

Financial Statements of

**LONDON INTERCOMMUNITY  
HEALTH CENTRE**

And Independent Auditor's Report thereon

Year ended March 31, 2024



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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of London InterCommunity Health Centre

### ***Opinion***

We have audited the financial statements of London InterCommunity Health Centre (the Entity), which comprise:

- the financial position as at March 31, 2024
- the statement of earnings for the year then ended
- the statement of changes in unrestricted net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024 and its results of operations, its changes in unrestricted net assets 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 auditors' report.

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Entity'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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



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- 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.
- 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.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

London, Canada

June 27, 2024

# LONDON INTERCOMMUNITY HEALTH CENTRE

## Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash	\$ 3,316,506	\$ 4,019,350
Accounts receivable	1,068,617	362,489
Commodity taxes recoverable	641,324	405,254
Investments (note 2)	400,222	162,396
Prepaid expenses	192,675	205,448
Due from funders (note 5)	97,742	829,531
	<u>5,717,086</u>	<u>5,984,468</u>
Long-term investments (note 2)	306,012	200,000
Equipment and leasehold improvements (note 3)	564,222	491,775
	<u>\$ 6,587,320</u>	<u>\$ 6,676,243</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accruals (note 4)	\$ 1,674,944	\$ 1,763,917
Payable to Ministry (note 6)	-	1,487,768
Deferred revenue, expenses of future periods	-	229,235
Due to funders (note 5)	2,276,013	2,169,385
Current portion of capital lease obligation	-	16,182
	<u>3,950,957</u>	<u>5,666,487</u>
Deferred contributions, equipment and leasehold improvements (note 6)	2,040,132	485,054
Unrestricted net assets (note 8)	596,231	524,702
Commitments (note 11)		
Contingency (note 12)		
	<u>\$ 6,587,320</u>	<u>\$ 6,676,243</u>

See accompanying notes to financial statements.

On behalf of the Board:



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director

# LONDON INTERCOMMUNITY HEALTH CENTRE

## Statement of Earnings

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Revenues:		
Ministry funding	\$ 13,445,075	\$ 12,701,014
Other program funding	2,863,738	2,473,398
Other income	613,711	189,130
	<u>16,922,524</u>	<u>15,363,542</u>
Expenses:		
Primary health wages	7,631,739	7,038,584
Benefits	2,444,157	1,956,753
Administration wages	2,334,293	1,966,642
Purchased services	928,548	752,464
Rent	719,717	648,641
Resources and materials	347,645	546,000
Translation	345,264	320,815
Repairs and maintenance	276,885	233,681
Consultant fees	264,863	220,023
Medical supplies	248,409	174,538
Travel and transportation	183,855	159,313
Computer expenses	172,044	124,959
Amortization	166,375	137,577
Office expenses	152,496	178,119
Furniture and equipment	95,603	140,351
Telephone	84,435	77,440
Meeting expenses	75,631	61,264
Insurance	68,161	54,707
Legal and audit fees	57,008	35,908
Staff development	52,201	81,698
Memberships	41,594	31,823
Recruitment	14,201	56,586
Board expenses	4,684	2,819
	<u>16,709,808</u>	<u>15,000,705</u>
Excess of revenue over expenses before the undernoted	212,716	362,837
Repayable to funders	141,187	407,050
Excess (deficiency) of revenue over expenses	<u>\$ 71,529</u>	<u>\$ (44,213)</u>

See accompanying notes to financial statements.

# LONDON INTERCOMMUNITY HEALTH CENTRE

## Statement of Changes in Unrestricted Net Assets

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Unrestricted net assets, beginning of year	\$ 524,702	\$ 568,915
Excess (deficiency) of revenue over expenses	71,529	(44,213)
<b>Unrestricted net assets, end of year</b>	<b>\$ 596,231</b>	<b>\$ 524,702</b>

See accompanying notes to financial statements.

# LONDON INTERCOMMUNITY HEALTH CENTRE

## Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 71,529	\$ (44,213)
Items not involving cash:		
Amortization of equipment and leasehold improvements	119,298	178,030
Amortization of deferred contributions	(119,298)	(178,030)
Amortization of vehicles	47,077	-
Unrealized (gain) loss on investment	(27,698)	17,130
Changes in non-cash operating working capital:		
Accounts receivable	(706,128)	(190,923)
Commodity taxes recoverable	(236,070)	327,470
Prepaid expenses	12,773	19,946
Due from funders	731,789	313,577
Accounts payable and accruals	(88,973)	726,002
Deferred revenue, expenses of future periods	(229,235)	210,635
Due to funders	106,628	(749,274)
	(318,308)	630,350
Capital activities:		
Repayment of capital lease obligation	(16,182)	-
Contributions received for equipment and leasehold improvements	186,608	150,585
Purchase of equipment and leasehold improvements	(238,822)	(134,403)
	(68,396)	16,182
Investing activities:		
Net change in investments	(16,140)	-
Purchase of investments	(300,000)	(200,000)
	(316,140)	(200,000)
Increase (decrease) in cash	(702,844)	446,532
Cash, beginning of year	4,019,350	3,572,818
Cash, end of year	\$ 3,316,506	\$ 4,019,350

See accompanying notes to financial statements.



# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements

Year ended March 31, 2024

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## **Nature of operations:**

The London InterCommunity Health Centre (the "Centre") is a non-profit organization which operates a community health centre in London, Ontario. The Centre is incorporated under the laws of the Province of Ontario as a corporation without share capital and is a registered charity under the Income Tax Act.

## **1. Significant accounting policies:**

The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations. The significant accounting policies adopted by the Centre are summarized below:

### **(a) Revenue recognition:**

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

The Centre is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health (the "Ministry"). Government transfer payments from the Ministry are recognized in the financial statements in the year in which the payment is authorized and the events giving rise to the transfer occur, performance criteria are met, and a reasonable estimate of the amount can be made. Funding that is stipulated to be used for specific purposes is only recognized as revenue in the fiscal year that the related expenses are incurred or services performed. If funding is received for which the related expenses have not yet been incurred or services performed, these amounts are recorded as a liability at year end.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, such as those for special projects, other than endowment contributions are recognized as revenue in the year in which the related expenses are recognized.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Fee revenue is recognized when the services are provided.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 1. Significant accounting policies (continued):

### (b) Equipment and leasehold improvements:

Equipment and leasehold improvements are recorded at cost, less accumulated amortization. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Centre's ability to provide services, its carrying amount is written down to its residual value.

Equipment is amortized using the following method and annual rates:

Asset	Basis	Rate
Furniture	Straight-line	10 years
Vehicle under capital lease	Straight-line	2 years
Computer equipment	Straight-line	3 years
Computer software	Straight-line	3 years

Amortization of leasehold improvements is recorded over the term of the lease plus the first renewal option.

### (c) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year. Due to the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

### (d) Allocation of expenses:

Expenses are allocated based on management's discretion in reference to departmental budgets approved by Funders.

### (e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has not elected to record such financial instruments 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.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (e) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

The standards require the Centre to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level 2 – Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

The Centre does not incur significant unrealized gains and losses which meet the definition for recognition in the statement of remeasurement gains and losses. Accordingly, no statement of remeasurement gains and losses is presented in these financial statements.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (f) Leases:

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Centre are accounted for as capital leases. At the inception of the capital lease, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Capital assets recorded under capital leases is amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

### (g) Capital management:

In managing capital, the Centre focuses on liquid resources available for operations. The capital objective is to have sufficient liquid resources to continue operations in accordance with the Centre's mission, despite adverse financial events, and to provide resources to take advantage of opportunities. The need for sufficient liquid resources is considered in the preparation of the annual budget, the regular monitoring of cash flows, the comparison of actual results to budget, and adherence with the approved investment policy.

### (h) Use of estimates:

The preparation of the financial statements 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 year. Actual results could differ from those estimates.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

(i) Adoption of new accounting policies:

The Centre adopted the following accounting standards applicable for fiscal years beginning April 1, 2023:

I. PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

II. PSG-8 Purchased Intangibles provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

III. PS 3160 Public Private Partnerships (P3s) provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

There was no impact on financial statements of the Centre as a result of the adoption of these standards.

## 2. Investments:

	2024	2023
Common shares, measured at fair value	\$ 190,094	\$ 162,396
Guaranteed investment certificates, measured at amortized cost	516,140	200,000

Investment in common shares consist of Sun Life shares with a cost of nil. The guaranteed investment certificates have interest rates ranging from 4.90% to 5.05% (2023 - 5.05%) and maturity dates of June 28, 2024, and March 28, 2025 (2023 - June 28, 2024).

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

### 3. Equipment and leasehold improvements:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Furniture	\$ 573,636	\$ 341,705	\$ 231,931	\$ 203,236
Vehicle under capital lease	94,155	94,155	-	47,077
Computer equipment	804,354	651,001	153,353	66,834
Computer software	47,727	47,727	-	11,687
Leasehold improvements	571,306	392,368	178,938	162,941
	<b>\$ 2,091,178</b>	<b>\$ 1,526,956</b>	<b>\$ 564,222</b>	<b>\$ 491,775</b>

Amortization expense for the year was \$166,375 (2023 - \$137,577). During the prior year, the Centre entered into a capital lease agreement for a vehicle over a two year term. The Centre had the option to purchase the vehicle for a nominal amount at the end of the lease, which the Centre elected to do. Amortization expense for the year on capital leased items was \$47,077 (2023 - \$47,077) and is included in amortization expense.

### 4. Accounts payable and accruals:

Included in accounts payable and accruals are government remittances payable of \$150,009 (2023 - \$8,978), which includes amounts payable for payroll related taxes. All amounts are current.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 5. Due to/from funders:

The Community Health Promotion Branch, Community Health Centre Program of the Ministry, the Ministry of Child and Youth Services, and Public Health Agency of Canada require repayment of all of the excess of revenue (including interest income on funds advanced) over expenses based on their annual review of the Centre's operating results for the programs funded by them. The amount due to funders is comprised as follows:

	2024	2023
Ministry of Health	\$ 2,245,091	\$ 2,140,898
Ministry of Child and Youth Services	30,922	30,922
Public Health Agency of Canada	-	(2,435)
Due to funders	\$ 2,276,013	\$ 2,169,385

On an annual basis Health Canada provides advance contribution payments to the Centre for programming. Advance payments that are not fully expended during the year may be clawed back or permitted for retention and future use. Expenditures made in advance of funding received that are owed to the Centre are recorded as due from funders. At year end, \$97,742 (2023 - \$829,531) was owing from funders.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 6. Deferred contributions, equipment and leasehold improvements:

Deferred contributions related to equipment and leasehold improvements represent restricted contributions used to purchase furniture, computer equipment, computer software, and leasehold improvements. These contributions are being amortized into income on the same basis as the related equipment and leasehold improvements. The changes in the deferred contributions balance, which is comprised of unamortized contributions, are as follows:

	2024	2023
Balance, beginning of the year	\$ 485,054	\$ 512,498
Less: Amortization of deferred contributions	(119,298)	(178,030)
Add: Capital contributions received from Ministry	1,482,632	-
Add: Contributions received for capital purposes	191,744	150,586
Balance, end of year	\$ 2,040,132	\$ 485,054

Amortization of deferred contributions for the year totaled \$119,298 (2023 - \$178,030) and has been included in other income in the statement of operations.

In 2016, the Dundas retro-Fit Project was cancelled, resulting in unspent capital contributions of \$1,487,768 becoming repayable to the Ministry (2023 - \$1,487,768). The amount is non-interest bearing and has no fixed terms of repayment. In 2024, the Centre received Ministry approval to spend these funds on a new capital project, spending \$5,136 (2023 - \$nil) of eligible costs, reducing the Ministry payable balance to \$1,482,632.



# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## **7. Employee future benefits:**

The Centre is a member of the Healthcare of Ontario Pension Plan (the "Plan"). The Plan provides pension services to more than 460,000 active and retired members and approximately 670 employers. Each year an independent actuary determines the funding status of the Plan by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan for accounting purposes was completed at December 31, 2023. The audited financial statements of the Plan at December 31, 2023, disclose a net assets value of \$112.6 billion with accrued going concern liabilities relating to pension obligations of \$102.5 billion, resulting in a surplus of \$10.1 billion (2022 - \$11 billion).

The Plan has a two-tier contribution rate system. As the Plan is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of all employers who are members. As a result, the Centre does not recognize any share of the Plan surplus or deficit. The employer is required to contribute 8.69% (2023 - 7.93%) on the annualized earnings up to the year's maximum pensionable earnings and 11.59% (2023 - 11.72%) on the annualized earnings in excess of the year's maximum pensionable earnings. In 2024, the year's maximum pensionable earnings is set at \$68,500 (2023 - \$66,600). The Plan expense for the year was \$817,027 (2023 - \$732,546) and is included in staff wages and benefits in the statement of operations.

## **8. Unrestricted net assets:**

The balance of net assets of \$596,231 (2023 - \$524,702) arises from fund raising projects, donations and other non-government sources. These funds, although subject to the approval of the Centre's Board of Directors, are considered not to be subject to repayment to the government.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 9. Financial risks and concentration of credit risk:

### (a) Liquidity risk:

Liquidity risk is the risk that the Centre will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Centre manages its liquidity risk by monitoring its operating requirements. The Centre prepares budgets and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations. There have been no changes to the risk exposures from 2023.

### (b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Centre is exposed to credit risk with respect to accounts receivable and investments. The Centre assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Centre at March 31, 2024, is the carrying value of these assets.

The carrying amount of accounts receivable is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the statement of operations. Subsequent recoveries of impairment losses related to accounts receivable are credited to the statement of operations. The balance of the allowance for doubtful accounts at March 31, 2024, is \$nil (2023 - \$nil).

There have been no significant changes to the credit risk exposure from 2023.

### (c) Interest rate risk:

The Centre is exposed to interest rate risk on its fixed rate GICs. There has been no change to the risk exposure from 2023.

# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 10. Capital management:

The Centre manages its capital to ensure that it will be able to continue as a going concern while maximizing its ability to achieve the Centre's mission through suitable debt and accumulated net assets appropriate for an entity of the Centre's size and status. The Centre is not subject to externally imposed capital requirements.

Substantially all of the Centre's funding is received by various government Ministries and must be returned if unspent. As a result, the Centre does not maintain a substantial accumulated net assets balance and considers cash management the most important part of its capital management strategy.

The Centre's overall strategy, with respect to capital risk management, places a primary focus on preserving capital through investments, with the secondary focus being market investment returns. The types of investments held will be determined based on needs for liquidity, regularity of income, and preservation and appreciation of capital. Prudent investor principles are taken into account for all investments. The Centre is required by various Ministries to invest all funding received in excess of operating requirements.

## 11. Commitments:

The Centre has the following commitments related to their leased premises:

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2025	\$	525,233
2026		503,755
2027		413,592
2028		421,319
2029		431,057
Thereafter		4,597,316
	\$	6,892,272

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# LONDON INTERCOMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## **12. Contingency:**

As part of the Centre's employee compensation package, employees are allocated a yearly allowance of sick days. These sick days can be carried forward for two years and the employees are only compensated for these days if they are sick. The costs associated with the accumulated sick days have not been accrued in the Centre's financial statements as the future payment of these costs is contingent on the employees' health. The Centre's obligation with respect to accumulated sick days ends when the individual discontinues employment with the Centre.

As of March 31, 2024, the Centre is contingently liable for a total of 1,862 (2023 - 1,898) accumulated sick days with an associated cost, based on current pay rates, of \$611,018 (2023 - \$611,839).

## **13. Comparative information:**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year's excess (deficiency) of revenue over expenses.