,728)</u>
	<u>9,355,256</u>	<u>1,753,376</u>
<b>Cash flow from capital activities</b>		
Purchase of capital assets	(2,895,638)	(1,618,402)
<b>Cash flow from investing activities</b>		
Increase in short-term deposits	(197)	(211)
<b>Cash flow from financing activities</b>		
Increase in deferred contributions	389,648	770,497
Proceeds from issuance of long-term debt	684,200	267,821
Repayment of long-term debt	(20,245)	(2,179)
	<u>1,053,603</u>	<u>1,036,139</u>
<b>Increase in cash during the year</b>	<b>7,513,024</b>	<b>1,170,902</b>
<b>Bank indebtedness, beginning of year</b>	<b>(71,456)</b>	<b>(1,242,358)</b>
<b>Cash (bank indebtedness), end of year</b>	<b>\$ 7,441,568</b>	<b>\$ (71,456)</b>

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# Riverside Health Care Facilities, Inc.

## Notes to Financial Statements

March 31, 2022

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### 1. Significant Accounting Policies

#### Nature of Organization

Riverside Health Care Facilities, Inc. (the "Organization") was incorporated under the Ontario Hospitals Act on May 13, 1975. The Organization is principally involved in providing health care services to the central and western regions of the Rainy River District. The Organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

#### Management's Responsibility

The financial statements of Riverside Health Care Facilities, Inc. are representations of management. The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit Organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPO's").

#### Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments with maturities of three months or less.

#### Inventory

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first-in first-out basis. Inventory consists of medical and general supplies that are used in the Organization's operations and not for resale purposes.

#### Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated useful life of an asset are capitalized. When capital assets no longer contribute to the Organization's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.

Capital assets are amortized on a straight line basis using the following estimated annual rates:

Land improvements	10 to 15 years
Buildings	20 to 40 years
Building service equipment	20 to 40 years
Major equipment	5 to 20 years
Computer software	3 to 5 years

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 1. Significant Accounting Policies (continued)

#### Retirement and Post-employment Benefits and Compensated Absences

The Organization provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, and vesting sick leave. The Organization has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experienced gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs, are recognized as an expense in the period of the plan amendment.
- (ii) 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 costs to the Organization of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
- (iii) The cost of vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The discount rate used in the determination of the above-mentioned liabilities is equal to the Organization's internal rate of borrowing.

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 1. Significant Accounting Policies (continued)

**Financial Instruments** The Organization classifies its financial instruments as either fair value or amortized cost. The Organization's accounting policy for each category is as follows:

#### **Fair Value**

This category includes cash and cash equivalents, short-term deposits, bank indebtedness and derivatives.

They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Statement of Operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the Summary Statement of Operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the Summary Statement of Operations.

The Organization does not have any remeasurement gains or losses. As a result, the financial statements do not include a Statement of Remeasurement Gains and Losses.

#### **Amortized Cost**

This category includes accounts receivable, accounts payable, accrued liabilities, long-term debt and amounts due to LHIN/MOHLTC/other agencies. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the Summary Statement of Operations.

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 1. Significant Accounting Policies (continued)

#### Board Designated

##### Net Assets

Board designated net assets include donations and bequests as well as certain fund surpluses designated for specific purposes by the Board of Directors.

#### Revenue Recognition

The Organization follows the deferral method of accounting for contributions, which include donations and government grants.

Under the Health Insurance Act and Regulations thereto, the Organization is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health and Long-Term Care ("MOHLTC") and the North West Local Health Integration Network ("LHIN"). Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

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.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of property, plant and equipment are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related property, plant and equipment.

Amortization of non-marketed buildings and service equipment is not funded by the LHIN and accordingly the amortization of non-marketed buildings and service equipment has been reflected as an undernoted item in the Summary Statement of Operations with the corresponding realization of revenue for deferred contributions.

Revenue from patient services is recognized when the service is provided.

Revenue from the Provincial Insurance Plan and marketed services is recognized when the goods are sold or the service is provided.

Unrestricted investment income is recognized as revenue when earned.

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 1. Significant Accounting Policies (continued)

**Contributed Services** Volunteers contribute numerous hours to assist the Organization in carrying out certain charitable aspects of its service delivery activities. The fair value of these contributed services is not readily determinable and, as such, is not reflected in these financial statements.

**Use of Estimates** The preparation of financial statements in accordance with Canadian public sector accounting standards for government not-for-profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Areas of key estimation include actuarial estimation of post-employment benefits and compensated absences and the estimated useful lives of capital assets.

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### 2. COVID-19 Ministry of Health Funding

In response to the ongoing COVID-19 pandemic, the Ministry of Health (MOH) has announced funding programs to assist hospitals with incremental operating and capital costs, revenue decreases as a result of COVID-19, and working fund support. Additionally, as part of the broad based funding reconciliation, the MOH is allowing hospitals to reallocate surplus funding that otherwise would have been repayable from certain programs to offset budget constraints created by COVID-19.

Management's estimate of the Hospital's MOH revenue is based on guidance which continues to evolve and the impact of COVID-19 on the Hospital's operations, revenues and expenses. This guidance includes the maximum amount of funding potentially available to the Hospital, as well as the criteria for eligibility. As a result, there is measurement uncertainty associated with the MOH revenue related to COVID-19. In addition, as the funding is subject to review and reconciliation in subsequent periods, funding recognized as revenue during a period may be increased or decreased in subsequent periods.

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 3. Cash and Bank

The Organization's bank accounts are held at one chartered bank. In the normal course of operations, the Organization is exposed to credit risk from having bank account balances over the amounts insured by the Canadian Deposit Insurance Corporation.

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### 4. Accounts Receivable

	<u>2022</u>	<u>2021</u>
Ministry of Health and Long-Term Care	\$ 2,461,353	\$ 7,153,997
Insurers and patients	843,975	849,399
Other	<u>2,659,806</u>	<u>3,322,078</u>
	<u>\$ 5,965,134</u>	<u>\$ 11,325,474</u>

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### 5. Inventories

	<u>2022</u>	<u>2021</u>
Medical and surgical supplies	\$ 43,429	\$ 45,013
Drugs	97,117	166,440
Pandemic	176,348	189,551
Other	<u>249,087</u>	<u>102,590</u>
	<u>\$ 565,981</u>	<u>\$ 503,594</u>



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**Riverside Health Care Facilities, Inc.**  
**Notes to Financial Statements**

**March 31, 2022**

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**6. Capital Assets**

	2022		2021	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,497,829	\$ -	\$ 1,497,829	\$ 1,497,829
Land improvements	326,971	319,938	7,033	9,318
Buildings and service equipment	54,955,276	37,059,731	17,895,545	18,381,693
Machinery and equipment	19,349,789	16,071,039	3,278,750	3,270,056
Computer software	1,039,782	994,314	45,468	78,934
	<b>\$ 77,169,647</b>	<b>\$ 54,445,022</b>	<b>\$ 22,724,625</b>	<b>\$ 23,237,830</b>

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**7. Credit Facilities**

Riverside Health Care Facilities, Inc. is party to a short-term credit agreement with a Canadian chartered bank pursuant to which the Organization could borrow up to \$5,000,000 in the form of a demand operating loan. The amount drawn under the credit agreement as at March 31, 2022, was \$NIL (2021 - \$71,456).

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**8. Accounts Payable and Accrued Liabilities**

	2022		2021	
Trade accounts payable	\$ 3,493,250		\$ 2,872,095	
Accrued salaries and benefits	4,640,552		4,122,082	
	<b>\$ 8,133,802</b>		<b>\$ 6,994,177</b>	

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**Riverside Health Care Facilities, Inc.**  
**Notes to Financial Statements**

**March 31, 2022**

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**9. Post-employment Benefits and Compensated Absences**

The Organization has an unfunded benefit plan providing retirement and post-employment benefits (excluding pension) to most of its employees. The Organization pays certain medical and life insurance benefits under an unfunded defined benefit plan on behalf of its retired employees. The eligibility for benefits is determined by the status and employment group to which each individual employee belongs.

The Organization measures its accrued benefits obligation for accounting purposes as at March 31st of each year. The latest actuarial valuation was performed in May 2020.

	<b>2022</b>		
	<b>Post-employment Benefits</b>	<b>Non-Vesting Sick Leave</b>	<b>Total</b>
Accrued employee future benefits obligation	\$ 5,346,600	\$ 32,500	\$ 5,379,100
Unamortized actuarial gains (losses)	709,600	(14,900)	694,700
<b>Total</b>	<b>\$ 6,056,200</b>	<b>\$ 17,600</b>	<b>\$ 6,073,800</b>
	<b>2021</b>		
	<b>Post-employment Benefits</b>	<b>Non-Vesting Sick Leave</b>	<b>Total</b>
Accrued employee future benefits obligation	\$ 5,405,600	\$ 33,000	\$ 5,438,600
Unamortized actuarial gains (losses)	288,000	(23,200)	264,800
<b>Total</b>	<b>\$ 5,693,600</b>	<b>\$ 9,800</b>	<b>\$ 5,703,400</b>

**Riverside Health Care Facilities, Inc.**  
**Notes to Financial Statements**

**March 31, 2022**

**9. Post-employment Benefits and Compensated Absences (continued)**

	<b>2022</b>		
	<b>Post-employment Benefits</b>	<b>Non-Vesting Sick Leave</b>	<b>Total Expenses</b>
Current year benefit cost	\$ 438,000	\$ -	\$ 438,000
Interest on accrued benefit obligation	177,600	1,000	178,600
Amortized actuarial losses (gains)	(21,900)	7,200	(14,700)
Total expenses	\$ 593,700	\$ 8,200	\$ 601,900
Benefit payments	\$ 231,100	\$ 400	\$ 231,500
Current year actuarial gains	\$ 443,500	\$ 1,100	\$ 444,600
			<b>2021</b>
	<b>Post-employment Benefits</b>	<b>Non-Vesting Sick Leave</b>	<b>Total Expenses</b>
Current year benefit cost	\$ 391,100	\$ -	\$ 391,100
Interest on accrued benefit obligation	185,100	2,700	187,800
Amortized actuarial losses (gains)	(49,800)	7,700	(42,100)
Total expenses	\$ 526,400	\$ 10,400	\$ 536,800
Benefit payments	\$ 216,900	\$ 84,600	\$ 301,500
Current year actuarial losses	\$ (327,800)	\$ (900)	\$ (328,700)

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 9. Post-employment Benefits and Compensated Absences (continued)

Above amounts exclude pension contributions to the Healthcare of Ontario Pension Plan ("HOOPP"), a multi-employer plan, described below:

#### Retirement Benefits

##### HOOPP Pension Plan

Substantially all of the full-time employees and some of the part-time employees of the Organization are members of the Healthcare of Ontario Pension Plan. The latest valuation for HOOPP indicated the plan is 133% funded and disclosed net assets available for benefits of \$114.4 billion with an accrued pension obligation of \$85.9 billion and a surplus of \$28.5 billion. The plan is a multi-employer plan and therefore the Organization's contributions are accounted for as if the plan were a defined contribution plan with the Organization's contributions being expensed in the period they come due. Due to the nature of HOOPP, the Organization does not recognize any share of the HOOPP surplus or deficit. Contributions to the plan during the year by the Organization on behalf of its employees amounted to \$2,244,502 (2021 - \$2,291,296) and are included in the Summary Statement of Operations.

#### Post-employment Benefits

The Organization extends post-employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The Organization recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study.

The major actuarial assumptions employed for the valuation are as follows:

- a) Discount rate  
The present value as at March 31, 2022, of the future benefits was determined using a discount rate of 3.90% (2021 - 3.10%).
- b) Extended health care costs  
Extended health care costs were assumed to increase at a rate of 7.00% in the first year following the valuation year and decrease by annual decrements of 0.25% to an ultimate rate of 5.00%, with a rate of 5.75% for 2022 (2021 - 6.00%).
- c) Dental costs  
Dental costs were assumed to increase at 4.0% per annum in 2022 (2021 - 4.0%).

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 9. Post-employment Benefits and Compensated Absences (continued)

#### Compensated Absences

##### Non-Vesting Sick Leave

The Organization compensates certain employee groups for any unused sick days they have accumulated upon retirement or death. The employees accrued sick days are paid out at the salary rate in effect at retirement or death. No benefit is payable on termination. The related benefit liability was determined by an actuarial valuation study.

The assumptions used in the valuation of non-vesting sick leave are the Organization's best estimates of expected rates of:

	2022	2021
Wage and salary escalation	1.50%	1.50%
Discount rate	3.90%	3.10%

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### 10. Deferred Revenue

	2022	2021
Deferred revenue		
Other deferred revenue	\$ 92,823	\$ 34,803
Accounting software implementation costs	337,971	-
Health Infrastructure Renewal Fund (HIRF)	95,000	27,650
Long-term care Infection Prevention and Control (IPAC) minor capital funding	787,600	80,004
	1,313,394	142,457
Deferred contributions related to capital assets	13,461,102	14,170,638
	<b>\$ 14,774,496</b>	<b>\$ 14,313,095</b>

Deferred contributions related to capital assets are amortized at the same rate as the corresponding assets are being amortized.

Management has determined that the deferred Health Infrastructure Renewal Fund (HIRF) balance of \$95,000 (2021 - \$27,650) and the Long-term care Infection Prevention and Control (IPAC) minor capital funding of \$787,600 (2021 - \$80,004) are related to funding that was unable to be spent due to COVID-19.

**Riverside Health Care Facilities, Inc.**  
**Notes to Financial Statements**

**March 31, 2022**

**11. Long-term Debt**

	2022	2021
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,085 principal and interest, fixed interest rate of 1.61%. Unsecured with a maturity date of December 14, 2025.	\$ 256,831	\$ 265,642
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,482 principal and interest, fixed interest rate of 1.99%. Unsecured with a maturity date of May 14, 2026.	340,874	-
TD bank property purchase loan, part of multiple draw committed reducing term facility, repayable monthly at \$1,530 principal and interest, fixed interest rate of 2.68%. Unsecured with a maturity date of December 3, 2026.	331,892	-
	929,597	265,642
Less current portion	29,630	8,809
	\$ 899,967	\$ 256,833

Payments of principal required over the next five years, assuming refinancing on similar terms, and thereafter, are as follows:

	Principal Repayments	Interest	Total
2023	\$ 29,630	\$ 19,528	\$ 49,158
2024	30,258	18,900	49,158
2025	30,900	18,258	49,158
2026	31,556	17,602	49,158
2027	32,227	16,931	49,158
Thereafter	775,026	172,443	947,469
	\$ 929,597	\$ 263,662	\$ 1,193,259

The gross interest paid relating to the above long-term debt was \$12,185 (2021 - \$1,084).

**Riverside Health Care Facilities, Inc.**  
**Notes to Financial Statements**

**March 31, 2022**

**12. Investment in Capital Assets**

(a) Investment in capital assets is calculated as follows:

	2022	2021
Capital assets	\$ 22,724,625	\$ 23,237,830
Construction in progress	1,359,923	2,547
Amounts financed by:		
Deferred contributions (Note 10)	(13,461,102)	(14,170,638)
Long-term debt (Note 11)	(929,597)	(265,642)
	\$ 9,693,849	\$ 8,804,097

(b) Change in investment in capital assets is calculated as follows:

	2022	2021
Purchase of capital assets	\$ 2,895,638	\$ 1,618,402
Amounts funded by deferred contributions	(389,649)	(770,497)
Amortization of deferred contributions related to capital assets	1,099,185	1,173,556
Amortization of capital assets	(2,051,467)	(2,534,753)
Amounts funded by long-term debt	(663,955)	(265,642)
	\$ 889,752	\$ (778,934)

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## Riverside Health Care Facilities, Inc. Notes to Financial Statements

March 31, 2022

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### 13. Other Votes and Other Funding Source Revenues

Other votes and other funding source revenues have been recognized to the extent they have been earned in the year. Excess cash flows received at year end are included in due to LHIN/MOHLTC/other agencies liabilities at year end.

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### 14. Contingencies

Riverside Health Care Facilities, Inc. has been named as a defendant in a legal claim which arose in the ordinary course of business. The lawsuit is ongoing and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of the legal claim. Management believes the Organization has sufficient insurance to cover costs related to this pending litigation.

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### 15. Economic Dependence

Riverside Health Care Facilities, Inc. receives the majority of its funding from the Ministry of Health and Long-Term Care and the North West Local Health Integration Network.

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### 16. Uncertainty Due to COVID-19

As the impact of COVID-19 continues, there could be further impact on the Organization, its patients, employees, and suppliers that could impact the timing and amounts realized on the Organization's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Organization is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The Organization's ability to continue delivering essential and non-essential services and employ related staff, will depend on the legislative mandates from the various levels of government as well as maintaining staffing levels.

The Organization will continue to focus on collecting receivables, managing expenses and leveraging available credit facilities to ensure it is able to continue providing essential services to individuals and families in the Rainy River District.



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## Riverside Health Care Facilities, Inc. Notes to Consolidated Financial Statements

March 31, 2022

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### 17. Financial Instrument Risk Management

#### Credit Risk

Credit risk is the risk of financial loss to the Organization if a debtor fails to make payments of interest and principal when due. The Organization is exposed to this risk relating to its accounts receivable.

Accounts receivable are primarily due from OHIP, the Ministry of Health and Long-Term Care and patients. Credit risk is mitigated by the financial solvency of the provincial government and the highly diversified nature of the patient population.

The Organization measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Organization's historical experience regarding collections.

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk and equity risk. The Organization is not exposed to significant interest, currency or equity risk as it does not hold any interest bearing investments, does not transact materially in foreign currency or hold equity financial instruments.

#### Liquidity Risk

Liquidity risk is the risk that the Organization will not be able to meet all cash outflow obligations as they come due. The Organization mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining minimal non-cash assets.

#### Financial Instrument Classification

All financial instruments, with the exception of cash and cash equivalents, are recognized at amortized cost.

Cash and cash equivalents, short-term deposits and bank indebtedness are recognized at fair value using Level 1 fair value measurements. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price.

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 1 - Summary of Fund Type II's - Other Votes**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Mental Health - Case Management (Schedule 6)	\$ 86,568	\$ 86,547
Mental Health - Counselling (Schedule 7)	581,981	529,914
Addictions (Schedule 8)	287,032	246,801
Problem Gambling (Schedule 9)	104,918	96,716
Crisis Response (Schedule 10)	66,216	54,100
Supportive Housing (Schedule 11)	551,836	545,798
ALC Back to Home (Schedule 12)	251,400	-
Patient Navigator (Schedule 13)	89,415	104,896
Safe Space (Schedule 14)	-	60,000
Municipal tax	14,400	14,400
Rainycrest - Home for the Aged (Schedule 15)	13,875,850	14,756,930
Community Support Services (Schedule 16)	1,326,543	926,338
Community Paramedicine (Schedule 17)	259,184	179,567
Assisted Living (Schedule 18)	441,252	545,419
	<b>17,936,595</b>	<b>18,147,426</b>
<b>Expenses</b>		
Mental Health - Case Management (Schedule 6)	86,544	86,547
Mental Health - Counselling (Schedule 7)	581,981	529,914
Addictions (Schedule 8)	287,032	246,801
Problem Gambling (Schedule 9)	104,918	96,716
Crisis Response (Schedule 10)	66,216	54,100
Supportive Housing (Schedule 11)	551,836	545,798
ALC Back to Home (Schedule 12)	251,948	-
Patient Navigator (Schedule 13)	89,415	104,896
Safe Space (Schedule 14)	-	60,000
Municipal tax	14,400	14,400
Rainycrest - Home for the Aged (Schedule 15)	14,812,884	14,186,737
Community Support Services (Schedule 16)	1,361,925	926,526
Community Paramedicine (Schedule 17)	259,184	179,567
Assisted Living (Schedule 18)	441,252	545,419
	<b>18,909,535</b>	<b>17,577,421</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ (972,940)</b>	<b>\$ 570,005</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 2 - Summary of Fund Type III's - Other Funding Sources**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Family Violence Counselling Program (Schedule 3)	\$ 171,212	\$ 193,389
Riverside Community Family Violence Service - PARR (Schedule 4)	42,518	52,883
Child Witness Program (Schedule 5)	-	11,393
	<u>213,730</u>	<u>257,665</u>
<b>Expenses</b>		
Family Violence Counselling Program (Schedule 3)	168,638	193,389
Riverside Community Family Violence Service - PARR (Schedule 4)	42,518	52,883
Child Witness Program (Schedule 5)	-	11,393
	<u>211,156</u>	<u>257,665</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 2,574</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 3 - Family Violence Counselling Program**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Ministry of Community and Social Services (Note 13)	\$ 139,901	\$ 162,078
Other	31,311	31,311
	<u>171,212</u>	<u>193,389</u>
<b>Expenses</b>		
Salaries MOS	16,475	23,180
Salaries UPP	85,653	84,161
Benefits MOS	-	4,820
Benefits UPP	18,397	17,638
Staff travel	-	-
Staff training	-	584
Other services	208	1,004
Supplies and equipment	(1,081)	7,448
Advertising	395	536
Rent	12,000	12,000
Insurance	1,020	1,020
Memberships	-	-
Capacity building	6,240	9,687
Rural resource	29,331	31,311
	<u>168,638</u>	<u>193,389</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 2,574</b>	<b>\$ -</b>

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**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 4 - Riverside Community Family Violence Service - PARR**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Ministry of the Attorney General (Note 13)	\$ 42,518	\$ 52,883
<b>Expenses</b>		
Salaries MOS	-	3,088
Salaries UPP	29,259	29,458
Benefits MOS	-	865
Benefits UPP	6,586	6,394
Supplies and sundry	6,673	11,487
Equipment	-	1,591
	42,518	52,883
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

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**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 5 - Child Witness Program**

<u>For the year ended March 31</u>	<u>2022</u>	<u>2021</u>
<b>Revenue</b>		
Ministry of Community and Social Services (Note 13)	\$ -	\$ 11,393
	<hr/>	<hr/>
<b>Expenses</b>		
Supplies and sundry	-	11,393
	<hr/>	<hr/>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

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**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 6 - Mental Health (Case Management)**

For the year ended March 31	2022	2021
<b>Revenue</b>		
LHIN (Note 13)	\$ 86,568	\$ 86,547
<b>Expenses</b>		
Salaries UPP	69,161	69,164
Benefits UPP	17,383	17,383
	86,544	86,547
<b>Excess of revenue over expenses for the year</b>	\$ 24	\$ -

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 7 - Mental Health (Counselling)**

For the year ended March 31	2022	2021
<b>Revenue</b>		
LHIN (Note 13)	\$ 493,949	\$ 494,094
Sessional fees	16,957	19,746
One-time funding	-	16,074
Recoveries	16,475	-
Other revenue - Thunder Bay Regional Health Sciences Centre	54,600	-
	<b>581,981</b>	<b>529,914</b>
<b>Expenses</b>		
Salaries MOS	170,339	104,094
Salaries UPP	196,775	279,559
Benefits MOS	29,908	16,609
Benefits UPP	43,733	56,728
Supplies and sundry	64,225	40,102
Equipment	744	11,136
Future benefits	4,700	1,940
Sessional fees	16,957	19,746
Thunder Bay Regional Health Sciences Centre	54,600	-
	<b>581,981</b>	<b>529,914</b>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>



**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 8 - Addictions**

For the year ended March 31	2022	2021
<b>Revenue</b>		
LHIN (Note 13)	\$ 285,420	\$ 245,553
Recoveries	1,612	1,248
	<u>287,032</u>	<u>246,801</u>
<b>Expenses</b>		
Salaries MOS	20,094	42,316
Salaries UPP	145,036	135,223
Benefits MOS	-	10,560
Benefits UPP	36,819	30,729
Supplies and sundry	72,738	23,296
Equipment	9,995	827
Future benefits	2,350	3,850
	<u>287,032</u>	<u>246,801</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 9 - Problem Gambling**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN (Note 13)	\$ 96,716	\$ 96,716
Recoveries	8,202	-
	<b>104,918</b>	<b>96,716</b>
<b>Expenses</b>		
Salaries MOS	-	5,353
Salaries UPP	83,683	72,979
Benefits MOS	-	1,285
Benefits UPP	20,327	16,960
Supplies and sundry	908	139
	<b>104,918</b>	<b>96,716</b>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 10 - Crisis Response**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN (Note 13)	\$ 66,216	\$ 54,100
<b>Expenses</b>		
Salaries MOS	-	3,572
Salaries UPP	46,326	41,823
Benefits MOS	-	1,128
Benefits UPP	8,306	7,148
Supplies and sundry	11,156	1
Equipment	428	428
	<u>66,216</u>	<u>54,100</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 11 - Supportive Housing**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN (Note 13)	\$ 476,964	\$ 476,956
One-time funding	-	52,760
Recoveries	74,872	16,082
	<u>551,836</u>	<u>545,798</u>
<b>Expenses</b>		
Salaries MOS	56,240	60,967
Salaries UPP	344,614	359,437
Benefits MOS	21,260	20,604
Benefits UPP	80,080	60,292
Supplies and sundry	37,681	35,136
Equipment	9,081	6,509
Future benefits	2,350	1,925
Buildings and grounds	530	928
	<u>551,836</u>	<u>545,798</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 12 - ALC Back to Home**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN (Note 13)	\$ 251,400	\$ -
<b>Expenses</b>		
Salaries and wages - UPP	37,066	-
Benefit contributions - UPP	10,514	-
Equipment	1,424	-
Building and grounds expense	202,944	-
	251,948	-
<b>Deficiency of revenue over expenses for the year</b>	<b>\$ (548)</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 13 - Patient Navigator**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN (Note 13)	\$ 89,415	\$ 102,997
One-time funding	-	1,899
	<u>89,415</u>	<u>104,896</u>
<b>Expenses</b>		
Salaries UPP	66,975	86,913
Benefits UPP	20,627	17,983
Supplies and sundry	1,813	-
	<u>89,415</u>	<u>104,896</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

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**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 14 - Safe Space**

<u>For the year ended March 31</u>	<u>2022</u>	<u>2021</u>
<b>Revenue</b>		
LHIN (Note 13)	\$ -	\$ 60,000
<b>Expenses</b>		
Supplies and sundry	-	60,000
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 15 - Rainycrest - Home for the Aged**

For the year ended March 31	2022	2021
<b>Revenue</b>		
Ministry of Health/LHIN - General subsidy	\$ 8,547,512	\$ 9,496,423
- One-time subsidies	1,959,370	1,657,329
- Doctor on-call funding	16,981	16,777
- High intensity needs and lab funding	59,801	237,189
	<u>10,583,664</u>	<u>11,407,718</u>
Resident fees	3,210,839	3,235,919
Falls Prevention	15,354	16,094
Other	65,993	97,199
	<u>13,875,850</u>	<u>14,756,930</u>
<b>Expenses</b>		
Operations		
Nursing and personal care		
Nursing administration	243,167	233,908
Nursing personal care	7,767,371	7,205,281
Doctor on-call expenditures	16,904	16,768
Medical director fees	29,848	29,930
RAI coordinator	101,228	115,520
Nurse practitioner	111,471	137,635
	<u>8,269,989</u>	<u>7,739,042</u>
Total nursing and personal care		
	8,269,989	7,739,042
Other operations		
Program and support services	1,027,845	1,064,170
Raw food	548,684	528,373
Accommodation		
Housekeeping services	690,666	774,390
Building and property	764,035	498,505
Dietary services	931,185	1,019,402
Laundry and linen services	302,746	309,404
General and administrative	1,551,965	1,575,943
Facility costs	401,015	253,155
Falls prevention	19,583	16,094
High intensity needs and lab costs	141,093	272,513
Bad debts	9,571	4,829
	<u>9,571</u>	<u>4,829</u>
Total expenses before amortization and post-retirement benefits and compensated absences		
	<u>14,658,377</u>	<u>14,055,820</u>
Fund balance before amortization and post-retirement benefits and compensated absences		
	<u>(782,527)</u>	<u>701,110</u>
Amortization		
	407	(783)
Post-retirement benefits and compensated absences		
	154,100	131,700
	<u>154,507</u>	<u>130,917</u>
Total expenses		
	<u>14,812,884</u>	<u>14,186,737</u>
<b>Excess (deficiency) of revenue over expenses for the year</b>		
	<u>\$ (937,034)</u>	<u>\$ 570,193</u>



**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 16 - Community Support Services**

For the year ended March 31	2022	2021
<b>Revenue</b>		
LHIN - General subsidy	\$ 530,270	\$ 473,315
- One-time funding	17,233	40,753
Recoveries and miscellaneous revenue	661,246	184,026
Other revenue	-	139,240
Handi-van	117,794	89,004
	<b>1,326,543</b>	<b>926,338</b>
<b>Expenses</b>		
Salaries and wages - MOS	283,947	152,455
Salaries and wages - UPP	535,492	361,183
Benefit contributions - MOS	71,018	24,139
Benefit contributions - UPP	162,489	109,844
Supplies and sundry expenses	166,325	116,780
Equipment	19,626	64,710
Building and grounds expense	6,160	9,500
Handi-van	116,868	87,915
	<b>1,361,925</b>	<b>926,526</b>
<b>Deficiency of revenue over expenses for the year</b>	<b>\$ (35,382)</b>	<b>\$ (188)</b>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 17 - Community Paramedicine**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN - General subsidy	\$ 146,892	\$ 146,900
- One-time funding	112,292	32,667
	<u>259,184</u>	<u>179,567</u>
<b>Expenses</b>		
Contracted out services	<u>259,184</u>	<u>179,567</u>
<b>Excess of revenue over expenses for the year</b>	<u>\$ -</u>	<u>\$ -</u>

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Schedule 18 - Assisted Living**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
LHIN - General subsidy	\$ 184,993	\$ 437,911
- One-time funding	206,407	53,190
Recoveries and miscellaneous revenue	49,852	54,318
	<u>441,252</u>	<u>545,419</u>
<b>Expenses</b>		
Salaries and wages - MOS	-	50,057
Salaries and wages - UPP	291,535	333,448
Benefit contributions - MOS	-	19,723
Benefit contributions - UPP	81,224	94,373
Supplies and sundry expenses	60,947	29,354
Equipment	4,101	14,377
Building and grounds expense	3,445	4,087
	<u>441,252</u>	<u>545,419</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ -</b>	<b>\$ -</b>



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## Compilation Engagement Report

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### To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

On the basis of information provided by management, we have compiled the Rainycrest - Home for the Aged - Calendar Year Schedule, (the schedule), of Riverside Health Care Facilities, Inc. (the Entity) for the year ended March 31, 2022, and the Note to Schedule, which describes the basis of accounting applied in the preparation of the compiled schedule.

Management is responsible for the accompanying schedule, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We have performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the schedule.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide and form of assurance on the schedule.

Readers are cautioned that this schedule may not be appropriate for their purposes.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario

July 13, 2022

**Riverside Health Care Facilities, Inc.**  
**Statement of Revenue and Expenses**  
**Rainycrest - Home for the Aged - Calendar Year Schedule**

For the year ended December 31	2021	2020
<b>Revenue</b>		
Ministry of Health/LHIN		
- General subsidy	\$ 9,739,696	\$ 9,612,623
- Subsidy due back to LHIN/MOHLTC	(842,202)	(322,058)
- One-time subsidies	2,032,468	1,463,603
- High intensity needs and lab funding	25,630	-
	<u>10,955,592</u>	<u>10,754,168</u>
Resident fees	3,318,715	3,256,570
Other	171,180	100,344
	<u>14,445,487</u>	<u>14,111,082</u>
<b>Total revenue</b>		
<b>Expenses</b>		
Operations		
Nursing and personal care		
Nursing personal care	6,978,674	7,359,820
Doctor on-call expenditures	17,126	17,180
Medical director fees	29,848	28,520
RAI coordinator	-	102,094
	<u>7,025,648</u>	<u>7,507,614</u>
Total nursing and personal care		
Other operations		
Program and support services	700,055	675,407
Raw food	527,703	512,775
Accommodation		
Housekeeping services	672,731	775,004
Building and property	464,238	500,237
Dietary services	895,701	965,429
Laundry and linen services	285,626	332,064
General and administrative	1,147,821	1,687,886
Facility costs	349,725	385,945
High intensity needs and lab costs	119,181	226,767
Bad debts	9,538	-
Nurse practitioner	103,507	147,608
Other equipment and direct expenses	88,307	258,212
COVID-19 direct costs	1,709,849	-
	<u>14,099,630</u>	<u>13,974,948</u>
<b>Total expenses before amortization and post-retirement benefits and compensated absences</b>		
<b>Fund balance before amortization and post-retirement benefits and compensated absences</b>		
	<u>345,857</u>	<u>136,134</u>
Amortization		
Post-retirement benefits and compensated absences	29,540	(29,092)
	<u>148,500</u>	<u>119,025</u>
	<u>178,040</u>	<u>89,933</u>
<b>Total expenses</b>		
	<u>14,277,670</u>	<u>14,064,881</u>
<b>Surplus of revenue over expenses for the year</b>		
	<u>\$ 167,817</u>	<u>\$ 46,201</u>

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**Riverside Health Care Facilities, Inc.**  
**Note to Schedule**

**For the year ended March 31, 2022**

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**Basis of Accounting**

The basis of accounting applied in the preparation of the schedule is on the historical cost basis, reflecting cash transactions with the addition of:

- the deferral of restricted funding not yet used for its intended purposes
- adjustments to revenue for amounts receivable at year end
- adjustments to expenses for accounts payable and accrued liabilities
- amortization of capital assets using the straight line method



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## Independent Auditor's Report

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To Management and the Board of Directors of Riverside Health Care Facilities, Inc.

### Opinion

We have audited the Statements of Trust Accounts (the Statements) of Riverside Health Care Facilities, Inc. (the Organization), which comprise the Statement of Financial Position as at March 31, 2022, and the Statement of Receipts and Disbursements for the Residents' Council Trust for the year then ended, and the Note to Statements of Trust Accounts.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Statements for the year ended March 31, 2022, are prepared, in all material respects, in accordance with the basis of accounting as described in the Note.

### Basis for Qualified Opinion

In common with many Organizations of this nature, the Organization derives trust fund receipts from and on behalf of residents, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these receipts was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to funds received in trust for the years ended March 31, 2022, and 2021, assets as at March 31, 2022, and 2021, and fund balances as at April 1 and March 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended March 31, 2021, was modified accordingly because of the possible effects of this limitation in scope.

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 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 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 qualified audit opinion.

### Emphasis of Matter - Basis of Accounting

We draw attention to the Note to Statements of Trust Accounts, which describes the basis of accounting. The Statements are prepared to assist the Organization to meet the reporting requirements of the Ministry of Health and Long-Term Care. As a result, the Statements may not be suitable for another purpose.

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

Management is responsible for the preparation of the Statements in accordance with the basis of accounting as described in the Note, and for such internal control as management determines is necessary to enable the preparation of the Statements that are free from material misstatement, whether due to fraud or error.

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



### Auditor's Responsibilities for the Audit of the Statements

Our objectives are to obtain reasonable assurance about whether the Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Fort Frances, Ontario  
July 13, 2022



**Riverside Health Care Facilities, Inc.**  
**Statement of Financial Position**  
**Trust Funds**

March 31, 2022	Rainycrest Residents' Council	Emo Health Centre	Rainy River Health Centre	Rainycrest Residents' Comfort	2022 Total	2021 Total
<b>Assets</b>						
Cash and bank	\$ 28,535	\$ 492	\$ 3,046	\$ 31,036	\$ 63,109	\$ 66,035
<b>Liabilities</b>						
Balance	\$ 28,535	\$ 492	\$ 3,046	\$ 31,036	\$ 63,109	\$ 66,035

**Riverside Health Care Facilities, Inc.  
Statement of Receipts and Disbursements  
Rainycrest - Residents' Council Trust Fund**

<b>For the year ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>		
Beverage and other sales	\$ -	\$ 441
Interest	125	142
	<u>125</u>	<u>583</u>
<b>Expenses</b>	-	-
	<u>125</u>	<u>583</u>
<b>Excess of revenue over expenses</b>	125	583
<b>Trust fund balance, beginning of year</b>	<u>28,410</u>	<u>27,827</u>
<b>Trust fund balance, end of year</b>	<u>\$ 28,535</u>	<u>\$ 28,410</u>

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## Riverside Health Care Facilities, Inc. Note to Statements of Trust Accounts

March 31, 2022

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### Summary of Significant Accounting Policies

<b>Basis of Accounting</b>	Sources of revenue and expenditure are reported on the cash basis of accounting.
<b>Capital Assets</b>	Capital assets are reported as an expenditure on the Statement of Operations in the year of acquisition.  Capital assets are not capitalized and, accordingly, no amortization is recorded.
<b>Inventories</b>	Inventories of supplies are expensed in the year they are acquired.
<b>Emo Health Centre, Rainy River Health Centre and Rainycrest Residents' Comfort Trust Funds</b>	No Statement of Receipts and Disbursements is presented for these Trust Funds. The funds held in these Trusts belong to the residents or patients of the applicable facility and are held in non-interest bearing bank accounts in accordance with the requirements of the Ministry of Health and Long-Term Care. Any receipts or payments from the Trust are made on behalf of specific residents or patients and are accounted for as such.
<b>Rainycrest Residents' Comfort Trust Funds</b>	The Rainycrest Residents' Comfort Trust Funds of Riverside Health Care Facilities, Inc. are established in accordance with Ontario Regulation 79/10 under the Long-Term Care Homes Act, 2007.