

**LADY MINTO HOSPITAL**

**INDEPENDENT AUDITOR'S REPORT AND  
FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Lady Minto Hospital

### *Opinion*

We have audited the financial statements of Lady Minto Hospital, which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

## INDEPENDENT AUDITOR'S REPORT, (CONT'D)

### *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.

*Baker Tilly HKC*

Chartered Professional Accountants  
Licenced Public Accountants  
June 22, 2022

**LADY MINTO HOSPITAL**  
**FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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**LADY MINTO HOSPITAL****STATEMENT OF OPERATIONS****YEAR ENDED MARCH 31, 2022**

|  | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|--|--|------------------------|------------------------|
| <b>REVENUES</b>  |  |                        |                        |
| Ministry funding, schedule 1   | \$ 13,881,864                          | \$ 13,978,020          | \$ 14,204,460          |
| Cancer Care Ontario  | 600,000                                | 814,271                | 745,702                |
| Ontario Health Insurance   | 210,114                                | 209,945                | 178,798                |
| Other patient care revenues  | 288,978                                | 236,695                | 210,194                |
| Recoveries and other revenues  | 1,059,050                              | 1,086,119              | 1,051,956              |
| Gain on disposition of capital assets                                      | -                                      | 252,117                | -                      |
| Amortization of deferred capital contributions -<br>equipment and software | 120,000                                | 164,335                | 115,224                |
| Other votes, schedule 2  | 4,350                                  | 4,350                  | 4,350                  |
|  | <u>16,164,356</u>                      | <u>16,745,852</u>      | <u>16,510,684</u>      |
| <b>EXPENSES</b>  |  |                        |                        |
| Salaries and wages, schedule 3   | 7,237,602                              | 7,099,310              | 6,778,336              |
| Employee benefits  | 2,171,281                              | 2,032,963              | 2,217,572              |
| Medical staff remuneration   | 1,810,952                              | 1,740,831              | 1,949,563              |
| Supplies and other expenses, schedule 4                                    | 3,588,439                              | 3,112,932              | 3,285,799              |
| Medical and surgical   | 269,500                                | 384,462                | 357,007                |
| Drugs and medical gases  | 431,500                                | 1,211,509              | 740,660                |
| Amortization of equipment and software                                     | 352,500                                | 313,646                | 393,742                |
| Other votes, schedule 2  | 4,350                                  | 4,350                  | 4,350                  |
|  | <u>15,866,124</u>                      | <u>15,900,003</u>      | <u>15,727,029</u>      |
| <b>EXCESS OF REVENUES OVER EXPENSES<br/>FROM OPERATIONS</b>                | <u>298,232</u>                         | <u>845,849</u>         | <u>783,655</u>         |
| <b>AMORTIZATION OF BUILDINGS</b>   |  |                        |                        |
| Amortization of deferred capital contributions -<br>buildings              | 225,000                                | 363,036                | 364,506                |
| Amortization of capital assets - buildings                                 | (500,000)                              | (940,644)              | (866,281)              |
|  | <u>(275,000)</u>                       | <u>(577,608)</u>       | <u>(501,775)</u>       |
| <b>EXCESS OF REVENUES OVER EXPENSES<br/>BEFORE OTHER PROGRAM</b>           | <u>23,232</u>                          | <u>268,241</u>         | <u>281,880</u>         |
| <b>OTHER PROGRAM</b>   |  |                        |                        |
| Statement of Operations - Villa Minto Nursing<br>Home, schedule 5          | -                                      | (212,546)              | (288,847)              |
| <b>EXCESS OF REVENUES OVER EXPENSES<br/>(EXPENSES OVER REVENUES)</b>       | <u>\$ 23,232</u>                       | <u>\$ 55,695</u>       | <u>\$ (6,967)</u>      |

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

**LADY MINTO HOSPITAL**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2022**

|   | Invested in<br>Capital Assets<br>(note 12) |              | Unrestricted  | Total<br>2022 | Total<br>2021 |
|---|--|--------------|---------------|---------------|---------------|
| BALANCE, BEGINNING OF YEAR                                      | \$ 8,899,043                               | \$ 1,653,062 | \$ 10,552,105 | \$ 10,559,072 |               |
| EXCESS OF REVENUES OVER<br>EXPENSES (EXPENSES OVER<br>REVENUES) | -  | 55,695       | 55,695        | (6,967)       |               |
| NET CHANGE IN INVESTED IN<br>CAPITAL ASSETS (note 12)           | (106,889)                                  | 106,889      | -             | -             |               |
| BALANCE, END OF YEAR  | \$ 8,792,154                               | \$ 1,815,646 | \$ 10,607,800 | \$ 10,552,105 |               |

**LADY MINTO HOSPITAL**  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2022**

|   | 2022                 | 2021                 |
|---|----------------------|----------------------|
| <b>ASSETS</b>                                     |                      |                      |
| <b>CURRENT ASSETS</b>                             |                      |                      |
| Cash  | \$ 1,145             | \$ 1,145             |
| Accounts receivable (note 4)                      | 982,920              | 785,245              |
| Prepaid expenses                                  | 101,955              | 106,269              |
| Inventories                                       | 461,734              | 416,577              |
| Due from MICs Group of Health Services (note 5)   | 3,546,899            | 2,624,696            |
|   | <u>5,094,653</u>     | <u>3,933,932</u>     |
| LONG-TERM RECEIVABLES (note 6)                    | 35,715               | 51,905               |
| CAPITAL ASSETS (note 7)                           | 17,507,184           | 16,054,287           |
| INTANGIBLE ASSET (note 8)                         | 308,538              | 347,106              |
|   | <u>\$ 22,946,090</u> | <u>\$ 20,387,230</u> |
| <b>LIABILITIES</b>                                |                      |                      |
| <b>CURRENT LIABILITY</b>                          |                      |                      |
| Accounts payable and accrued liabilities (note 9) | \$ 1,104,590         | \$ 716,909           |
| POST-EMPLOYMENT BENEFITS (note 10)                | 1,573,691            | 1,530,946            |
| DEFERRED CAPITAL CONTRIBUTIONS (note 11)          | 9,660,009            | 7,587,270            |
|   | <u>12,338,290</u>    | <u>9,835,125</u>     |
| <b>NET ASSETS</b>                                 |                      |                      |
| INVESTED IN CAPITAL ASSETS (note 12)              | 8,792,154            | 8,899,043            |
| UNRESTRICTED                                      | 1,815,646            | 1,653,062            |
|   | <u>10,607,800</u>    | <u>10,552,105</u>    |
|   | <u>\$ 22,946,090</u> | <u>\$ 20,387,230</u> |

CONTINGENCIES AND COMMITMENTS - note 15

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

On behalf of the board

Patricia Dorff Director

Susan Nelson Director

**LADY MINTO HOSPITAL****STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2022**

|   | <b>2022</b>     | <b>2021</b>      |
|---|-----------------|------------------|
| <b>OPERATING ACTIVITIES</b>   |                 |                  |
| Excess of revenues over expenses (expenses over revenues)                 | \$ 55,695       | \$ (6,967)       |
| Items not involving cash:   |                 |                  |
| Amortization of capital assets - buildings                                | 940,644         | 866,281          |
| Amortization of capital assets - equipment and software                   | 313,646         | 393,742          |
| Amortization of capital assets - Villa Minto Nursing Home                 | 31,039          | 32,345           |
| Amortization of intangible asset - Villa Minto Nursing Home               | 38,568          | 38,568           |
| Amortization of deferred capital contributions - buildings                | (363,036)       | (364,506)        |
| Amortization of deferred capital contributions - equipment and software   | (164,335)       | (115,224)        |
| Amortization of deferred capital contributions - Villa Minto Nursing Home | (7,606)         | (7,606)          |
| Accrual for post-employment benefits                                      | 42,745          | 31,549           |
| Gain on disposition of capital assets                                     | (252,117)       | -                |
|   | <u>635,243</u>  | <u>868,182</u>   |
| Changes in:   |                 |                  |
| Accounts receivable   | (197,675)       | (75,381)         |
| Prepaid expenses  | 4,314           | (4,314)          |
| Inventories   | (45,157)        | (106,237)        |
| Long-term receivables   | 16,190          | (3,971)          |
| Accounts payable and accrued liabilities                                  | 387,681         | 174,386          |
| Deferred revenue  | -               | (11,499)         |
|   | <u>800,596</u>  | <u>841,166</u>   |
| <b>INVESTING ACTIVITY</b>   |                 |                  |
| Net advances from (to) MICs Group of Health Services                      | (922,203)       | 102,856          |
| <b>CAPITAL ACTIVITIES</b>   |                 |                  |
| Purchase of capital assets  | (2,830,619)     | (1,906,539)      |
| Proceeds of disposition of capital assets                                 | 344,510         | -                |
| Capital contributions received  | 2,607,716       | 962,517          |
|   | <u>121,607</u>  | <u>(944,022)</u> |
| <b>CHANGE IN CASH POSITION</b>  | -               | -                |
| <b>CASH POSITION, BEGINNING OF YEAR</b>                                   | <u>1,145</u>    | <u>1,145</u>     |
| <b>CASH POSITION, END OF YEAR</b>   | <u>\$ 1,145</u> | <u>\$ 1,145</u>  |

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



# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 1. STATUS AND NATURE OF OPERATIONS

The Hospital, incorporated under the Ontario Business Corporation Act, without share capital, operates a Hospital under the Charitable Institutions Act, at 58 Anson Drive, Iroquois Falls, Ontario. The Hospital is a not-for-profit organization and, as such, is exempt from income taxes under the Income Tax Act (Canada).

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### 2. SIGNIFICANT ACCOUNTING POLICIES

These 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 and includes the following significant accounting policies:

#### BASIS OF PRESENTATION

The financial statements include the assets, liabilities and activities of the Hospital. The revenues, expenses, assets and liabilities with respect to the operations of the Hospital Auxiliary and the MICs Healthcare Foundation are not reflected in these financial statements except to the extent that the funds have been received from or disbursed to them.

#### REVENUE RECOGNITION

The financial statements have been prepared using the deferral method of accounting. Under the deferral method, revenues are recorded in the period to which they relate.

Under the Health Insurance Act and the regulations thereto, the Hospital is funded primarily by the Ministry of Health and Long-Term Care and Ontario Health North in accordance with the terms and conditions in the Hospital Service Accountability Agreement.

Unrestricted contributions, including operating grants are recorded as revenue in the period to which they relate. Grants approved but not yet received at the end of the year are accrued.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Grants, donations and other contributions received for the acquisition of specific capital assets are recorded as deferred capital contributions and recognized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Revenue from the provincial insurance plans, and uninsured patients, operational revenue and other services and recoveries are recognized as revenue when received or receivable if the amount to be recorded can be reasonably estimated and the collection is reasonably assured.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### INVENTORIES

Inventories of all hospital supplies are valued at the lower of average cost and replacement value and include only those supplies located in central storage areas and not supplies that have been issued to departments for direct patient care.

#### CAPITAL ASSETS

The acquisition of capital assets are recorded at their historical cost less amortization. Contributed capital assets are recorded at fair value at the date of contribution. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Hospital'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 amount is reduced to reflect the decline in the asset's value. The writedown is recorded in the statement of operations.

Amortization is calculated on a straight line basis using rates as set out in the Ontario Health Care Reporting System Guidelines. The estimated useful lives of the assets are as follows:

|                        |             |
|------------------------|-------------|
| Land improvements      | 20 years    |
| Buildings              | 20-40 years |
| Equipment and software | 3-20 years  |

The cost of capital projects in progress is recorded as capital assets and no amortization is taken until the project is substantially completed and the asset is ready for productive use. The Hospital allocates salary and benefit costs when personnel work directly in managing or implementing the capital project.

#### CONTRIBUTED SERVICES AND MATERIALS

Volunteers contribute significant hours of their time each year to assist the Hospital in carrying out certain charitable activities. The fair value of these contributed services is not readily determinable and, as such, is not reflected in these financial statements. Contributed materials are also not recognized in these financial statements.

#### FUNDING

Under the current funding policy, the Hospital is essentially funded by using a budget base approved by the Ministry of Health / Ontario Health North. The Hospital is allowed to retain any excess of revenues over expenses derived from its operations and, conversely, retains responsibility for any deficit it may occur.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### RETIREMENT AND POST-EMPLOYMENT BENEFIT PLANS

The Hospital provides defined retirement and post-employment benefits for certain employee groups. These benefits include pension, extended health care, dental and life insurance. The Hospital has adopted the following policies with respect to accounting for these employee benefits:

##### *Multi-employer defined benefit pension*

Substantially all of the employees of the Hospital are eligible to be members of the Hospitals of Ontario Pension Plan ("HOOPP"), which is a multi-employer, defined benefit, final average earnings, contributory pension plan. Defined contribution plan accounting is applied to HOOPP, whereby contributions are expensed when due, as the Hospital has insufficient information to apply defined benefit accounting.

##### *Post-employment benefits*

i) The costs of post-employment future benefits are actuarially determined using the projected benefit method prorated on service and management's best estimate of retirement ages, health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis.

ii) Past service costs (if any) arising from plan amendments are immediately recognized.

iii) The discount rate used in the determination of the above-mentioned liability is the discount rate recommended by the Ministry of Health and Long-Term Care.

#### FINANCIAL INSTRUMENTS

The Hospital records its financial instruments at either fair value or amortized cost. The Hospital's accounting policy for each category is as follows:

##### *Fair Value*

This category includes derivatives and equity instruments quoted in an active market. The Hospital has designated its cash and cash equivalents at fair value as they are managed and evaluated on a fair value basis.

They are initially recognized at cost and subsequently carried at fair value. Unrealized 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.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### FINANCIAL INSTRUMENTS, (CONT'D)

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 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 statement of operations.

#### *Amortized cost*

This category includes accounts receivable, due from MICs Group of Health Services, long-term receivables and accounts payable and accrued liabilities. 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 statement of operations.

#### MEASUREMENT UNCERTAINTY

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 at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of estimates include: the revenue recognition of certain restricted contributions, the allowance for doubtful accounts receivable, the useful life of capital assets, accrued liabilities, the actuarial estimation of post-employment benefits and contingencies. Actual results may differ from management's best estimates as additional information becomes available in the future.

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# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

### 3. FINANCIAL INSTRUMENT CLASSIFICATION

The table below provides the cost and fair value information of financial instruments by category. The maximum exposure to credit risk and liquidity risk would be the carrying value as shown below:

|  | <b>2022</b>       |                       |              |
|--|-------------------|-----------------------|--------------|
|  | <b>Fair Value</b> | <b>Amortized Cost</b> | <b>Total</b> |
| Cash                                     | \$ 1,145          | \$ -                  | \$ 1,145     |
| Accounts receivable                      | \$ -              | \$ 982,920            | \$ 982,920   |
| Due from MICs Group of Health Services   | \$ -              | \$ 3,546,899          | \$ 3,546,899 |
| Long-term receivables                    | \$ -              | \$ 35,715             | \$ 35,715    |
| Accounts payable and accrued liabilities | \$ -              | \$ 1,104,590          | \$ 1,104,590 |
|  |                   |                       |              |
|  | <b>2021</b>       |                       |              |
|  | <b>Fair Value</b> | <b>Amortized Cost</b> | <b>Total</b> |
| Cash                                     | \$ 1,145          | \$ -                  | \$ 1,145     |
| Accounts receivable                      | \$ -              | \$ 785,245            | \$ 785,245   |
| Due from MICs Group of Health Services   | \$ -              | \$ 2,624,696          | \$ 2,624,696 |
| Long-term receivables                    | \$ -              | \$ 51,905             | \$ 51,905    |
| Accounts payable and accrued liabilities | \$ -              | \$ 716,909            | \$ 716,909   |

The following provides details of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities using the last bid price;

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Cash is considered Level 1 fair value.

There were no transfers between levels for the year ended March 31, 2022.

**LADY MINTO HOSPITAL****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2022****4. ACCOUNTS RECEIVABLE**

|   | <b>2022</b>       | <b>2021</b>       |
|---|-------------------|-------------------|
| Insurers and patients                     | \$ 270,451        | \$ 354,607        |
| Ministry of Health / Ontario Health North | 358,627           | 177,363           |
| HST rebates receivable                    | 353,842           | 318,906           |
|   | <u>982,920</u>    | <u>850,876</u>    |
| Less: Allowance for doubtful accounts     | -                 | 65,631            |
|   | <u>\$ 982,920</u> | <u>\$ 785,245</u> |

**5. DUE FROM MICS GROUP OF HEALTH SERVICES**

The Hospital exercises significant influence over the MICs Group of Health Services (MICs) by virtue of it being a member of the Partnership and its ability to appoint some of the members of the Board of Directors. The Partnership was established to increase opportunities for collaboration between its member hospitals (Bingham Memorial Hospital, Anson General Hospital and Lady Minto Hospital) in the sharing of costs and provision of health services. The Partnership is a non-profit organization.

Included in the Hospital's expenses for the year is the Hospital's share of various cost functions primarily salaries and benefits and administration and support services. Information systems network, software and hardware, as well as office equipment shared by the three participating hospitals are recorded as capital assets and the respective Hospital's share of the related costs are recorded when the capital assets are amortized. Any capital contributions, grants or donations received for the acquisition of capital assets are deferred and the respective Hospital's share of the related revenue is recorded when the contribution is amortized. The share of costs to participating hospitals are set by a methodology agreed to by the Board on a cost recovery basis.

The balance due represents the excess between the amounts received and paid by the Partnership. The balance due from MICs Group of Health Services is unsecured, non-interest bearing with no specific terms of repayment.

|  | <b>2022</b>  | <b>2021</b>  |
|--|--------------|--------------|
| Due from MICS Group of Health Services | \$ 3,546,899 | \$ 2,624,696 |

**LADY MINTO HOSPITAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**5. DUE FROM MICS GROUP OF HEALTH SERVICES, (CONT'D)**

The Hospital's share of these costs are as follows:

|                                       | <b>2022</b>          | <b>2021</b>          |
|---------------------------------------|----------------------|----------------------|
| Salaries, wages and employee benefits | \$ 11,799,078        | \$ 11,551,396        |
| Administration and support services   | 52,093               | 128,454              |
|                                       | <u>\$ 11,851,171</u> | <u>\$ 11,679,850</u> |

**6. LONG-TERM RECEIVABLES**

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
| Nursing recruitment incentive agreements, interest free, unsecured, due over varying terms | <u>\$ 35,715</u> | <u>\$ 51,905</u> |

**7. CAPITAL ASSETS**

|                        | <b>Cost</b>          | <b>Accumulated<br/>Amortization</b> | <b>2022<br/>Net</b>  | <b>2021<br/>Net</b>  |
|------------------------|----------------------|-------------------------------------|----------------------|----------------------|
| Land                   | \$ 86,514            | \$ -                                | \$ 86,514            | \$ 86,514            |
| Land improvements      | 248,450              | 171,460                             | 76,990               | 58,863               |
| Buildings              | 30,088,142           | 14,500,321                          | 15,587,821           | 14,174,998           |
| Equipment and software | 6,382,535            | 4,626,676                           | 1,755,859            | 1,733,912            |
|                        | <u>\$ 36,805,641</u> | <u>\$ 19,298,457</u>                | <u>\$ 17,507,184</u> | <u>\$ 16,054,287</u> |

As at March 31, 2022, there were \$1,354,888 (2021 - \$2,737,773) of capital projects in progress. These assets were not amortized.

During the year, the Hospital wrote-off \$10,928 (2021 - \$884,859) in equipment that was no longer in use, disposed of or fully amortized.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

### 8. INTANGIBLE ASSET

|                      |             | <b>Accumulated</b>  |            | <b>2022</b> |  | <b>2021</b> |
|----------------------|-------------|---------------------|------------|-------------|--|-------------|
|                      | <b>Cost</b> | <b>Amortization</b> |            | <b>Net</b>  |  | <b>Net</b>  |
| Nursing Home Licence | \$ 771,354  | \$ 462,816          | \$ 308,538 | \$ 347,106  |  |             |

In 1998, the Hospital acquired a Nursing Home Licence to operate a 33 bed Nursing Home pursuant to the Nursing Home Act (Ontario). The Nursing Home Licence was recorded at cost and was not amortized considering that the licence was not issued for a specified period of time. Later, under the Long-Term Care Homes Act (Ontario) which became in effect July 1, 2010, a replacement licence for 33 beds was issued for a period of 20 years expiring June 30, 2030. The cost of licence is now being amortized on a straight line basis over the term of the agreement.

### 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|   |                     | <b>2022</b>       |  | <b>2021</b> |
|---|---------------------|-------------------|--|-------------|
| Trades payable and accrued liabilities    | \$ 510,855          | \$ 541,406        |  |             |
| Ministry of Health / Ontario Health North | 593,735             | 175,503           |  |             |
|   | <b>\$ 1,104,590</b> | <b>\$ 716,909</b> |  |             |

### 10. POST-EMPLOYMENT BENEFITS PAYABLE

The Hospital extends post employment extended health coverage, dental benefits and life insurance to certain employee groups subsequent to their retirement. The Hospital recognizes these benefits as they are earned during the employees' tenure of service. The related liability was determined by an actuarial valuation. The following tables outlines the components of the Hospital's accrued post-employment benefit liability and benefit expense:

#### ACCRUED BENEFIT LIABILITY

|                            | <b>Hospital</b>     | <b>Share of</b>   | <b>2022</b>         | <b>2021</b>         |
|----------------------------|---------------------|-------------------|---------------------|---------------------|
|                            |                     | <b>MICS</b>       | <b>Total</b>        | <b>Total</b>        |
| Accrued benefit obligation | \$ 1,099,370        | \$ 114,692        | \$ 1,214,062        | \$ 1,293,607        |
| Unamortized actuarial loss | 344,035             | 15,594            | 359,629             | 237,339             |
| Accrued benefit liability  | <b>\$ 1,443,405</b> | <b>\$ 130,286</b> | <b>\$ 1,573,691</b> | <b>\$ 1,530,946</b> |



# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

### 10. POST-EMPLOYMENT BENEFITS PAYABLE, (CONT'D)

| BENEFIT EXPENSE                                  | Hospital     | Share of<br>MICS | 2022<br>Total | 2021<br>Total |
|--|--------------|------------------|---------------|---------------|
| Accrued benefit obligation,<br>beginning of year | \$ 1,172,806 | \$ 120,801       | \$ 1,293,607  | \$ 1,274,917  |
| Unamortized actuarial loss                       | 233,704      | 3,635            | 237,339       | 224,480       |
| Accrued benefit liability,<br>beginning of year  | 1,406,510    | 124,436          | 1,530,946     | 1,499,397     |
| Current service cost                             | 66,743       | 5,977            | 72,720        | 65,791        |
| Interest on obligation                           | 37,637       | 3,872            | 41,509        | 42,011        |
| Amortization of actuarial loss<br>(gain)         | (24,600)     | (400)            | (25,000)      | (26,429)      |
| Benefit expense                                  | 79,780       | 9,449            | 89,229        | 81,373        |
| Benefit payment                                  | (42,885)     | (3,599)          | (46,484)      | (49,824)      |
| Accrued benefit liability, end<br>of year        | \$ 1,443,405 | \$ 130,286       | \$ 1,573,691  | \$ 1,530,946  |

The above amounts exclude contributions to the Hospitals of Ontario Pension Plan, a multi-employer plan, described in note 13.

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

#### *Discount rate*

The present value of the future benefits was determined using a discount rate of 3.89% (2021 - 3.21%) which is the discount rate recommended by the Ministry of Health and Long-Term Care.

#### *Extended Health Coverage*

Extended Health Coverage is assumed to increase at a rate of 8% per annum (2021 - 8%) and decrease proportionately thereafter by 0.5% per year to an ultimate rate of 4.5% (2021 - 4.5%).

#### *Dental costs*

Dental costs is assumed to increase at 4% per annum (2021 - 4%).

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

### 11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. The changes in the deferred capital contributions balances are as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| <b>CAPITAL CONTRIBUTIONS</b>  |                     |                     |
| Balance, beginning of year  | \$ 16,956,121       | \$ 15,993,604       |
| Funding received during the year  | 2,607,716           | 962,517             |
| Balance, end of year  | <u>19,563,837</u>   | <u>16,956,121</u>   |
| <b>ACCUMULATED AMORTIZATION</b>   |                     |                     |
| Balance, beginning of year  | (9,368,851)         | (8,881,515)         |
| Amortization of deferred capital contributions - buildings                | (363,036)           | (364,506)           |
| Amortization of deferred capital contributions - equipment and software   | (164,335)           | (115,224)           |
| Amortization of deferred capital contributions - Villa Minto Nursing Home | (7,606)             | (7,606)             |
| Balance, end of year  | <u>(9,903,828)</u>  | <u>(9,368,851)</u>  |
| <b>NET DEFERRED CAPITAL CONTRIBUTIONS</b>                                 | <u>\$ 9,660,009</u> | <u>\$ 7,587,270</u> |

Included in deferred capital contributions are donations and grants reserved for the purchase of capital assets that are unspent. Unspent contributions are subject to recovery by the funder. These contributions are comprised of:

|   | 2022              | 2021             |
|---|-------------------|------------------|
| Donations   | \$ 64,079         | \$ 66,087        |
| Ministry of Health - Minor Capital Funding                      | 39,629            | 18,833           |
| Ministry of Health - Investing in Canada Infrastructure Program | 314,366           | -                |
| Health Infrastructure Renewal Fund                              | 218,367           | -                |
|   | <u>\$ 636,441</u> | <u>\$ 84,920</u> |

Due to the ongoing COVID-19 pandemic restrictions and circumstances (see further details in note 19), the construction projects funded by the Health Infrastructure Renewal Fund have been delayed and as such, the funding was not fully spent on March 31, 2022. The hospital obtained approval from the funder to defer this unspent contribution.

**LADY MINTO HOSPITAL****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2022****12. INVESTED IN CAPITAL ASSETS**

Invested in capital assets is calculated as follows:

|  | <b>2022</b>         | <b>2021</b>         |
|--|---------------------|---------------------|
| Capital assets                                   | \$ 17,507,184       | \$ 16,054,287       |
| Intangible assets                                | 308,538             | 347,106             |
| Deferred capital contributions                   | (9,660,009)         | (7,587,270)         |
| Unspent deferred capital contributions (note 11) | 636,441             | 84,920              |
|  | <u>\$ 8,792,154</u> | <u>\$ 8,899,043</u> |

The interfund transfer and the change in invested in capital assets is calculated as follows:

|   | <b>2022</b>         | <b>2021</b>      |
|---|---------------------|------------------|
| <b>CAPITAL ASSET ACTIVITIES</b>   |                     |                  |
| Purchase of capital assets  | \$ 2,830,619        | \$ 1,906,539     |
| Amortization of capital assets - buildings                                | (940,644)           | (866,281)        |
| Amortization of capital assets - equipment and software                   | (313,646)           | (393,742)        |
| Amortization of capital assets - Villa Minto Nursing Home                 | (31,039)            | (32,345)         |
| Amortization of intangible asset - Villa Minto Nursing Home               | (38,568)            | (38,568)         |
| Gain on disposition of capital assets                                     | 252,117             | -                |
| Proceeds of disposition of capital assets                                 | (344,510)           | -                |
|   | <u>1,414,329</u>    | <u>575,603</u>   |
| <b>DEFERRED CAPITAL CONTRIBUTION ACTIVITIES</b>                           |                     |                  |
| Capital contributions received  | (2,607,716)         | (962,517)        |
| Transfer to (from) unspent deferred capital contributions                 | 551,521             | (50,713)         |
| Amortization of deferred capital contributions - buildings                | 363,036             | 364,506          |
| Amortization of deferred capital contributions - equipment and software   | 164,335             | 115,224          |
| Amortization of deferred capital contributions - Villa Minto Nursing Home | 7,606               | 7,606            |
|   | <u>\$ (106,889)</u> | <u>\$ 49,709</u> |

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 13. RETIREMENT BENEFITS

Substantially all of the Hospital's employees are members of the Hospitals of Ontario Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the Ontario Hospital Association.

Contributions to the plan made during the year by the Hospital on behalf of its employees amounted to \$691,948 (2021 - \$692,371) and are included in the statement of operations.

As this is a multi-employer pension plan, these contributions are the Hospital's pension benefit expenses. Any pension plan surpluses or deficits are a joint responsibility of member organizations and their employees. As a result, the organization does not recognize any share of the Plan's surplus or deficit. No contributing employer or employee has any liability, directly or indirectly, to provide the benefits established by this plan beyond the obligation to make contributions pursuant to the Plan policies. The most recent actuarial valuation of the Plan at December 31, 2021 indicated that the Plan is fully funded on a solvency basis.

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### 14. RELATED PARTY TRANSACTIONS

MICs Healthcare Foundation is a corporation without share capital jointly controlled by the three participating hospitals of the MICs Group of Health Services partnership. It has its own Board of Directors. The Foundation was incorporated primarily for the purpose of raising funds for the use by the three hospitals (Bingham Memorial Hospital, Anson General Hospital and Lady Minto Hospital). Transactions are valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

The financial results of the Foundation are not consolidated in the financial statements of the Hospital.

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### 15. CONTINGENCIES AND COMMITMENTS

a) The nature of the Hospital's activities are such that there is usually litigation pending or in progress at any one time. With respect to claims as at March 31, 2022, it is management's position that the Hospital has valid defences and appropriate insurance coverage in place. No provision has been made in these financial statements to reflect any of these claims. Any settlements which may arise will be reflected in the financial statements in the year the amount is determined.

b) The Hospital participates in the Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is a pooling of the public liability insurance risks of its hospital members. All members of the HIROC pool pay actuarially determined annual premiums. All members are subject to assessment for losses, if any, experienced by the pool for the years in which they were members. No assessments have been made for the year ended March 31, 2022.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 15. CONTINGENCIES AND COMMITMENTS, (CONT'D)

c) The MICs Group of Health Services is part of a collective group of employers participating in the process of formulating a central pay equity plan for a particular employee group. The possible ultimate liability arising to the Hospital on completion of the plan is currently not determinable.

d) As at March 31, 2022, the Hospital has a further commitment of \$866,744 in relation to current capital projects in progress.

e) The Hospital signed a memorandum of understanding regarding a capital project to upgrade IT equipment, systems and software, namely the Meditech Expanse EMR (ONE Initiative). The cost will be shared amongst other hospitals in Northern Ontario. The Hospital's estimated share of the cost will be approximately \$2,090,000, excluding operating costs. A total cost of \$515,172 has been incurred as of March 31, 2022, leaving a remaining estimated commitment of approximately \$1,574,828. This cost has been recorded in the MICS partnership under capital projects in progress.

The cost will be financed by loan with TD Bank which was signed subsequent to year end. The demand facility will be advanced as the project progresses and will be subject to an interest rate of prime minus 0.85% with a credit limit of \$6,000,000. The repayment terms will be determined at the end of the project. The loan is secured by a general security agreement on behalf of all three participating hospitals under the MICS Group of Health Services partnership.

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### 16. COVID-19 CONTRIBUTIONS

The Hospital has recognized COVID-19 related contributions in the amount of \$1,189,276 (2021 - \$1,510,548) in revenues and \$nil (2021 - \$90,366) in deferred capital contributions. These contributions were provided to the Hospital to assist with the increased operating and capital costs resulting from COVID-19 implications.

These restricted contributions are subject to meeting certain eligibility requirements based on agreements and guidelines provided by the funders, the Ministry of Health and Long Term Care and Ontario Health. While the funders have provided guidelines in respect to the amount of funding potentially available to the Hospital, as well as criteria for eligibility and revenue recognition, this guidance continues to evolve and is subject to revision and interpretation. The contributions are subject to review and reconciliation by the funders and the adjustments, if any, will be repayable to the funders. The adjustments will be recognized in the year in which they become known.

Management believes that the Hospital is currently in compliance with all the terms and conditions of these COVID-19 related contributions based on the guidelines provided.

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# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

### 17. ECONOMIC DEPENDENCE

The Hospital receives the majority of its revenue through a funding agreement with Ontario Health North and the Ministry of Health and Long-Term Care. The Hospital's continued operations are dependent on this funding agreement and on satisfying the terms of the agreement.

### 18. FINANCIAL INSTRUMENTS RISK MANAGEMENT

#### CREDIT RISK

The Hospital is exposed to credit risk in the event of non-payment by their debtors for their accounts receivable. Credit risk arises from the possibility that these individuals may experience financial difficulty and be unable to fulfill their obligations. The hospital is exposed to this risk relating to its cash, accounts receivable, long-term receivables and amounts due from MICs Group of Health Services.

Accounts receivable are generally due from government agencies, insurers and patients and other. The Hospital measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is recorded based on the Hospital's historical experience regarding collections. The amounts outstanding as at March 31, 2022 are as follows:

|                       | <b>Total</b>      | <b>Current</b>    | <b>31-60 days</b> | <b>61-90 days</b> | <b>90+ days</b>  |
|-----------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Insurers and patients | \$ 270,451        | \$ 191,148        | \$ 44,508         | \$ 7,175          | \$ 27,620        |
| MOH / OHN             | 358,627           | 358,627           | -                 | -                 | -                |
| HST rebates           | 353,842           | 353,842           | -                 | -                 | -                |
|                       | <b>\$ 982,920</b> | <b>\$ 903,617</b> | <b>\$ 44,508</b>  | <b>\$ 7,175</b>   | <b>\$ 27,620</b> |

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

#### LIQUIDITY RISK

Liquidity risk results from the Hospital's potential inability to meet its obligations associated with the financial liabilities as they become due. The Hospital mitigates this risk by monitoring its operations and cash flows to ensure that current and future obligations will be met. The Hospital believes that its current sources of liquidity are sufficient to cover its currently known short and long-term cash obligations.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

# LADY MINTO HOSPITAL

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

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### 19. COVID-19 PANDEMIC AND IMPACT ON OPERATIONS

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Hospital's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) has had an impact on the Hospital's operations. It has been affected by both the reduction of certain revenues and the increase of additional expenses. However, management has been able to curtail the impact through tight controls over the discretionary expenses and the receipt of additional government contributions.

This pandemic is still ongoing and management is unable to further estimate the length and gravity of this outbreak. Management is continually monitoring and assessing new information and recommendations from health and government authorities as it becomes available, and will continue to respond accordingly.

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### 20. NEW ACCOUNTING STANDARDS

Section PS 1201, Financial Statement Presentation, PS 3041, Portfolio Investments, PS 3280, Asset Retirement Obligations, PS 3450, Financial Instruments, are effective for fiscal years beginning on or after April 1, 2022. While early adoption is permitted, all four of the standards must be adopted in the same year except for PS 3280. PS 1201 Financial Statement Presentation includes the addition of a new statement outlining re-measurement gains and losses. PS 3041, Portfolio Investments provides guidance on how to account for and report portfolio investments. PS 3280 Asset Retirement Obligations addresses the reporting of legal obligations associated with the eventual retirement of capital assets. PS 3450, Financial Instruments provides guidance on the recognition, measurement, presentation and disclosure of financial instruments. Management is currently in the process of assessing the impact of adopting these new standards.

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**LADY MINTO HOSPITAL**  
**SCHEDULES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2022**

**SCHEDULE OF MINISTRY FUNDING**

**Schedule 1**

|  | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|--|--|------------------------|------------------------|
| Ontario Health North - Base allocation                       | \$ 11,695,919                          | \$ 11,313,429          | \$ 11,087,040          |
| Ministry of Health - Physician specific                      | 1,693,452                              | 1,670,839              | 1,818,162              |
| Ministry of Health / Ontario Health North - One-time funding | 492,493                                | 993,752                | 1,299,258              |
|  | <b>\$ 13,881,864</b>                   | <b>\$ 13,978,020</b>   | <b>\$ 14,204,460</b>   |

**SCHEDULE OF OTHER VOTES**

**Schedule 2**

|   | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|---|--|------------------------|------------------------|
| <b>REVENUES</b>                         |  |                        |                        |
| Ontario Health North - Municipal taxes  | \$ 4,350                               | \$ 4,350               | \$ 4,350               |
| <b>EXPENSES</b>                         |  |                        |                        |
| Municipal taxes                         | 4,350                                  | 4,350                  | 4,350                  |
| <b>EXCESS OF REVENUES OVER EXPENSES</b> | <b>\$ -</b>                            | <b>\$ -</b>            | <b>\$ -</b>            |

**SCHEDULE OF SALARIES AND WAGES**

**Schedule 3**

|                            | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|----------------------------|--|------------------------|------------------------|
| Nursing services           | \$ 3,193,418                           | \$ 2,921,464           | \$ 2,762,830           |
| Diagnostic and therapeutic | 1,452,662                              | 1,409,862              | 1,321,308              |
| Education                  | 29,221                                 | 22,034                 | 11,971                 |
| Administration and other   | 2,562,301                              | 2,745,950              | 2,682,227              |
|                            | <b>\$ 7,237,602</b>                    | <b>\$ 7,099,310</b>    | <b>\$ 6,778,336</b>    |



**LADY MINTO HOSPITAL**  
**SCHEDULES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2022**

**SCHEDULE OF SUPPLIES AND OTHER EXPENSES**

**Schedule 4**

|                            | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|----------------------------|--|------------------------|------------------------|
| Nursing services           | \$ 269,200                             | \$ 262,634             | \$ 299,069             |
| Diagnostic and therapeutic | 979,900                                | 1,069,758              | 1,123,732              |
| Education                  | 69,640                                 | 50,955                 | 31,439                 |
| Administration and other   | 2,269,699                              | 1,729,585              | 1,831,559              |
|                            | <b>\$ 3,588,439</b>                    | <b>\$ 3,112,932</b>    | <b>\$ 3,285,799</b>    |

**SCHEDULE OF STATEMENT OF OPERATIONS - VILLA MINTO NURSING HOME**

**Schedule 5**

|   | <b>2022<br/>Budget<br/>(Unaudited)</b> | <b>2022<br/>Actual</b> | <b>2021<br/>Actual</b> |
|---|--|------------------------|------------------------|
| <b>REVENUES</b>   |  |                        |                        |
| Ministry of Health subsidies                            | \$ -                                   | \$ 2,630,816           | \$ 2,311,045           |
| Accommodation charges to residents                      | -                                      | 731,625                | 743,049                |
| Other revenues  | -                                      | 2,186                  | 2,810                  |
| Amortization of deferred capital contributions          | -                                      | 7,606                  | 7,606                  |
|   | <b>-</b>                               | <b>3,372,233</b>       | <b>3,064,510</b>       |
| <b>EXPENSES</b>   |  |                        |                        |
| Salaries and benefits                                   | -                                      | 3,051,819              | 2,828,716              |
| Supplies and other expenses                             | -                                      | 463,353                | 453,728                |
| Amortization of capital assets                          | -                                      | 31,039                 | 32,345                 |
| Amortization of intangible asset - nursing home licence | -                                      | 38,568                 | 38,568                 |
|   | <b>-</b>                               | <b>3,584,779</b>       | <b>3,353,357</b>       |
| <b>EXCESS OF EXPENSES OVER REVENUES</b>                 | <b>\$ -</b>                            | <b>\$ (212,546)</b>    | <b>\$ (288,847)</b>    |