

North West Community Care Access Centre
Financial Statements
March 31, 2015

North West Community Care Access Centre
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For the year ended March 31, 2015

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Management's Responsibility

To the Members and Board of Directors of North West Community Care Access Centre:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Risk Management and Audit Committee are composed primarily of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

June 9, 2015



Chief Executive Officer

Independent Auditors' Report

To the Members and Board of Directors of North West Community Care Access Centre:

We have audited the accompanying financial statements of North West Community Care Access Centre, which comprise the statement of financial position as at March 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of North West Community Care Access Centre as at March 31, 2015 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Thunder Bay, Ontario

June 9, 2015

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

North West Community Care Access Centre
Statement of Financial Position

As at March 31, 2015

	2015	2014
Assets		
Current		
Cash	5,227,401	4,992,479
Accounts receivable (Note 3)	235,501	196,578
Prepaid expenses	67,728	41,871
	5,530,630	5,230,928
Capital assets (Note 4)	68,913	148,170
	5,599,543	5,379,098
Liabilities		
Current		
Accounts payable and accruals	3,206,676	3,409,145
Accrued wages and employee benefits	1,309,219	882,747
Due to the North West Local Health Integration Network	1,016,315	914,260
Due to the Province of Ontario	-	26,357
	5,532,210	5,232,509
Net Assets		
Operating	67,333	146,589
	5,599,543	5,379,098

Approved on behalf of the Board



 Director



 Director

The accompanying notes are an integral part of these financial statements

North West Community Care Access Centre
Statement of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
North West Local Health Integration Network - General	51,685,678	51,381,279
Ministry of Health and Long-Term Care - Other programs	1,110,609	592,990
Interest	26,656	36,530
Workplace Safety Insurance Board	13,499	15,091
Sundry	102,938	161,877
Donations	30	780
	52,939,410	52,188,547
Expenses		
Purchased services and supplies		
Nursing	10,166,507	10,610,400
Personal support services	16,637,390	16,521,083
Other healthcare services	5,557,584	5,363,082
Supplies and equipment	2,495,792	2,207,846
	34,857,273	34,702,411
Other client service costs		
Salaries	9,458,721	8,955,726
Employee benefits	2,341,958	1,954,332
Other services and supplies	1,187,770	1,347,372
	12,988,449	12,257,430
Corporate services and administration		
Salaries	2,456,467	2,358,748
Employee benefits	539,837	457,019
Other services and supplies	2,052,318	2,356,953
Amortization	124,322	131,644
	5,172,944	5,304,364
	53,018,666	52,264,205
Deficiency of revenue over expenses	(79,256)	(75,658)

The accompanying notes are an integral part of these financial statements

North West Community Care Access Centre
Statement of Changes in Net Assets

For the year ended March 31, 2015

	2015	2014
Net assets, beginning of year	146,589	222,247
Deficiency of revenue over expenses	(79,256)	(75,658)
Net assets, end of year	67,333	146,589

The accompanying notes are an integral part of these financial statements

North West Community Care Access Centre
Statement of Cash Flows
For the year ended March 31, 2015

	2015	2014
Cash provided by (used for) the following activities		
Operating		
Cash received from funding agencies and customers	52,975,886	52,169,472
Cash paid to suppliers and employees	(52,722,554)	(52,468,458)
Interest received	26,656	36,530
	279,988	(262,456)
Capital activities		
Purchases of capital assets	(45,066)	(55,985)
	234,922	(318,441)
Increase (decrease) in cash resources	234,922	(318,441)
Cash resources, beginning of year	4,992,479	5,310,920
	5,227,401	4,992,479
Cash resources, end of year	5,227,401	4,992,479

The accompanying notes are an integral part of these financial statements

North West Community Care Access Centre
Notes to the Financial Statements
For the year ended March 31, 2015

1. Organization

North West Community Care Access Centre (the "Organization") is an Ontario not-for-profit charitable organization, which was established in 2007 as an organization offering a single point of access to Ontario's home, community and long-term care services. The Organization is a not-for-profit organization and is not subject to income tax.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with a chartered bank. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer equipment	25 %
Computer software	25 %
Leasehold improvements	25 %
Office furniture and equipment	25 %

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Organization determines that a long-lived asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

North West Community Care Access Centre
Notes to the Financial Statements
For the year ended March 31, 2015

2. Significant accounting policies *(Continued from previous page)*

Contributed materials and services

The Organization does not recognize the receipt of contributed materials and services.

Employee future benefits

The Organization's employee future benefit program consists of a multi-employer defined benefit pension plan.

The Organization participates in a multi-employer benefit plan for which there is insufficient information to apply defined benefit plan accounting principles. Accordingly the Organization is not able to identify its share of the plan assets and liabilities, and therefore, the Organization uses defined contribution plan accounting principles for this plan.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has made such an election during the year.

When, at initial recognition, the Organization determines fair value using a valuation technique rather than the transaction price for financial assets subsequently measured at fair value there could be a significant difference between the fair value determined using a valuation technique and the transaction price. These differences in fair value are recognized in remeasurement gains (losses) over the remaining term of the asset.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains (losses), while interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments, etc. in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains (losses).

North West Community Care Access Centre
Notes to the Financial Statements
For the year ended March 31, 2015

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year end.

Due to the North West Local Health Integration Network and due to the Province of Ontario are estimates of the surplus amounts that will be recovered by the individual funders.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the periods in which they become known.

3. Accounts receivable

	2015	2014
HST recoverable	211,034	196,578
Other	24,467	-
	235,501	196,578

4. Capital assets

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Computer equipment	570,606	568,679	1,927	34,782
Computer software	511,801	468,758	43,043	60,460
Leasehold improvements	89,603	88,235	1,368	2,736
Office furniture and equipment	1,622,175	1,599,600	22,575	50,192
	2,794,185	2,725,272	68,913	148,170

5. Bank indebtedness

The Organization has an authorized bank line of credit of \$250,000 which bears interest at bank prime less 0.25% and it is secured by a general security agreement. At March 31, 2015, the entire amount remained unused.

North West Community Care Access Centre
Notes to the Financial Statements
For the year ended March 31, 2015

6. Retirement benefits

Substantially all of the employees of the Organization are members of the Healthcare of Ontario Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees. Plan members will receive benefits based on the member's contributory service, the highest average annualized earnings during any consecutive five-year period, and the most recent three-year average year's maximum pensionable earnings.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan by placing plan assets in trust and through the Plan investment policy.

Pension expense is based on Plan management's best estimates, in consultation with its actuaries, of the amount required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The contribution rate was 6.9% up to the year's maximum pensionable earnings (YMPE) and 9.2% above the YMPE. The funding objective is for employer contributions to the Plan to remain a constant percentage of employees' contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent actuarial valuation of the Plan as December 31, 2014 indicates the Plan is 115% funded. Contributions to the Plan made during the year by the Organization on behalf of its employees amounts to \$1,003,123 (2014 - \$962,404) and are included in the statement of operations.

7. Commitments

The Organization has entered into various lease agreements with estimated minimum annual payments as follows:

2016	555,899
2017	487,446
2018	352,062
2019	6,324
2020	4,743

8. Economic dependence

The Organization's primary sources of revenue are Provincial government grants. The grant funding can be cancelled if the Organization does not observe certain established guidelines. The Organization's ability to continue viable operations is dependent upon maintaining its right to follow the criteria within the Provincial government guidelines. As at the date of these financial statements the Organization believes that it is in compliance with the guidelines.

9. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

10. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

