

Financial Statements of

**WEENEEBAYKO AREA
HEALTH AUTHORITY**

And Independent Auditor's Report thereon

Year ended March 31, 2025



KPMG LLP
Times Square
1760 Regent Street, Unit 4
Sudbury, ON P3E 3Z8
Canada
Telephone 705 675 8500
Fax 705 675 7586

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Weeneebayko Area Health Authority

Opinion

We have audited the financial statements of Weeneebayko Area Health Authority (the "Health Authority"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policy information

(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 Health Authority as at March 31, 2025, and its results of 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 auditor's report.

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

Those charged with governance are responsible for overseeing the Health Authority'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 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 Health Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Page 3

- 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 Health Authority'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 Health Authority's 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
July 21, 2025

WEENEEBAYKO AREA HEALTH AUTHORITY

Statement of Operations and Net Debt

Year ended March 31, 2025, with comparative information for 2024

	2025						2024
	General	Provincial Programs	Federal Programs (SET)	Federal Programs (Other)	WAHIFA Programs	Total	Total
Revenue:							
Ministry of Health	\$ 63,988,087	23,705,012	297,926	-	-	87,991,025	\$ 73,250,094
Ontario Health	6,369,476	-	-	-	-	6,369,476	5,716,275
Indigenous Services Canada	-	-	21,677,415	6,344,513	12,000,000	40,021,928	40,045,814
Patient services	1,576,512	-	217,559	-	-	1,794,071	1,201,363
Rentals	1,174,112	-	-	-	-	1,174,112	1,006,388
Other recoveries	9,306,513	-	407,011	206,272	-	9,919,796	9,915,614
Amortization - deferred capital contributions for equipment	2,397,366	231,570	-	-	-	2,628,936	2,706,448
	84,812,066	23,936,582	22,599,911	6,550,785	12,000,000	149,899,344	133,841,996
Expenses:							
Salaries and wages	40,506,116	11,233,429	3,057,281	750,010	4,904,977	60,451,813	53,792,223
Isolated post allowance	2,812,595	929,582	372,536	64,760	1,009,246	5,188,719	6,224,903
Employee benefits	4,740,060	2,053,860	559,890	87,464	1,168,837	8,610,111	7,667,082
Medical staff remuneration	9,638,313	-	1,705,563	-	1,686,275	13,030,151	11,203,637
Professional fees	3,281,344	407,046	15,066	617,124	114,189	4,434,769	5,715,126
Administration	34,972	2,434,618	1,921,790	103,839	-	4,495,219	3,514,765
Travel and training	3,523,812	1,544,438	398,174	3,543,736	1,076,035	10,086,195	6,033,927
Patient transportation	-	-	13,744,814	-	-	13,744,814	13,733,496
Supplies and program costs	19,547,177	3,862,155	1,406,551	1,371,031	2,000,536	28,187,450	21,425,834
Bad debts	631,580	-	-	-	-	631,580	72
Fuel	2,171,964	64,025	-	37,424	27,857	2,301,270	1,382,225
Amortization - equipment	2,285,868	472,415	17,412	-	12,048	2,787,743	2,758,222
	89,173,801	23,001,568	23,199,077	6,575,388	12,000,000	153,949,834	133,451,512
Excess (deficiency) of revenue over expenses before undernoted items	(4,361,735)	935,014	(599,166)	(24,603)	-	(4,050,490)	390,484
Surplus repayable	-	(1,803,631)	-	-	-	(1,803,631)	(1,734,452)
Deficiency of revenue over expenses before building amortization	(4,361,735)	(868,617)	(599,166)	(24,603)	-	(5,854,121)	(1,343,968)
Amortization:							
Amortization - buildings	(2,331,281)	(23,663)	-	-	-	(2,354,944)	(2,303,402)
Amortization - deferred capital contributions for buildings	2,312,462	-	-	-	-	2,312,462	1,817,169
	(18,819)	(23,663)	-	-	-	(42,482)	(486,233)
Deficiency of revenue over expenses	(4,380,554)	(892,280)	(599,166)	(24,603)	-	(5,896,603)	(1,830,201)
Net debt, beginning of year						(2,191,775)	(361,574)
Net debt, end of year						\$ (8,088,378)	\$ (2,191,775)

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

Carman Tozer
Board Chair

Pauline Sackahey
Vice Chair

WEENEEBAYKO AREA HEALTH AUTHORITY

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash	\$ 8,608,282	\$ -
Short-term investments (note 2)	280,741	13,139,631
Accounts receivable (note 3)	7,936,674	18,350,343
Inventories	2,648,354	2,319,509
Prepayments	830,418	969,805
	20,304,469	34,779,288
Capital assets (note 4)	203,128,792	105,314,688
	\$ 223,433,261	\$ 140,093,976
Liabilities and Net Debt		
Current liabilities:		
Bank indebtedness	\$ -	\$ 1,667,714
Accounts payable and accrued liabilities (note 5)	22,598,715	26,446,210
Deferred contributions (note 6)	147,454	2,294,309
	22,746,169	30,408,233
Post-employment benefits obligation (note 7)	576,285	623,780
Deferred capital contributions (note 8)	208,199,185	111,253,738
	231,521,639	142,285,751
Net debt	(8,088,378)	(2,191,775)
Contingencies (note 10)		
Commitments (note 12)		
	\$ 223,433,261	\$ 140,093,976

See accompanying notes to the consolidated financial statements.

WEENEEBAYKO AREA HEALTH AUTHORITY

Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash flows from operating activities:		
Deficiency of revenue over expenses	\$ (5,896,603)	\$ (1,830,201)
Adjustments for:		
Amortization of capital assets	5,142,687	5,061,624
Amortization of deferred capital contributions	(4,941,398)	(4,523,617)
Increase (decrease) in accrued benefits obligation	(47,495)	26,499
	(5,742,809)	(1,265,695)
Changes in non-cash working capital:		
Accounts receivable	10,413,669	(5,553,851)
Inventories	(328,845)	(305,415)
Prepayments	139,387	(45,831)
Accounts payable and accrued liabilities	(3,847,495)	2,057,914
Deferred contributions	(2,146,855)	537,400
	(1,512,948)	(4,575,478)
Cash flows from capital activities:		
Additions to capital assets	(102,956,791)	(54,849,473)
Deferred capital contributions received	101,886,845	54,170,646
	(1,069,946)	(678,827)
Cash flows from investing activities:		
Net change in investments	12,858,890	(13,139,631)
Net increase (decrease) in cash	10,275,996	(18,393,936)
Cash (bank indebtedness), beginning of year	(1,667,714)	16,726,222
Cash (bank indebtedness), end of year	\$ 8,608,282	\$ (1,667,714)

See accompanying notes to the consolidated financial statements.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements

Year ended March 31, 2025

The Weeneebayko Area Health Authority (the "Health Authority") was incorporated on October 3, 2008 pursuant to subsection 4(1) of the Public Hospitals Act, R.S.O. 1990, chapter P.40.

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 and reflect the following significant accounting policies.

(a) Revenue recognition:

The Health Authority accounts for contributions, which include donations and government grants, under the deferral method of accounting.

Under the Health Insurance Act and Regulations thereto, the Health Authority is funded by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health ("MOH") and Ontario Health ("OH"). The Health Authority is also funded by the federal government in accordance with funding contribution arrangements established by Indigenous Services Canada ("ISC"). 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 the subsequent period.

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

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on the straight-line basis, at rates corresponding to those of the related capital assets.

Revenue from patient and other services is recognized when the performance obligations are settled and when the service is provided.

(b) Inventories:

Inventories are stated at the lower of average cost and net realizable value. Cost comprises all costs to purchase, convert and any other costs in bringing the inventories to their present location and condition.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(c) Capital assets:

Purchased capital assets are recorded at cost. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. 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 Health Authority's ability to provide services, its carrying amount is written down to its residual value.

Construction-in-progress is not amortized until construction is complete and the asset is available for productive use.

Amortization is provided on the straight-line basis over the estimated useful lives of the asset and is calculated as follows:

Buildings and land improvements	20 to 25 years
Furniture and equipment	5 to 25 years
Information technology	5 years

Long-lived assets, including capital assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Health Authority uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

Assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer amortized. The asset and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the statement of financial position.

(d) Post-employment benefits:

The Health Authority is an employer member of the Healthcare of Ontario Pension Plan (the "Plan") which is a multi-employer, defined benefit pension plan. The Health Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Health Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(e) Funding adjustments:

The Health Authority receives grants from MOH, OH, ISC, and the Ministry of Children, Community and Social Services ("MCCSS") for specific services. Pursuant to the related agreements, if the Health Authority does not meet specified levels of activity, MOH, OH, ISC, and MCCSS may be entitled to seek refunds. Should any amounts become refundable, the refunds would be charged to operations in the period in which the refund is determined to be payable. Should programs and activities incur a deficit, the Health Authority records any recoveries thereon in the period in which collection is received.

(f) 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 periods specified. Significant items subject to such estimates and assumptions include the carrying amount of capital assets, and valuation allowances for accounts receivable and inventories. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Health Authority has not elected to carry any 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 and changes in net debt.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

All financial assets are assessed for impairment on an annual basis. Where a decline in fair value is determined to be other than temporary, the amount of the loss is recognized in the statement of operations and net debt and any unrealized gain is adjusted through the statement of remeasurement gains and losses. On sale, the statement of remeasurement gains and losses associated with that instrument are reversed and recognized in the statement of operations and net debt.

A statement of remeasurement gains and losses is not presented in these financial statements as the Health Authority does not possess any financial instruments subject to unrealized gains and losses.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(h) Controlled and related entities:

The Health Authority reports controlled and related entities, which include Weeneebayko Foundation and ONE Health Information Technology Services, through disclosure in these financial statements.

2. Short-term investments:

The Health Authority holds short-term investments in the form of guaranteed investment certificates ("GICs"). The GICs have a maturity of one year and earn interest at a rate of 2.54%.

3. Accounts receivable:

	2025	2024
MOH	\$ 80,000	\$ 1,204,346
Patients and other	1,481,545	4,565,470
ISC	6,375,129	12,826,387
HST recoverable	–	2,034,576
	7,936,674	20,630,779
Less: allowance for doubtful accounts	–	(2,280,436)
	\$ 7,936,674	\$ 18,350,343

4. Capital assets:

2025	Cost	Accumulated Amortization	Net book Value
Property and land improvements	\$ 1,070,186	\$ 377,291	\$ 692,895
Buildings	70,189,515	52,186,594	18,002,921
Furniture and equipment	45,942,160	38,244,964	7,697,196
Information technology	5,952,813	3,032,836	2,919,977
Construction in progress	173,815,803	–	173,815,803
	\$ 296,970,477	\$ 93,841,685	\$203,128,792

2024	Cost	Accumulated Amortization	Net book Value
Property and land improvements	\$ 1,070,183	\$ 366,418	\$ 703,765
Buildings	70,189,519	49,842,522	20,346,997
Furniture and equipment	42,423,089	35,806,927	6,616,162
Information technology	5,952,813	2,683,131	3,269,682
Construction in progress	74,378,082	–	74,378,082
	\$ 194,013,686	\$ 88,698,998	\$105,314,688

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

5. Accounts payable and accrued liabilities:

	2025	2024
Trade payables	\$ 12,016,326	\$ 12,006,848
Repayable to funders	4,956,337	3,243,572
Accrued wages and benefits	5,626,052	11,195,790
	<u>\$ 22,598,715</u>	<u>\$ 26,446,210</u>

6. Deferred contributions:

Deferred contributions represent externally restricted contributions which are unspent at year-end and which relate to expenses of future periods.

	2025	2024
ISC – Contribution agreement	\$ –	\$ 1,083,855
Ministry of Health	–	1,075,000
Other	147,454	135,454
	<u>\$ 147,454</u>	<u>\$ 2,294,309</u>

7. Post-employment benefits obligation:

Under the terms of agreements with certain employees, the Health Authority provides a benefit upon their retirement, resignation or death. The benefit is calculated based on years of service and the employee's wage rate at the time of departure from the Health Authority.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized and unspent balances of donations and grants restricted for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2025	2024
Balance, beginning of year	\$ 111,253,738	\$ 61,606,709
Add: contributions received	101,886,845	54,170,646
Less: amounts amortized to revenue	(4,941,398)	(4,523,617)
Balance, end of year	\$ 208,199,185	\$ 111,253,738

The balance of unamortized and unspent funds consists of the following:

	2025	2024
Unamortized	\$ 208,119,185	\$ 104,010,590
Unspent	80,000	7,243,148
	\$ 208,199,185	\$ 111,253,738

9. Demand line of credit:

Pursuant to an agreement, the Health Authority's primary banker has provided the Health Authority with a demand credit facility for operating purposes. The credit facility, authorized to a maximum of \$9,732,000, is payable on demand with no fixed terms of repayment and bears interest at the rate of prime less 0.5%, payable monthly.

The credit facility is secured by a general security agreement over an irrevocable standby letter of guarantee.

10. Contingencies:

(a) Legal matters and litigation:

The Health Authority is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved. Management is of the opinion that these matters are mitigated by adequate insurance coverage.

(b) Employment matters:

During the normal course of operation, the Health Authority is involved in certain employment related negotiations and has recorded accruals based on management's estimate of potential settlement amounts where these amounts are reasonably determinable.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

10. Contingencies (continued):

(c) Letters of credit:

As part of its credit facility, the Health Authority has access to an additional \$268,000 in the form of letters of credit, for which interest is payable at a rate of 1% per annum. As at March 31, 2025, the \$189,994 (2024 - \$222,373) in letters of credit issued represent a contingent liability to the Health Authority.

(d) HealthCare Insurance Reciprocal of Canada:

On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to Provincial Insurance Acts, which permits persons to exchange with other persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage of health care organizations in the provinces of Ontario, Manitoba, Saskatchewan and Newfoundland. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to March 31, 2025.

Since its inception in 1987, HIROC has accumulated an un-appropriated surplus, which is the total of premiums paid by all subscribers plus investment income less the obligation for claims reserves and expenses and operating expenses. Each subscriber which has an excess of premium plus investment income over the obligation for their allocation of claims reserves and expenses and operating expenses may be entitled to receive distributions of their share of the un-appropriated surplus at the time such distributions are declared by the Board of Directors of HIROC. There are no distributions receivables from HIROC as of March 31, 2025.

11. Pension plan:

Substantially all of the employees of the Health Authority are members of the Health Care of Ontario Pension Plan (the "Plan"), which is a multi-employer defined benefit plan available to all eligible employees of the participating members of the Ontario Hospital Association. Plan members receive benefits based on the length of service and on the average annual earnings during the five consecutive years prior to retirement, termination or death, that provide the highest earnings.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Healthcare of Ontario Pension Plan by placing 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 percentage of salary contributed by employees, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for the employer contributions to the Plan to remain a constant percentage of employees' contributions.

The most recent actuarial valuation filed with pension regulators as at December 31, 2024 indicated an actuarial surplus of \$10.4 billion. Contributions to the Plan made during the year on behalf of employees amounted to \$3,755,531 (2024 - \$2,853,575) and are included in expense in the statement of operations.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

12. Commitments:

The Health Authority has entered into various contracts relating to a project to construct a new hospital. The project commenced in October 2024 with a targeted completion date of July 2030.

The contractual commitments as at March 31, 2025 relating to this project amount to \$1.8 billion. The cost of the project is being funded by the MOH and the Federal Government through contributions of \$1.28 billion and \$1.29 billion respectively.

13. Financial risks and concentration of credit risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Health Authority is exposed to credit risk with respect to accounts receivable.

The Health Authority 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 Health Authority at March 31, 2025 is the carrying value of these assets.

Management considers credit risk to be minimal as the accounts receivable balance is historically collected on a timely basis.

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

(b) Liquidity risk:

Liquidity risk is the risk that the Health Authority will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Health Authority manages its liquidity risk by monitoring its operating requirements. The Health Authority prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Accounts payable and accrued liabilities are generally due within 60 days of the date of an invoice.

There have been no significant changes to the liquidity risk exposure from the prior year.

(c) Currency risk:

There have been no significant changes to the currency risk exposure from 2024.

(d) Other risk:

The Health Authority has reported a financial deficit in the current year, with an associated impact on working capital and cash flow.

Management has identified several factors that have contributed to these pressures including, but not limited to, financial pressures resulting from patient volumes and acuity, the impact of recent wage settlements, operating costs associated with investments in information technology, costs associated with the replenishment of critical equipment and inflationary pressures.

The Health Authority continues to identify and consider opportunities to address these financial challenges.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

14. Controlled and related entities:

This section addresses disclosure requirements regarding the Health Authority's relationships with related entities. The relationship can be one of economic interest, significant influence, joint control or control.

(a) Weeneebayko Foundation:

The Health Authority has an economic interest in the Weeneebayko Foundation (the "Foundation"). The Foundation was created for the purposes of supporting the Health Authority's facilities along the James and Hudson Bay coast by raising funds for medical equipment, beyond funding available from government sources. Guided by the values of gratitude, accountability and respect, the Foundation is committed to ensuring that the Health Authority has the resources required to provide medical care to patients close to home.

(b) ONE Health Information Technology Services:

ONE Health Information Technology Services ("ONE HITS") is a shared service organization established for the purposes of providing technology, information systems and related capital implementation and support services to participating hospitals in Northeastern Ontario on a full cost recovery basis. The Health Authority participates through joint control over ONE HITS, with a 2.71% (2024 - 3.77%) proportionate share of voting rights and financing requirements.

The financial information for ONE HITS is prepared in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations; accordingly, there are no significant differences in accounting policies from those followed by the Health Authority.

During the year, the Health Authority contributed a total of \$434,844 (2024 - \$696,397) to ONE HITS, in the form of membership fees which are included in supplies and program costs on the statement of operations and net debt.

WEENEEBAYKO AREA HEALTH AUTHORITY

Notes to Financial Statements (continued)

Year ended March 31, 2025

14. Controlled and related entities (continued):

(b) ONE Health Information Technology Services (continued):

A summary of the reported total assets, liabilities, net assets, revenues, expenses and cash flows of ONE HITS is presented below.

	2025	2024
Financial position:		
Current assets	\$ 19,884,611	\$ 19,641,329
Non-current assets	30,617,479	26,951,105
Total assets	50,502,090	46,592,434
Current liabilities	\$ 13,498,496	\$ 17,636,234
Non-current liabilities	37,003,594	28,956,200
Total liabilities	50,502,090	46,592,434
Net assets	\$ –	\$ –
Results of operations:		
Total revenue	\$ 16,087,528	\$ 12,019,379
Total expenses	16,087,528	12,019,379
Excess of revenue over expenses	\$ –	\$ –
	2025	2024
Cash flows:		
Cash flows from operating activities	\$ (1,846,396)	\$ 6,039,319
Cash flows from capital activities	5,000,000	–
Cash flows from investing activities	–	(3,506,942)
Net increase in cash	\$ 3,153,604	\$ 2,532,377

15. Comparative information:

The comparative information has been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

WEENEEBAYKO AREA HEALTH AUTHORITY

Schedule 1

Schedule of Revenues and Expenses - Hospital Operations

Year ended March 31, 2025, with comparative information for 2024

	Hospital - Corp	Hospital - Moosonee	Hospital - Fort Albany	Hospital - Attawapiskat	Foundation	2025	2024
Revenue:							
Ministry of Health	\$ 63,603,925	-	-	384,162	-	\$ 63,988,087	\$ 55,221,502
Ontario Health	6,369,476	-	-	-	-	6,369,476	5,716,275
Indigenous Services Canada	-	-	-	-	-	-	443,699
Patient services	1,514,537	25,330	14,925	21,720	-	1,576,512	1,201,363
Rental	716,984	302,440	68,288	86,400	-	1,174,112	1,006,388
Other recoveries	8,553,264	38,233	244,811	120,749	349,456	9,306,513	8,696,368
Amortization - deferred capital contributions for equipment	2,397,366	-	-	-	-	2,397,366	2,311,598
	83,155,552	366,003	328,024	613,031	349,456	84,812,066	74,597,193
Expenses:							
Salaries and wages	27,117,978	5,225,830	4,040,129	4,111,606	10,573	40,506,116	39,218,076
Isolated post allowance	2,312,462	355,442	65,536	78,879	276	2,812,595	4,089,084
Employee benefits	3,989,591	555,904	100,604	92,802	1,159	4,740,060	4,143,297
Medical staff remuneration	9,638,313	-	-	-	-	9,638,313	8,134,595
Professional fees	3,257,207	22,092	820	-	1,225	3,281,344	3,664,371
Administration	34,972	-	-	-	-	34,972	80,000
Travel and training	3,285,306	61,642	97,982	75,948	2,934	3,523,812	1,934,173
Supplies and program costs	16,063,789	1,919,562	856,072	684,043	23,711	19,547,177	11,372,452
Bad debts	631,580	-	-	-	-	631,580	72
Fuel	1,207,412	195,295	458,952	310,305	-	2,171,964	1,295,083
Amortization - Equipment	1,987,082	135,431	91,714	71,641	-	2,285,868	2,104,658
	69,525,692	8,471,198	5,711,809	5,425,224	39,878	89,173,801	76,035,861
Excess (deficiency) of revenue over expenses before the undernoted	13,629,860	(8,105,195)	(5,383,785)	(4,812,193)	309,578	(4,361,735)	(1,438,668)
Amortization:							
Amortization - buildings	(2,331,281)	-	-	-	-	(2,331,281)	(2,303,402)
Amortization - deferred capital contributions for buildings	2,312,462	-	-	-	-	2,312,462	1,817,169
	(18,819)	-	-	-	-	(18,819)	(486,233)
Excess (deficiency) of revenue over expenses before capital adjustments	13,611,041	(8,105,195)	(5,383,785)	(4,812,193)	309,578	(4,380,554)	(1,924,901)
Capital adjustments:							
Investment in tangible capital assets	(101,196,406)	-	-	-	-	(101,196,406)	(54,849,473)
Deferred capital contributions received	101,151,043	-	-	-	-	101,151,043	54,170,646
Amortization of tangible capital assets	4,318,363	135,431	91,714	71,641	-	4,617,149	4,408,060
Amortization of deferred capital contributions	(4,709,828)	-	-	-	-	(4,709,828)	(4,128,767)
	(436,828)	135,431	91,714	71,641	-	(138,042)	(399,534)
Change in program balance	\$ 13,174,213	(7,969,764)	(5,292,071)	(4,740,552)	309,578	\$ (4,518,596)	\$ (2,324,435)

WEENEEBAYKO AREA HEALTH AUTHORITY

Schedule 2

Schedule of Revenues and Expenses - Specifically-Funded Provincial Programs

Year ended March 31, 2025, with comparative information for 2024

	Paramedic Services	Paramedic Services Constance Lake	Community Paramedicine	Community Mental Health	Mino-mathasowin	Mamow Ahyamowen	IHR (IAO)	In Home Support	Locally Driven Population Health Models	Indigenous PCT	Preventative Care Program	Non-LTC Homes LPF and LTD	Total 2025	Total 2024
Revenue:														
Ministry of Health	\$ 11,491,335	1,391,951	1,071,888	3,740,385	1,600,000	849,000	1,000,000	395,834	41,521	1,450,700	12,398	660,000	\$ 23,705,012	\$ 18,028,592
Ministry of Children, Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	68,444
Amortization - deferred capital contributions for equipment	231,570	-	-	-	-	-	-	-	-	-	-	-	231,570	394,850
	11,722,905	1,391,951	1,071,888	3,740,385	1,600,000	849,000	1,000,000	395,834	41,521	1,450,700	12,398	660,000	23,936,582	18,491,886
Expenses:														
Salaries and wages	6,400,855	819,116	302,596	1,693,103	640,072	332,793	233,109	-	28,632	423,317	8,045	351,791	11,233,429	7,962,561
Isolated post allowance	583,614	10,770	49,351	133,481	75,811	-	2,701	-	-	17,584	-	56,270	929,582	1,442,563
Employee benefits	1,266,171	115,291	81,524	348,831	108,242	53,461	22,088	-	5,066	51,432	1,754	-	2,053,860	1,641,486
Professional fees	4,606	-	-	78,465	60,707	9,433	94,522	-	-	159,313	-	-	407,046	388,985
Administration	802,669	139,195	107,230	865,747	160,000	75,124	100,000	39,583	-	145,070	-	-	2,434,618	1,425,514
Travel and training	896,963	14,941	34,849	66,472	268,743	155,605	75,145	-	-	31,231	489	-	1,544,438	882,304
Supplies and program costs	2,105,574	260,089	65,430	546,212	304,917	221,568	124,362	1,521	7,823	130,789	2,110	91,760	3,862,155	2,753,076
Fuel	64,025	-	-	-	-	-	-	-	-	-	-	-	64,025	-
Amortization - Equipment	346,781	37,482	-	88,152	-	-	-	-	-	-	-	-	472,415	482,788
	12,471,258	1,396,884	640,980	3,820,463	1,618,492	847,984	651,927	41,104	41,521	958,736	12,398	499,821	23,001,568	16,979,277
Excess (deficiency) of revenue over expenses before the undemoted	(748,353)	(4,933)	430,908	(80,078)	(18,492)	1,016	348,073	354,730	-	491,964	-	160,179	935,014	1,512,609
Surplus repayable	-	-	(430,908)	-	-	(1,016)	(348,073)	(354,730)	-	(491,964)	-	(176,940)	(1,803,631)	(1,734,452)
Deficiency of revenue over expenses before the building amortization	(748,353)	(4,933)	-	(80,078)	(18,492)	-	-	-	-	-	-	(16,761)	(868,617)	(221,843)
Amortization:														
Amortization - buildings	-	-	-	(23,663)	-	-	-	-	-	-	-	-	(23,663)	-
	-	-	-	(23,663)	-	-	-	-	-	-	-	-	(23,663)	-
Deficiency of revenue over expenses before capital adjustments	(748,353)	(4,933)	-	(103,741)	(18,492)	-	-	-	-	-	-	(16,761)	(892,280)	(221,843)
Capital adjustments:														
Investment in tangible capital assets	(898,880)	-	-	(104,323)	-	-	-	-	(388,480)	-	(197,602)	-	(1,589,285)	-
Deferred capital contributions received	-	-	-	69,720	-	-	-	80,000	388,480	-	197,602	-	735,802	-
Amortization of tangible capital assets	346,781	37,482	-	111,815	-	-	-	-	-	-	-	-	496,078	482,788
Amortization of deferred capital contributions	(231,570)	-	-	-	-	-	-	-	-	-	-	-	(231,570)	(394,850)
	(783,669)	37,482	-	77,212	-	-	-	80,000	-	-	-	-	(588,975)	87,938
Change in program balance	\$ (1,532,022)	32,549	-	(26,529)	(18,492)	-	-	80,000	-	-	-	(16,761)	\$ (1,481,255)	\$ (133,905)

WEENEEBAYKO AREA HEALTH AUTHORITY

Schedule 3

Schedule of Revenue and Expenses - Specifically-Funded SET Federal Programs

Year ended March 31, 2025, with comparative information for 2024

	Medical Transport.	Medical Transport Admin	Timmins Translator	NIHB Dental	Visiting Specialist Travel	Audiology	Peawanuck Ambulance	ISC TB	Total 2025	Total 2024
Revenue:										
Ministry of Health	\$ 226,133	-	71,793	-	-	-	-	-	\$ 297,926	\$ -
Indigenous Services Canada	15,149,421	3,096,699	-	1,944,665	1,023,710	44,920	-	418,000	21,677,415	21,856,520
Patient services	217,559	-	-	-	-	-	-	-	217,559	-
Ministry of Community and Social Services	-	-	-	-	-	-	-	-	-	271,410
Other recoveries	408,450	-	-	-	-	(1,439)	-	-	407,011	879,392
	16,001,563	3,096,699	71,793	1,944,665	1,023,710	43,481	-	418,000	22,599,911	23,007,322
Expenses:										
Salaries and wages	953,620	1,182,616	52,978	839,170	-	26,715	2,182	-	3,057,281	3,003,509
Isolated post allowance	63,467	183,815	-	125,254	-	-	-	-	372,536	482,465
Employee benefits	161,310	226,462	16,216	147,753	-	8,149	-	-	559,890	423,394
Medical Staff Renumeration	-	-	-	412,616	903,522	-	-	389,425	1,705,563	1,175,442
Professional fees	153	14,913	-	-	-	-	-	-	15,066	60,439
Administration	492,549	1,127,983	-	200,432	96,465	4,361	-	-	1,921,790	1,878,680
Travel and training	3,357	195,381	2,599	144,539	23,723	-	-	28,575	398,174	317,500
Patient transportation	13,744,814	-	-	-	-	-	-	-	13,744,814	13,733,496
Supplies and program costs	1,161,865	165,529	-	74,901	-	4,256	-	-	1,406,551	1,645,323
Amortization - Equipment	17,412	-	-	-	-	-	-	-	17,412	21,296
	16,598,547	3,096,699	71,793	1,944,665	1,023,710	43,481	2,182	418,000	23,199,077	22,741,544
Excess (deficiency) of revenue over expenses before capital adjustments	(596,984)	-	-	-	-	-	(2,182)	-	(599,166)	265,778
Capital adjustments:										
Investment in tangible capital assets	(171,100)	-	-	-	-	-	-	-	(171,100)	-
Amortization of tangible capital assets	17,412	-	-	-	-	-	-	-	17,412	21,296
	(153,688)	-	-	-	-	-	-	-	(153,688)	21,296
Change in program balance	\$ (750,672)	-	-	-	-	-	(2,182)	-	\$ (752,854)	\$ 287,074

WEENEEBAYKO AREA HEALTH AUTHORITY

Schedule 4

Schedule of Revenue and Expenses - Specifically-Funded Other Federal Programs

Year ended March 31, 2025, with comparative information for 2024

		Traditional Healing	Zone Operations	Zone Clinical Admin	Zone Maintenance	Prenatal	Child Oral Health	E-Health	Jordan's Principle (ICEE)	IRS	Queen's Partnership	Total 2025	Total 2024
Revenue:													
Indigenous Services Canada	\$	228,384	500,858	363,811	532,846	117,581	205,430	95,264	925,500	3,374,839	-	\$ 6,344,513	\$ 5,745,595
Other recoveries		-	-	-	-	-	-	500	-	-	205,772	206,272	-
		228,384	500,858	363,811	532,846	117,581	205,430	95,764	925,500	3,374,839	205,772	6,550,785	5,745,595
Expenses:													
Salaries and wages		97,544	85,488	56,053	147,207	-	115,248	58,535	-	48,455	141,480	750,010	641,432
Isolated post allowance		18,089	-	-	-	-	12,921	-	-	-	33,750	64,760	23,751
Employee benefits		16,546	6,519	-	-	-	20,191	11,388	-	10,701	22,119	87,464	82,223
Professional fees		-	-	-	-	-	-	-	617,124	-	-	617,124	1,519,644
Administration		17,129	28,811	27,978	29,921	-	-	-	-	-	-	103,839	130,571
Travel and training		99,539	18,140	3,959	53,913	100,769	-	-	565	3,258,428	8,423	3,543,736	2,265,856
Supplies and program costs		61,395	347,488	275,821	278,793	16,812	57,070	25,841	307,811	-	-	1,371,031	1,031,353
Fuel		-	14,412	-	23,012	-	-	-	-	-	-	37,424	-
		310,242	500,858	363,811	532,846	117,581	205,430	95,764	925,500	3,317,584	205,772	6,575,388	5,694,830
Change in program balance	\$	(81,858)	-	-	-	-	-	-	-	57,255	-	\$ (24,603)	\$ 50,765

WEENEEBAYKO AREA HEALTH AUTHORITY

Schedule 5

Schedule of Revenues and Expenses - Specifically-Funded WAHIFA Programs

Year ended March 31, 2025, with comparative information for 2024

	Primary Care Nursing	Ancillary Physician Services	Enhanced Community Health	Total 2025	Total 2024
Revenue:					
Indigenous Services Canada	\$ 9,000,000	1,500,000	1,500,000	\$ 12,000,000	\$ 12,000,000
Expenses:					
Salaries and wages	4,712,666	192,311	-	4,904,977	2,966,645
Isolated post allowance	969,435	39,811	-	1,009,246	187,040
Employee benefits	1,135,270	33,567	-	1,168,837	1,376,682
Medical staff remuneration	-	1,686,275	-	1,686,275	1,893,600
Professional fees	84,454	29,735	-	114,189	81,687
Travel and training	431,395	644,640	-	1,076,035	634,094
Supplies and program costs	1,626,875	373,661	-	2,000,536	4,623,630
Fuel	27,857	-	-	27,857	87,142
Amortization - equipment	12,048	-	-	12,048	149,480
	9,000,000	3,000,000	-	12,000,000	12,000,000
Excess (deficiency) of revenue over expenses before the undernoted	-	(1,500,000)	1,500,000	-	-
Inter-agreement reallocation	-	1,500,000	(1,500,000)	-	-
Capital adjustments:					
Amortization of tangible capital assets	12,048	-	-	12,048	149,480
Change in program balance	\$ 12,048	-	-	\$ 12,048	\$ 149,480