

THE ALEXANDRA HOSPITAL INGERSOLL

FINANCIAL STATEMENTS

For the year ended March 31, 2024

THE ALEXANDRA HOSPITAL INGERSOLL

For the year ended March 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Alexandra Hospital Ingersoll

Opinion

We have audited the financial statements of The Alexandra Hospital Ingersoll (the 'Hospital'), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets, remeasurement gains and losses 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, 2024, and its results of operations, remeasurement gains and losses 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 *Auditors' Responsibilities for the Audit of 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.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report is expected to be made available to us after the date of auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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

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

In preparing the financial statements, management is responsible for assessing the Hospital's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

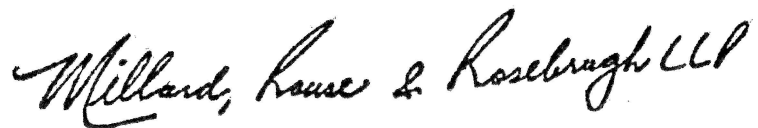
Auditors' Responsibilities for the Audit of the Financial Statements

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 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 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 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 may identify during our audit.



May 29, 2024
Brantford, Ontario

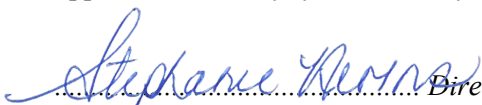
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

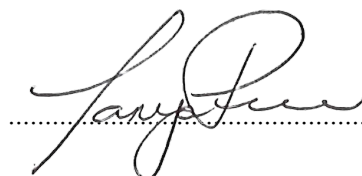
THE ALEXANDRA HOSPITAL INGERSOLL

STATEMENT OF FINANCIAL POSITION

As at March 31	2024	2023
ASSETS		
Current Assets		
Cash and bank	882,307	1,416,181
Short term investments (Note 4)	1,426,254	2,836,657
Accounts receivable (Note 5)	707,393	980,703
HST recoverable	147,335	456,816
Prepaid supplies	83,467	86,862
Prepaid expenses	152,152	165,237
Due from Alexandra Hospital Foundation	289,403	496,751
	3,688,311	6,439,207
Capital Assets (Note 6)	13,242,172	12,471,480
	16,930,483	18,910,687
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (Note 8)	2,783,234	3,516,683
Government remittances payable	1,298	2,915
	2,784,532	3,519,598
Employee Future Benefits (Note 10)	487,418	504,155
Deferred Contributions Related to Capital Assets (Note 12)	9,642,783	9,231,486
Asset Retirement Obligations (Note 11)	1,360,973	751,995
	14,275,706	14,007,234
NET ASSETS		
Invested in capital assets (Note 13)	2,297,396	2,518,033
Unrestricted - Page 5	357,381	2,255,077
Remeasurement gains and losses - Page 6	-	130,343
	2,654,777	4,903,453
	16,930,483	18,910,687

Approved on behalf of the Board of Directors

 Director

 Director

See accompanying notes

THE ALEXANDRA HOSPITAL INGERSOLL

STATEMENT OF OPERATIONS

For the year ended March 31	2024	2023
Revenue		
Ministry of Health	20,865,258	18,965,551
Patient revenue from other payers	1,139,720	1,153,025
Recoveries and miscellaneous	1,868,665	1,758,044
Amortization of deferred contributions	1,045,482	844,728
Differential and co-payment	75,364	48,177
	24,994,489	22,769,525
Expenses		
Salaries, wages and medical staff remuneration	17,403,549	14,804,320
Employee benefits	3,226,909	2,615,327
Medical and surgical supplies	319,836	317,374
Drugs	237,413	236,746
Other supplies and expenses	4,628,096	4,200,325
Accretion expense	28,947	30,034
Amortization of capital assets	1,268,072	1,049,505
	27,112,822	23,253,631
Excess (Deficiency) of Revenue over Expenses	(2,118,333)	(484,106)

See accompanying notes

THE ALEXANDRA HOSPITAL INGERSOLL

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31	Investment In Capital Assets	Unrestricted	2024	2023
Balance - beginning of year	2,518,033	2,255,077	4,773,110	5,257,216
Excess (Deficiency) of Revenue over Expenses (Note 13 (b))	(228,470)	(1,889,863)	(2,118,333)	(484,106)
Net change in investment in capital assets (Note 13 (b))	7,833	(7,833)	-	-
Balance - end of year	2,297,396	357,381	2,654,777	4,773,110

See accompanying notes

THE ALEXANDRA HOSPITAL INGERSOLL

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the year ended March 31	2024	2023
Accumulated Remeasurement		
Gains and (Losses) - beginning of year	130,343	175,768
Changes in unrealized gains (losses) attributable to short term investments in the current year	(130,343)	(45,425)
Accumulated Remeasurement Gains and (Losses) - end of year	-	130,343

See accompanying notes

THE ALEXANDRA HOSPITAL INGERSOLL

STATEMENT OF CASH FLOWS

For the year ended March 31	2024	2023
Cash Flows From Operating Activities		
Excess (deficiency) of revenue over expenses	(2,118,333)	(484,106)
Charges (credits) to income not involving cash		
Amortization of capital assets	1,268,072	1,049,505
Amortization of deferred contributions related to capital assets	(1,045,482)	(844,728)
Accretion expense	28,947	30,034
Realized loss (gain) on disposal of capital assets	5,880	-
Unrealized gain (loss) on investments	(130,343)	(45,425)
	(1,991,259)	(294,720)
Net change in non-cash working capital balances related to operations (Note 9)	71,552	222,818
	(1,919,707)	(71,902)
Cash Flows From Financing and Investing Activities		
Decrease (increase) in investments	1,410,403	12,726
Increase in deferred contributions related to capital assets	1,456,779	2,501,829
Increase (decrease) in employee future benefits	(16,737)	(857)
	2,850,445	2,513,698
Cash Flows From Capital Activities		
Purchase of capital assets	(1,464,612)	(3,099,149)
Net (Decrease) Increase in Cash and Bank	(533,874)	(657,353)
Cash and Bank - Beginning of Year	1,416,181	2,073,534
Cash and Bank - End of Year	882,307	1,416,181

See accompanying notes

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

1. STATUS AND NATURE OF ACTIVITIES

The Alexandra Hospital Ingersoll is incorporated without share capital under the laws of Ontario on May 3, 1909. The Hospital is principally involved in providing health care services to the residents of Ingersoll and surrounding areas. The Hospital is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs").

(a) Use of Estimates

The preparation of financial statements in conformity with PSAB for Government NPOs 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 reported amounts of revenues and expenses during the period. In estimating the net realizable value of the accounts receivable and in estimating accrued liabilities, as well as general business and economic conditions that prevail, and are expected to prevail, actual results could differ from those estimates.

In addition, the Hospital's implementation of *PS3280 Asset Retirement Obligations* has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

(b) Prepaid Supplies

Prepaid supplies are valued at the lower of cost and net realizable value, with cost being determined on the first-in, first-out basis.

(c) Capital Assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When an 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 annual rates:

Building	2%
Building service equipment	5% to 20%
Major equipment	5% to 33%
Parking lot	12%
Intangible assets	100%

Capital assets under development are not subject to amortization.

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue Recognition

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

Under the Health Insurance Act and Regulations thereto, the Hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health. Operating grants are recorded as revenue in the period to which they relate. Grants approved, but not received at the end of an accounting period, are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period. These financial statements reflect agreed arrangements approved by the Ministry with respect to the year ended March 31, 2024.

Externally restricted 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.

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

Revenue from the Provincial Insurance Plan, preferred accommodation, and marketed services is recognized when the goods are sold or the service is rendered and collection is reasonably assured.

(e) Contributed Services

Volunteers contribute a significant amount of time each year. Due to the difficulty of determining the fair value, these contributed services are not recognized or disclosed in the financial statements.

(f) Contributed Materials

Contributed materials which are used in the normal course of the Hospital's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments

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

Fair Value

This category includes cash and cash equivalents and investments which are initially recognized at fair value 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.

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 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 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 write down being recognized in the statement of operations.

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Employer Future Benefits and Pension Plan

Multi-employer plan

Substantially all of the employees of the Hospital are eligible to be members of the Hospitals of Ontario Pension Plan ("HOOPP") a multi-employer, defined benefit pension plan. Plan members will receive benefits based on the length of service and on the average annualized earnings during the five consecutive years prior to retirement, termination or death, that provides the highest earnings. Because HOOPP is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario Hospitals and their employees. As a result, the Hospital does not recognize any share of the HOOPP surplus or deficit.

Employee future benefits

Included in the employee benefits is an expense for the Hospital's employee future benefits. The Hospital uses the statement of financial position of March 31 as the measurement date.

(i) Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to a liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for the removal of asbestos in the building owned by the Hospital has been recognized based on estimated future expenses on closure of the site and post-closure care.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital asset. The increase to the tangible capital asset is being amortized in accordance with the depreciation accounting policies outlined in 2(c).

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

3. FINANCIAL INSTRUMENT CLASSIFICATION

The Hospital's financial instruments are initially recognized at fair value and then subsequently measured as follows:

Assets/Liabilities	Measurement Category
Cash	Fair Value
Investments	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable and Accrued Liabilities	Amortized Cost

The following classification system is used to describe the basis of the inputs used to measure the fair value of financial instruments in the fair value measurement category:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - market based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Cash and investments are measured as Level 1 financial instruments.

4. SHORT TERM INVESTMENTS	2024 Cost	2024 Market	2023 Cost	2023 Market
Short term investments	1,426,254	1,426,254	2,706,314	2,836,657

5. ACCOUNTS RECEIVABLE	2024	2023
Total	733,702	1,006,873
Less: Allowance for doubtful accounts	26,309	26,170
	707,393	980,703

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

6. CAPITAL ASSETS	Cost	Accumulated Amortization	2024	2023
Land and parking lot	369,068	234,169	134,899	151,700
Building and building service equipment	21,485,870	11,498,241	9,987,629	7,007,538
Equipment	11,091,747	8,413,686	2,678,061	2,152,137
Capital assets under development	441,583	-	441,583	3,160,105
	33,388,268	20,146,096	13,242,172	12,471,480

7. AVAILABLE FINANCING

The Hospital has a line of credit available for its use at prime in the amount of \$1,000,000.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2024	2023
Accounts payable	1,321,152	1,325,619
Salaries, wages and benefits, other	1,462,082	2,191,064
	2,783,234	3,516,683

9. CASH FLOW FROM OPERATIONS	2024	2023
Accounts receivable	273,310	(370,047)
HST recoverable	309,481	(218,450)
Prepaid supplies	3,395	10,764
Prepaid expenses	13,085	(26,879)
Due from Alexandra Hospital Foundation	207,348	(193,692)
Accounts payable and accrued liabilities	(733,450)	1,020,578
Government remittances payable	(1,617)	544
	71,552	222,818

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

10. EMPLOYEE FUTURE BENEFITS

(a) Other Employee Future Benefits

The Hospital has an unfunded defined benefit dental, life insurance and health care plan for eligible retirees and their dependents. The Hospital uses the statement of financial position date of March 31 as the measurement date. The most recent actuarial valuation of the employee future benefits for funding purposes was performed as at March 31, 2024. The 2024 expense is based on the results of the March 31, 2024 actuarial valuation, extrapolated forward using a discount rate assumption of 4.00% per annum. The 2024 year end disclosures are based on the March 31, 2024 actuarial valuation using a discount rate assumption of 4.00% per annum. The plan is a defined benefit plan funded on a cash basis by contributions from the Hospital and certain retirees.

The post-retirement benefits as at March 31 include the following components:

	2024	2023
Accrued benefit obligation	519,283	377,967
Unamortized net actuarial gain (loss)	(31,865)	126,188
Post-retirement benefit liability	487,418	504,155
	2024	2023
Post-retirement liability, beginning of year	504,155	505,012
Current service cost	21,443	23,863
Interest cost	15,573	12,243
Amortization of net actuarial (gain)/loss	(23,952)	(16,727)
	517,219	524,391
Non-pension post-retirement funding contributions by the Hospital	(29,801)	(20,236)
Non-pension post-retirement funding contributions by the retiree	-	-
Post-retirement liability, end of year	487,418	504,155
Significant assumptions	2024	2023
Discount rate	4.00%	4.05%
Withdrawal rate	Age based on rate table	Age based on rate table
Drug trend rates	4.96%	4.74%
Hospital trend rates	4.96%	4.75%
Other medical trend rates	5.03%	4.82%
Dental trend rates	5.41%	5.20%

The expected and actual return on plan assets during the period is nil as the plan is funded on a cash basis.

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

10. EMPLOYEE FUTURE BENEFITS (continued)

(b) Multi-Employer Plan

Employer contributions made to the plan during the year by the Hospital amounted to \$1,032,654 (2023 - \$800,593). These amounts are included as part of employee future benefits expense in the Statement of Operations. The most recent valuation for financial reporting purposes completed by HOOPP as at December 31, 2023 disclosed net assets available for benefits of \$112,635,000 with accrued benefits obligations of \$102,454,000, resulting in a going concern surplus of \$10,181,000.

11. ASSET RETIREMENT OBLIGATION

(a) Asbestos obligation

The Hospital owns and operates a building that is known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of *PS3280 - Asset Retirement Obligations*, the Hospital recognized an obligation relating to the removal and post-removal care of the asbestos in this building as estimated at April 1, 2022. The building had an estimated useful life of 40 years when they purchased, of which 16.5 remain. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. Estimated costs have been inflated to the future value using an inflation rate of 3.75% and discounted to the present value using a discount rate of 4.53% per annum.

Changes to the asset retirement obligation in the year are as follows:

	2024	2023
Opening balance	751,995	721,961
Change in estimate	580,031	-
Accretion expense	28,947	30,034
Closing balance	1,360,973	751,995

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

12. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred capital contributions relating to capital assets represent the unamortized amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations. The balance of the unamortized capital contributions relating to capital assets consists of the following:

	2024	2023
Balance - beginning of year	9,231,486	7,574,385
Additional contributions received	1,456,779	2,501,829
Less: amounts amortized to revenue	(1,045,482)	(844,728)
	9,642,783	9,231,486

13. INVESTED IN CAPITAL ASSETS

(a) **Invested in capital assets is calculated as follows:**

	2024	2023
Net book value of capital assets	13,242,172	12,471,480
Less: amount capitalized for asset retirement obligation	(1,301,993)	(721,961)
Amounts financed by deferred contributions	9,642,783	9,231,486
	2,297,396	2,518,033

(b) **Change in net assets invested in capital assets is calculated as follows:**

Amortization of deferred contributions related to capital assets	1,045,482	844,728
Amortization of capital assets	(1,268,072)	(1,049,505)
Gain (loss) on disposal of capital assets	(5,880)	-
	(228,470)	(204,777)
Net change in investment in capital assets		
Net purchase of capital assets	1,464,612	3,099,149
Amounts funded by deferred contributions	(1,456,779)	(2,501,829)
Proceeds on disposal of capital assets	-	-
	7,833	597,320
	(220,637)	392,543

THE ALEXANDRA HOSPITAL INGERSOLL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

14. RELATED PARTY TRANSACTIONS

The Alexandra Hospital Foundation was established in February 1997. Its purpose is to receive and maintain a fund or funds and to apply all or part of the principal and income, from time to time, for the benefit of The Alexandra Hospital Ingersoll in its patient care role.

The Hospital has an economic interest in the Alexandra Hospital Foundation ("the Foundation"). As at March 31, 2024, the Foundation held net assets of \$1,737,536 (2023 - \$2,303,238), the benefits of which are to be used to support activities of the Hospital. During the year, the Foundation approved donations of \$808,475 to the Hospital during the year for the purchase of equipment and renovations. The Hospital has \$289,403 (2023 - \$496,751) to be received from the Foundation. This advance is non-interest bearing and is due within the next fiscal year.

15. ECONOMIC DEPENDENCE

The Hospital received 83.5% of its revenue for the year ended March 31, 2024 (2023 - 83.3%) from the Ministry of Health and Long Term Care.

16. COMMITMENT

The Hospital has committed to the purchase of equipment of \$978,615 for fiscal 2025.

17. FINANCIAL INSTRUMENTS

Recognition and Measurement

All financial instruments are initially recorded on the statement of financial position at fair value. Investments in equity instruments that are quoted in a active market are subsequently measured at fair value. All other financial instruments are measured at amortized cost.

The Hospital has identified the following financial risks:

Credit Risk

The Hospital is exposed to credit risk with respect to its accounts receivable. The risk of significant credit loss is considered remote. The Hospital assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive.

Interest Rate Risk

The Hospital's exposure to interest rate risk relates to its short term investments and employee future benefits. (See Notes 4 and 10).

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Trade accounts payable and accrued liabilities are generally repaid within 30 days.