

**GRAND BEND AREA  
COMMUNITY HEALTH CENTRE INC.  
FINANCIAL STATEMENTS  
MARCH 31, 2025**

**SEEBACH & COMPANY**  
*Chartered Professional Accountants*



Grand Bend Area  
Community Health Centre

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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The accompanying consolidated financial statements of Grand Bend Community Health Centre Inc. (the "Company") are the responsibility of the Company's management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFO) of the Chartered Professional Accountants of Canada, as described in Note 2 to the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Company's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded from loss, transactions are properly authorized and recorded, and reliable information is available on a timely basis for preparation of the financial statements. These statements are monitored and evaluated by the Company's management. The Board of Directors meets with management and the external auditor to review the financial statements and discuss and significant financial reporting or internal control matters prior to their approval.

The financial statements have been audited by Seebach & Company, independent external auditors appointed by the Company. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Company's financial statements.

GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.

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Ralph Ganter  
Chief Executive Officer

May 13, 2025

## **INDEPENDENT AUDITOR'S REPORT**

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To the Directors of  
Grand Bend Community Health Centre Inc.

### *Opinion*

We have audited the accompanying financial statements of Grand Bend Community Health Centre Inc. ("the Company"), which are comprised of the statement of financial position as at March 31, 2025 and the statements of operations, changes in net assets (deficiency) 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 Company as at March 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards for not-for-profit organizations (ASNFPPO).

### *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 Company 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 ASNFPPO, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

**Seebach & Company**  
Chartered Professional Accountants

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## **INDEPENDENT AUDITOR'S REPORT (continued)**

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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

*Seebach & Company*

Chartered Professional Accountants  
Licensed Public Accountants

Clinton, Ontario  
May 13, 2025

**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**STATEMENT OF FINANCIAL POSITION**

See Accompanying Notes to the Financial Statements

As at March 31	2025	2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	468,590	749,442
Investments (note 3)	450,000	-
Accounts receivable	216,248	165,909
Government remittance receivable	47,368	33,554
Prepaid expenses	36,308	44,937
	<u>1,218,514</u>	<u>993,842</u>
<b>Capital assets (note 4)</b>	<u>1,888,989</u>	<u>2,003,175</u>
	<u><u>\$ 3,107,503</u></u>	<u><u>\$ 2,997,017</u></u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	485,643	330,724
Deferred contributions (note 6)	732,871	663,118
	<u>1,218,514</u>	<u>993,842</u>
<b>Long term liabilities</b>		
Deferred capital contributions (note 7)	<u>1,366,169</u>	<u>1,480,355</u>
<b>Net assets</b>		
General deficit	-	-
Net assets invested in capital assets	<u>522,820</u>	<u>522,820</u>
	<u><u>522,820</u></u>	<u><u>522,820</u></u>
	<u><u>\$ 3,107,503</u></u>	<u><u>\$ 2,997,017</u></u>

Approved on behalf of the Board of Directors:

Chairperson

Treasurer

Date

Date

**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**STATEMENT OF OPERATIONS AND FUND BALANCES**

See Accompanying Notes to the Financial Statements

For the year ended March 31	2025	2024
<b>Revenue</b>		
Base funding - Ontario Health	5,807,203	5,604,966
Less: Base funding allocated to capital	(8,974)	(32,880)
Amortization of deferred contributions related to capital assets	129,681	127,036
One-time funding - Ontario Health	104,000	104,000
Other income and recoveries - Schedule A	156,669	392,161
	<u>6,188,579</u>	<u>6,195,283</u>
<b>Salaries and benefits expenses</b>		
Salaries and wages	4,306,793	3,855,231
Benefit contributions	1,029,515	962,469
	<u>5,336,308</u>	<u>4,817,700</u>
<b>General operating expenses</b>		
Supplies and sundry - Schedule B	576,371	876,084
Building and grounds - Schedule B	237,053	276,461
	<u>813,424</u>	<u>1,152,545</u>
<b>Excess of revenue over expenditures</b>	<b>\$ 38,847</b>	<b>\$ 225,038</b>
<b>Allocation to deferred contributions (Note 6)</b>	<b>(38,847)</b>	<b>(225,038)</b>
<b>Surplus (deficit) for the year</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>

**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**STATEMENT OF CHANGES IN NET ASSETS (DEFICIENCY)**

See Accompanying Notes to the Financial Statements

For the year ended March 31	2025		2024	
	Invested in Capital Assets	Unrestricted Surplus		
Balance, beginning of year	\$ 522,820	\$ 0	\$ 522,820	\$ 522,820
Surplus (deficit) for the year	-	-	-	-
Balance, end of year	<u>\$ 522,820</u>	<u>\$ 0</u>	<u>\$ 522,820</u>	<u>\$ 522,820</u>

**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**STATEMENT OF CASH FLOWS**

See Accompanying Notes to the Financial Statements

For the year ended March 31	2025	2024
<b>Operating activities</b>		
Surplus (deficit) for the year	-	-
Add: Amortization of capital assets	129,681	127,036
Less: Amortization of deferred contributions related to capital assets	(129,681)	(127,036)
Working capital provided from (used for) operations	-	-
Cash provided from (used for) changes in working capital		
Accounts receivable	(50,339)	(158,374)
Government remittances receivable	(13,814)	6,702
Prepaid expenses	8,629	(10,703)
Accounts payable and accrued liabilities	154,919	19,665
Deferred contributions related to operations	69,753	197,959
Cash provided from operations	169,148	55,249
<b>Investing activities</b>		
Net investment (purchases) disposals	(450,000)	-
Capital asset purchases	(15,495)	(32,880)
Net increase (decrease) in deferred capital contributions	15,495	32,880
Cash provided from (used for) investment	(450,000)	-
<b>Increase (decrease) in cash</b>	<b>(280,852)</b>	<b>55,249</b>
<b>Cash (overdraft) beginning of year</b>	<b>749,442</b>	<b>694,193</b>
<b>Cash (overdraft) end of year</b>	<b>\$ 468,590</b>	<b>\$ 749,442</b>



**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**NOTES TO FINANCIAL STATEMENTS**

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**For the year ended March 31, 2025**

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**1. Purpose of the organization**

Grand Bend Area Community Health Centre Inc. is an organization with a mandate to provide primary care and health promotion programs to the Grand Bend community and its surrounding area. This community health centre was incorporated without share capital on August 19, 1999 under the laws of the Province of Ontario. The health centre is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to federal or provincial income taxes.

**2. Accounting policies**

The financial statements are the representation of management prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant aspects of accounting policies adopted by the organizations are as follows:

a) Basis of presentation

The financial statements include the activities related to the general Community Health Centre funded services and programs and Diabetes program.

b) Accrual basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable, and recognizes expenditures as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

c) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term deposits with initial maturity terms equal to less than 90 days.

d) Financial instruments

Financial instruments are initially recognized at fair value and then subsequently at cost or amortized cost with gains and losses recognized in the statement of operations in the period which the gain or loss occurs. Financial assets are assessed for impairment on an annual basis if there are indicators of impairment.

e) Investments

Short-term investments are stated at cost plus accrued interest.

f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Rates of depreciation applied using the straight-line method to write-off the cost of capital assets over their estimated useful lives are as follows:

Land improvements	8 - 10 years
Buildings	40 years
Building service equipment	10 - 20 years
Building components	5 - 20 years
Major equipment	3 - 15 years
Vehicles	4 years
Leasehold improvements	2-5 year lease terms

**2. Accounting policies** (continued)

g) Revenue recognition

The Health Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year which the related expenses are incurred. Contributions for depreciable capital assets are deferred and amortized on the same basis as the underlying 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.

h) Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

i) Risk management

It is management's opinion that the Health Centre is not exposed to significant interest rate or credit risk arising from its financial instruments.

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as they fall due. The organization has in place a planning and budgeting process to help determine the funds required to support the organization's normal operating requirements on an ongoing basis.

j) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenditures during the period, and the accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

**3. Short-term investments**

The short-term investments consist of the following:

	2025	2024
Guaranteed Investment Certificates (GIC)	\$ 450,000	\$ -

The investments have a market value of \$ 450,000 (2024 : \$ 0) at the end of the year, with maturities of March 20, 2026. Interest rates on the investments are 3.2%

**4. Capital assets**

	Cost	Accumulated Depreciation	2025 Net Book Value	2024 Net Book Value
Land	\$ 522,820	-	\$ 522,820	\$ 522,820
Land improvements	157,806	156,019	1,787	2,084
Buildings	2,517,357	1,359,082	1,158,275	1,221,987
Building service equipment	757,407	646,599	110,808	121,787
Building components	265,753	225,470	40,283	56,806
Major equipment	992,384	937,368	55,016	64,749
Vehicles	51,767	51,767	-	12,942
Leasehold improvements	148,648	148,648	-	-
	<u>\$ 5,413,942</u>	<u>\$ 3,524,953</u>	<u>\$ 1,888,989</u>	<u>\$ 2,003,175</u>

**5. Operating line of credit**

The Health Centre arranged an operating line of credit in the amount of \$75,000 on April 14, 2016. The line of credit bears interest at the lender's annual variable rate of funds plus 3.1% and is unsecured.

**6. Deferred contributions**

Deferred contributions represent unspent resources externally restricted for specific projects/programs or time periods. The unspent funds must be returned to the Ministry of Health. The deferred contributions balance consists of the following:

	2025	2024
<b>Deferred funding</b>		
Community Health Centre operating surplus 2024/25	\$ 38,847	\$ -
Community Health Centre operating surplus 2023/24	222,114	222,114
Community Health Centre operating surplus 2022/23	72,261	72,261
Community Health Centre operating surplus 2021/22	66,247	66,247
Community Health Centre operating surplus 2020/21	2,472	2,472
Diabetes program surplus 2023/24	2,953	2,953
Diabetes program surplus 2022/23	2,314	2,314
Diabetes program surplus 2021/22	2,835	2,835
	<u>410,043</u>	<u>371,196</u>
<b>Other deferred contributions</b>	<u>322,828</u>	<u>291,922</u>
	<u>\$ 732,871</u>	<u>\$ 663,118</u>

**7. Deferred contributions related to capital assets**

Deferred contributions related to capital assets represent restricted contributions with which the Health Centre's capital assets were purchased. The changes in deferred contributions balance for the year are as follows:

	2025	2024
Beginning balance	\$ 1,480,355	\$ 1,574,511
Add: restricted contributions to purchase capital assets	15,495	32,880
Less: amounts amortized to revenue	(129,681)	(127,036)
Ending balance	<u>\$ 1,366,169</u>	<u>\$ 1,480,355</u>

**8. Commitments**

The Health Centre's obligations under various operating leases are as follows:

	Expiry Date	Monthly Payment
premise - Hensall Satellite Office, 122 King Street	March 2030	\$ 2,700

The Health Centre has an ongoing mandatory commitment of approximately \$58,000 per annum for Electronic Medical Record System support.

**9. Pension agreements**

The Health Centre became a member of a pension plan on March 5, 2015. The Health Centre makes contributions to a multi-employer pension plan on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed for the fiscal year ended March 31, 2025 was \$369,310 (2024 : \$387,362) for current services and is included as an expenditure on the statement of operation and fund balances.

The contributions to the Healthcare of Ontario Pension Plan ("HOOPP"), a multi-employer defined benefit pension plan, are expensed when contributions are due. Any pension surpluses or deficits are a joint responsibility of Ontario government healthcare organizations and their employees. As a result, the Health Centre does not recognize any share of the HOOPP pension surplus or deficit.

**10. Economic dependence**

The Ontario Ministry of Health and Ontario Health provides substantially all operating revenue for the Health Centre. The Health Centre's continued viability is dependent on this funding.

**11. Allocation of expenditures**

The Health Centre allocates expenses such as supplies and sundry and rent to the diabetes program based on budgeted amounts approved by management. The budgeted amounts represent management's estimate of the program's portion of these expenses.

**GRAND BEND AREA COMMUNITY HEALTH CENTRE INC.**  
**SCHEDULE OF OTHER INCOME AND RECOVERIES**

Schedule A

See Accompanying Notes to the Financial Statements

For the year ended March 31	2025	2024
Cost recovery	113,647	119,555
Less: Cost recovery allocated to capital	(6,521)	-
Uninsured services	7,843	8,529
Psychological session fees	14,454	13,287
Rent	11,361	11,399
Grants	9,444	-
Community "We Can Help" donations	6,441	3,582
Ontario Centre of Innovation (OCI) Franky Mental Health App	-	235,809
	<u>156,669</u>	<u>392,161</u>

**SCHEDULE OF GENERAL OPERATING EXPENSES**

Schedule B

See Accompanying Notes to the Financial Statements

For the year ended March 31	2025	2024
<b>Supplies and sundry expenditures</b>		
Office administration	42,154	51,848
Computer supplies and licences	108,162	158,146
Depreciation - major equipment	25,230	22,218
Medical supplies	96,516	96,851
Professional fees	49,789	4,424
Utilities	69,835	70,629
Travel and transportation	18,591	15,301
Program	16,079	14,269
Staff development and recruitment	46,108	22,140
Telephone	17,944	17,290
General insurance	34,997	32,580
Memberships and fees	30,194	30,761
One-time funded expenses	-	87,189
Psychological session expenses	14,371	13,047
Community "We Can Help" expenses	6,401	3,582
Ontario Centre of Innovation (OCI) Franky Mental Health App	-	235,809
	<u>576,371</u>	<u>876,084</u>
<b>Buildings and grounds expenditures</b>		
Depreciation - building and land improvements	104,451	104,818
Repairs and maintenance	94,565	133,843
Rent	30,968	30,968
Municipal taxes	3,568	3,433
Medical supplies - equipment contract	3,501	3,399
	<u>237,053</u>	<u>276,461</u>