

March 31, 2026



FINANCIAL STATEMENTS

2025



Independent Auditor's Report

To the Board of Collingwood General and Marine Hospital:

Opinion

We have audited the financial statements of Collingwood General and Marine Hospital (the "Hospital"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and 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 Hospital as at March 31, 2026, and the results of its operations 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 Hospital 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, 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 Hospital'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 Hospital or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Hospital'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 Hospital'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 Hospital'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 Hospital 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.

Lindsay, Ontario

June 19, 2026

The logo for MNP LLP, featuring the letters 'MNP' in a large, bold, sans-serif font, followed by 'LLP' in a smaller, all-caps, sans-serif font. The letters are black and have a slightly irregular, hand-drawn appearance.

Chartered Professional Accountants

Licensed Public Accountants

Collingwood General and Marine Hospital
Statement of financial position
As at March 31, 2026

	Notes	March 31, 2026 \$	March 31, 2025 \$
Assets			
Current			
Cash		22,463,754	17,798,402
Short-term investment	3	3,042,900	-
Accounts receivable	4	6,869,364	4,627,427
Contribution receivable	13	200,000	200,000
Prepaid expenses		1,870,423	1,664,455
Inventory		496,855	309,672
		34,943,296	24,599,956
Capital assets	5	42,089,194	33,354,863
Contribution receivable	13	700,000	900,000
		77,732,490	58,854,819
Liabilities			
Current			
Accounts payable and accrued liabilities	7	19,277,021	13,716,584
Deferred revenue		1,216,173	1,277,371
		20,493,194	14,993,955
Deferred capital contributions	8	53,594,940	38,327,422
Employee future benefits	9	3,308,500	3,214,200
		77,396,634	56,535,577
Commitments and contingencies	15		
Net assets	10	335,856	2,319,242
		77,732,490	58,854,819

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

Approved by the Board of Directors



Geoff Davies

Chair, Board of Directors

Collingwood General and Marine Hospital
Statement of operations and changes in net assets
For the year ended March 31, 2026

	Notes	March 31, 2026 \$	March 31, 2025 \$
Revenue			
Ministry of Health	11 and 17	85,548,414	80,116,782
Patient Services	17	7,719,826	6,715,439
Marketed Services		1,573,229	1,315,004
Other	13	1,841,894	1,798,809
Amortization of Deferred Contributions - Equipment		3,010,377	2,246,637
		<u>99,693,740</u>	<u>92,192,671</u>
Expenses			
Salaries and benefits	9 and 14	58,672,359	53,336,816
Medical Staff remuneration	11	16,337,966	13,840,779
Supplies and other		15,099,843	14,433,668
Medical and surgical supplies		7,083,769	6,868,899
Drugs and gases		1,011,271	896,749
Amortization of equipment		3,013,988	2,250,722
		<u>101,219,196</u>	<u>91,627,633</u>
Excess of revenue over expenses before the undernoted		<u>(1,525,456)</u>	565,038
Other votes and programs			
Revenue	12	5,178,719	4,709,325
Expenses	12	(5,488,615)	(4,920,156)
		<u>(309,896)</u>	<u>(210,831)</u>
Amortization of Buildings and Land Improvements			
Deferred capital contributions		1,032,875	1,063,656
Amortization		(1,180,909)	(1,159,655)
		<u>(148,034)</u>	<u>(95,999)</u>
Surplus (deficiency) of revenue over expenses		(1,983,386)	258,208
Net assets, beginning of year		2,319,242	2,061,034
Net assets, end of year		<u>335,856</u>	<u>2,319,242</u>

Collingwood General and Marine Hospital
Statement of cash flows
For the year ended March 31, 2026

	March 31, 2026	March 31, 2025
	\$	\$
Operating activities		
Surplus (deficiency) of revenue over expenses	(1,983,386)	258,208
Items not affecting cash:		
Amortization of capital assets	4,194,897	3,410,377
Amortization of deferred capital contributions	(4,043,253)	(3,310,293)
Employee future obligations	94,300	36,800
Change in non-cash working capital		
Accounts receivable	(2,041,934)	(567,878)
Inventory	(187,183)	(37,645)
Prepaid expenses	(205,968)	(381,252)
Accounts payable and accrued liabilities	5,560,435	766,390
Deferred revenue	(61,198)	(284,961)
	<u>1,326,709</u>	<u>(110,254)</u>
Capital activities		
Additions to capital assets	<u>(12,929,228)</u>	<u>(5,042,938)</u>
Investing activities		
Short-term investment	<u>(3,042,900)</u>	-
Financing activities		
Deferred capital contributions	<u>19,310,771</u>	<u>8,455,510</u>
Increase in cash	4,665,352	3,302,318
Cash, beginning of year	17,798,402	14,496,084
Cash, end of year	<u>22,463,754</u>	<u>17,798,402</u>

Notes to the Financial Statements

1. Nature of the organization

The Collingwood General and Marine Hospital (the “Hospital”) was incorporated under the Canada Corporation Act by Parliamentary assent on June 23, 1887, to establish a hospital for the assistance, benefit, and relief of persons sick or injured. The Hospital is exempt from income taxes under the *Income Tax Act* (Canada). Effective November 25, 2024, The Collingwood General and Marine Hospital changed jurisdiction from Federal to the Province of Ontario through filed Articles of Continuance.

2. Summary of significant accounting policies

(a) Basis of presentation

The financial statements of the Hospital are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards. The Hospital reports revenue and expenses on the accrual basis of accounting and uses the deferral method for reporting restricted contributions. The Collingwood General and Marine Hospital Foundation, referred to in these notes, is a separate entity whose financial information is reported separately from the Hospital. The financial statements of the Hospital include the following significant accounting policies:

(b) Revenue recognition

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

The Hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health (“MOH”) and Ontario Health (“OH”). The Hospital has entered into a Service Accountability Agreement (“SAA”) for fiscal 2025/26 with OH that sets out performance standards and obligations of the Hospital in several areas, including clinical activity and financial performance.

If the Hospital does not meet its performance standards or obligations, OH has the right to adjust funding recognized by the Hospital. As data impacting volumes-based funding is not submitted until after the completion of the financial statements, the amount of funding the Hospital is eligible for may be increased or decreased subsequent to year end.

Grants and funding for which revenue has been earned or approved but not received by the end of the fiscal year are recorded as accounts receivable and accrued at the end of the accounting period. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

2. Summary of significant accounting policies (continued)

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions and grants restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital asset. Contributions and grants restricted for the purchase of capital assets that will not be amortized are recognized as a direct increase in net assets.

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.

Revenues from patients and other services are recognized when the services are provided.

(c) Contributed services

The Hospital is dependent on the voluntary services of many individuals. As the fair market value of these services cannot be reasonably estimated, these contributed services are not recognized or disclosed in these financial statements.

(d) Cash

Cash includes cash on hand and deposits with banks.

(e) Financial instruments

The Hospital classifies 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 cash and short-term investments. They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of operations and changes in net assets.

Amortized Cost

This category includes accounts receivable, 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, except for contributions, which are initially recognized at fair value.

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

Write-downs 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 write-down being recognized in the statement of operations and changes in net assets.

2. Summary of significant accounting policies (continued)

(f) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on an average cost basis.

(g) Capital assets

Capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution. Expenditures that substantially increase the useful lives of existing capital assets are capitalized. When a capital asset no longer contributes to the Hospital's ability to provide services, its carrying amount is written down to its residual value.

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

Land improvements	10 to 20 years
Buildings	5 to 50 years
Equipment and furnishings	3 to 20 years
Software	3 to 10 years

Projects in progress include direct construction, development and financing costs. Amortization is recorded only when the capital asset is available for its intended use.

(h) Employee future benefits

The Hospital offers non-pension post-employment benefits to its employees, the cost of which is accrued under the employee future benefits plan. The cost of non-pension post-retirement and post-employment benefits earned by employees is actuarially determined using the projected benefit method, prorated on service and management's best estimate of retirement ages of employees and expected future benefit plan costs.

Adjustments arising from plan amendments are recognized in the year that the plan amendments occur. Actuarial gains or losses are amortized over the average remaining service period of the active employees.

The Hospital is also an employer member of the Healthcare of Ontario Pension Plan, which is a multi-employer defined benefit pension plan. The Hospital has adopted defined contribution plan accounting principles for this Plan as insufficient information is available to apply defined benefit plan accounting principles.

2. Summary of significant accounting policies (continued)

(i) 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, liabilities, and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's estimates as additional information becomes available at a future date. Accounts involving significant estimates include revenue recognition, accounts receivable, capital assets, accrued liabilities, deferred revenues, employee future benefits, and amortization.

3. Short-term investment

Short-term investment consists of a non-redeemable guaranteed investment certificate (GIC) earning interest of 2.86%, with a maturity date of June 15, 2026. The balance includes accrued interest income.

4. Accounts receivable

	March 31, 2026	March 31, 2025
	\$	\$
Ministry of Health and Ontario Health	3,542,433	1,903,451
Insurers and patients	2,274,837	1,698,207
Other programs	1,061,564	671,466
HST receivable	729,248	579,677
Foundation	154,915	298,627
	<u>7,762,998</u>	<u>5,151,428</u>
Less: allowance for doubtful accounts	(893,633)	(524,001)
	<u>6,869,364</u>	<u>4,627,427</u>

5. Capital assets

	Cost	Accumulated Amortization	March 31, 2026 Net book value	March 31, 2025 Net book value
	\$	\$	\$	\$
Land	143,458	-	143,458	143,458
Land improvements	1,305,124	(923,528)	381,596	409,177
Buildings	28,132,193	(15,998,417)	12,133,776	12,761,816
Equipment and furnishings	39,939,411	(24,117,406)	15,822,005	10,835,505
Software	6,556,000	(3,418,625)	3,137,375	3,542,845
Projects in progress	10,470,983	-	10,470,983	5,662,061
	<u>86,547,170</u>	<u>(44,457,976)</u>	<u>42,089,194</u>	<u>33,354,863</u>

6. Credit facilities

The Hospital has available the following credit facilities:

- (a) Facility 1 – a revolving credit facility for \$3,000,000 to support general operating requirements of the Hospital. This facility bears interest at the bank’s prime rate minus 0.85%. As of March 31, 2026, and March 31, 2025, this facility remains unused.
- (b) Facility 2 – a committed revolving credit facility for \$3,000,000 to support ongoing capital investments of the Hospital. This facility bears interest at a fixed or floating rate. As of March 31, 2026, and March 31, 2025, this facility remains unused.
- (c) Facility 3 – a committed revolving credit facility for \$7,500,000 for the purchase of equipment. This facility bears interest at a fixed or floating rate. As of March 31, 2026, and March 31, 2025, this facility remains unused.

7. Accounts payable and accrued liabilities

	March 31, 2026	March 31, 2025
	\$	\$
Ministry of Health and Ontario Health	1,687,805	1,158,411
Payroll related liabilities	7,927,722	6,439,092
Other	9,661,494	6,119,081
	<u>19,277,021</u>	<u>13,716,584</u>

8. Deferred capital contributions

	Capital grants	Capital donations	March 31, 2026	March 31, 2025
	\$	\$	\$	\$
Balance, beginning of year	16,296,010	22,031,412	38,327,422	33,182,205
Contributions received	6,760,771	12,550,000	19,310,771	8,455,510
Amounts amortized to revenue	(977,639)	(3,065,614)	(4,043,253)	(3,310,293)
Balance, end of year	<u>22,079,142</u>	<u>31,515,798</u>	<u>53,594,940</u>	<u>38,327,422</u>

9. Employee future benefits

The Hospital participates in an unfunded benefit plan and accrues its obligations under employee future benefit plans and related costs as they are earned. For all active employees, the accrued benefits obligation was calculated using the projected benefit method pro-rated on service. The measurement date for the accrued benefit obligation, as calculated in the Hospital's last actuarial valuation for post-retirement benefits, was performed as at March 31, 2026.

The significant actuarial assumptions included in the actuarial report and adopted in estimating the Hospital's accrued benefit obligation are as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Net benefits recognized		
Current service cost	182,600	168,900
Interest cost	116,100	112,100
Amortization of actuarial experience gains	(67,300)	(65,800)
	<u>231,400</u>	<u>215,200</u>
Accrued benefit obligation, opening	3,214,200	3,177,400
Expense for the year	231,400	215,200
Benefits paid during the year	(137,100)	(178,400)
Accrued benefit obligation	<u>3,308,500</u>	<u>3,214,200</u>
Accrued benefit obligation	2,253,000	2,466,600
Unamortized actuarial gains	<u>1,055,500</u>	<u>747,600</u>
Accrued benefit obligation, end of year	<u>3,308,500</u>	<u>3,214,200</u>
Discount Rate		4.50%
Dental Benefits Cost Escalation		3.30%
Extended Health Care Cost Escalation		6.58%

10. Net assets

The Hospital's net assets of \$335,859 consists of \$2,165,349 invested in capital assets and (\$1,829,490) (2025 - \$211,753) unrestricted assets. The investment in capital assets is calculated as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Capital assets	42,089,194	33,354,863
Less: amounts financed by deferred capital contributions	(53,594,940)	(38,327,422)
Add: donations received but not yet spent	13,671,095	7,080,048
Investment in capital assets	<u>2,165,349</u>	<u>2,107,489</u>

11. Physician programs

Obstetric and Gynaecologic Physicians. The revenue and expense associated with these agreements are included in the statement of operations and changes in net assets.

	March 31, 2026	March 31, 2025
	\$	\$
Revenue, MOH		
Physician on-call coverage	1,809,552	1,589,908
Emergency Department Physicians	5,954,511	5,259,795
Obstetric & Gynaecologic Physicians	2,018,853	1,378,163
	<u>9,782,916</u>	<u>8,227,865</u>
Medical staff remuneration		
Physician on-call coverage	1,809,552	1,589,908
Emergency Department Physicians	5,903,654	5,259,795
Obstetric & Gynaecologic Physicians	2,018,853	1,378,163
Administration	50,857	-
	<u>9,782,916</u>	<u>8,227,865</u>
	<u>-</u>	<u>-</u>

12. Other votes and programs

The Hospital administers several specifically funded programs. The revenue and expense associated with these programs are recorded separately from the base operations of the Hospital.

	March 31, 2026	March 31, 2025
	\$	\$
Revenue		
Community Mental Health Programs	2,325,116	2,328,877
Mobile Acute Psychiatric Services	585,355	108,055
Wellness Baby Clinic	588,049	566,465
CGMH @ home	1,581,203	1,610,505
Ontario Telemedicine Network	92,847	89,273
Municipal taxes	6,150	6,150
	<u>5,178,719</u>	<u>4,709,325</u>
Expenses		
Community Mental Health	2,583,770	2,447,544
Mobile Acute Psychiatric Services	585,355	108,055
Wellness Baby Clinic	588,049	566,465
CGMH @ home	1,581,203	1,610,505
Ontario Telemedicine Network	144,089	181,437
Municipal taxes	6,150	6,150
	<u>5,488,615</u>	<u>4,920,156</u>
	<u>(309,896)</u>	<u>(210,831)</u>

The Hospital allocates general administration costs to the Community Mental Health Programs, the Wellness Baby Clinic, and CGMH@home. A total allocation of \$99,842 (2025 - \$81,751) was made, as calculated from a base amount plus any direct expenditures.

13. Related party transactions

The Hospital has an economic interest in the Collingwood General and Marine Hospital Foundation (the “Foundation”). The Foundation is incorporated under the Ontario Corporations Act, is a Registered Charity under the Income Tax Act (Canada) and was established to raise funds for the use of the Hospital.

The Hospital does not exercise control or significant influence over the Foundation and therefore the net assets and results of operations of the Foundation are not included in the financial statements of the Hospital.

During the year, \$12,550,000 (2025 - \$7,394,575) was contributed and recognized as deferred capital contribution donations and \$176,108 (2025 - \$361,093) was recognized as Other revenue.

In 2022, the Foundation committed to a long-term contribution receivable of \$2,000,000 to support the upgrade of the Meditech Expanse Health Information System. Annually the Foundation contributes \$200,000 towards this receivable. As at March 31, 2026, the contribution receivable was \$900,000 (2025 - \$1,100,000).

13. Related party transactions (continued)

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount established and agreed to by the related parties.

14. Pension plan

The Hospital is a member of the Healthcare of Ontario Pension Plan (the “Plan”), which is a multi-employer defined benefit pension plan. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the five consecutive years prior to retirement, termination or death, which provide the highest earnings.

The Plan’s 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, together with the 6.9% of annualized earnings contributed by employees (9.2% of annualized earnings above the respective year’s maximum pensionable earnings), required to provide a high level of assurance that benefits will be fully represented by contributions to the Plan to remain a constant percentage of employee’s contributions. The employer currently contributes 126% of the employees’ contribution.

Variances between actuarial funding estimates and actual expense may be material and any differences are generally to be funded by the participating members. The most recent actuarial valuation of the plan as at December 31, 2025 indicates the Plan is fully funded, with a surplus of \$10.8 billion (2024 - \$10 billion). Contributions made to the Plan during the year by the Hospital on behalf of its employees amount to \$3,798,398 (2025 - \$3,465,525) and are included in salaries and benefits in the statement of operations and changes in net assets.

15. Commitments and contingencies

- (a) The Hospital, in its normal course of operations, has signed capital purchase and service agreements with third parties. Payment for these contracts over the next five years and thereafter are as follows:

2027	\$ 5,721,518
2028	\$ 914,810
2029	\$ 425,644
2030	\$ -
2031	\$ -
Thereafter	\$ 7,229,911

- (b) The Hospital is party to a Shared Services Alliance Agreement with Headwaters Health Care Centre, Georgian Bay General Hospital, and Royal Victoria Regional Health Care Centre for shared access to Meditech Expanse Health Information System. The Hospital has contractually committed to share costs until November 2035. Annual support fees for the upcoming year are estimated at approximately \$1.7 million.

15. Commitments and contingencies (continued)

- (c) In the ordinary course of business, various claims and lawsuits are brought against the Hospital. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amount already accrued.
- (d) The Hospital participates in the Healthcare Insurance Reciprocal of Canada (HIROC). HIROC is a provider of healthcare liability insurance which provides for the pooling of liability insurance risks of its members. All members of the pool pay annual premiums which are actuarially determined. All members are subject to reassessment for losses, if any, experienced by the pool for the years in which they are members. Members are also entitled to a refund, should a surplus exist. No negative reassessments have been made to March 31, 2026.

16. Financial instruments

The Hospital is exposed to risk through its financial instruments. The following analysis provides a measure of these risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Hospital is exposed to credit risk on its accounts receivable. Accounts receivables are primarily due from the MOH and OH and credit risk is mitigated by the financial solvency of these organizations. Additionally, the Hospital holds its cash accounts at a federally regulated chartered bank and is insured under the Canadian Deposit Insurance Corporation up to \$100,000.

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

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 relates to the potential that the Hospital will not be able to meet a demand for cash or fund its obligations as they come due as a result of the Hospital's inability to liquidate assets in a timely manner. The Hospital is exposed to liquidity risk on its accounts payable and accrued liabilities and expects to meet these obligations as they come due through operating funding. There has been a decrease in liquidity risk from the previous year as a result of increased cash on hand.

The Hospital mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting.

17. Restatement of prior year's figures

The Hospital reclassified \$8,227,865 of physician program revenue in the prior year from Patient Services revenue to Ministry of Health revenue to more appropriately reflect the source of funding.

	Restated March 31, 2025	Original March 31, 2025	Change
	\$	\$	\$
Revenue			
Ministry of Health	80,116,782	71,888,917	8,227,865
Patient Services	6,715,439	14,943,304	(8,227,865)
	<u>86,832,221</u>	<u>86,832,221</u>	-

The Hospital reclassified \$573,823 of prior year accounts payable and accrued liabilities from Other to Payroll related liabilities, to conform with the current year presentation.

	Restated March 31, 2025	Original March 31, 2025	Change
	\$	\$	\$
Accounts payable and accrued liabilities			
Ministry of Health and Ontario Health	1,158,411	1,158,411	0
Payroll related liabilities	6,439,092	5,865,269	573,823
Other	6,119,080	6,692,903	(573,823)
	<u>13,716,583</u>	<u>13,716,583</u>	(0)

The Hospital restated the prior year closing balances under the deferred capital contributions to the correct values.

	Restated March 31, 2025	Original March 31, 2025	Change
	\$	\$	\$
Deferred capital contributions, closing balance			
Capital grants	16,296,010	20,285,477	(3,989,467)
Capital donations	22,031,412	18,041,945	3,989,467
	<u>38,327,422</u>	<u>38,327,422</u>	-

18. Subsequent events

Subsequent to year-end, in connection with the Ministry of Health approved Hospital Development project, the Hospital acquired title to a 54-acre parcel of land, including 30 donated acres and 24 acres purchased for approximately \$12.8 million. The purchased portion will be funded by donations from the Foundation. This land will be the future site of the Hospital.