



# *Annual Report* *2010 - 2011*



Listowel Memorial Hospital  
92<sup>nd</sup> Annual Report



Wingham and District Hospital  
104<sup>th</sup> Annual Report

---

### *Strategic Themes and Operational Priorities*

1. Patient Safety
2. Financial Stability
3. Accreditation Preparation
4. Information Technology
5. Facility Planning
6. Human Resources
7. Communication and Community Engagement

# **TABLE OF CONTENTS**

## **Minutes of Listowel Wingham Hospital Alliance Annual Meeting June 9, 2010**

### **Reports:**

- Report of the Board Chairs
- Report of the President and Chief Executive Officer
- Reports of the Chiefs of Staff
- Treasurer's Reports
- Audited Financial Statements
- Reports of the Hospitals Auxiliaries
- Reports of the Hospitals Foundations

### **Medical Staff**

### **Visiting Consultants - Clinics**

### **Board of Directors**

**LISTOWEL WINGHAM HOSPITALS ALLIANCE**  
**Listowel Memorial Hospital Corporation**  
**Wingham and District Hospital Corporation**  
**ANNUAL MEETING**  
**Wednesday, June 9, 2010**  
**Royal Canadian Legion - Wingham**

**1.0 Call to Order**

The meeting was called to order at 1900 hours.

**2.0 Opening Remarks**

Margaret Stapleton welcomed Corporation members, hospital staff and visitors. Andy McBride was introduced and asked to be the moderator for the meeting.

Mr. McBride gave opening remarks and commented on how well the Alliance is progressing, to the benefit of both and communities. Instructions were provided on voting procedures with the colour coded voting cards for members of the two corporations.

**3.0 Minutes of the Previous Meeting**

It was noted that the meeting tonight is considered to be concurrent meetings of the two Hospital Corporations.

**MOTIONS:**

It was moved by Amy Miller, seconded by Gord Baxter to:

*Adopt the minutes of the June 10, 2009 Annual Meeting of the Wingham and District Hospital Corporation.*

Motion Carried

It was moved by Rob Annis, seconded by Tom Soltys to:

*Adopt the minutes of the June 10, 2009 Annual Meeting of the Listowel Memorial Hospital Corporation.*

Motion Carried

**4.0 Reports**

**4.1 Report of the Boards Chairpersons**

Kris Dekker and Margaret Stapleton presented the report of the Board Chairs noting that:

- The Alliance is well into the CEO search process, and has hired PROMEUS Inc. to support this process
- Work continues on the Wingham and District Hospital Master Program/Plan

- Listowel's new primary care centre will house the physicians, Family Health Team, and have growth space for future practitioners
- Appreciation was expressed to Liz Phelan for the phenomenal job she has done in stepping in as the Interim CEO, to the Executive Assistants for their extra support this year, and to the Leadership Team for their extra work this year
- It was noted that Bob Sangster is retiring after 25 years
- It was also noted that Linda Deans is leaving her position as VP Operations

Mr. McBride then took a moment to introduce the Listowel Memorial Hospital Board members and the Wingham and District Hospital Board members. The Alliance Leadership Team was then introduced.

#### **4.2 Report of the Interim Chief Executive Officer**

Liz Phelan presented her report, as printed in the Annual Report, and noted:

- We are facing challenging times in healthcare, however we were able to report modest surpluses for both corporations as the end of the fiscal year
- Funding increases for 2010/11 have been announced as 1.46%, and we expect to receive official documentation on this in July, following which we will have 6 weeks to submit balanced budget
- Thanks was expressed to the many staff to who have taken on mentoring roles with the various levels of students over the year
- While earlier this year we had been told that Wingham would not receive funding in the foreseeable future for redevelopment, we received word today that the Ministry of Health has now reviewed our entire plan, and are now requesting further information and a meeting to discuss our plan
- The Alliance is preparing for Accreditation in November, which generates huge additional workload, and thanks was expressed to all involved
- Appreciation was expressed to the Leadership Team and the Executive Assistants for their support and dedication
- Exiting Leadership Team members, Bob Sangster and Linda Deans, were wished well in their future endeavours
- Appreciation was expressed to the Board Chairs for their amazing dedication and support over the past 9 months, and to all Board members for their many volunteer hours
- Thanks was expressed to the Chiefs of Staff for their leadership, and to the Foundations and the Auxiliaries for their tireless efforts to ensure we have the equipment necessary to provide safe, quality care

Mr. McBride then took a moment to introduce the Foundation members who were present. The Wingham Auxiliary President was introduced, as well as the Listowel Cradle Club President, and the Wingham Recruitment Coordinator.

#### **4.3 Report of the Chief of Staff – Listowel Memorial Hospital**

Dr. Annis stated that this would be his last report as he is stepping down from the Chief of Staff role to endeavour into his role with Cancer Care Ontario. Dr. Latuskie was welcomed as the incoming Chief of Staff. Dr. Annis then highlighted from his report and noted:

- The two hospital corporation alliance is working well for the communities as well as politically

- The new CEO will have a number of great things to work with, such as the integration with the Family Health Teams in both communities, the electronic health record, etc.
- The Board has been very effective, particularly given the challenges over the past year
- Listowel's new surgical, diagnostic imaging and emergency areas are moving forward, and we are planning for a new general surgeon to begin in the summer
- Listowel's complex continuing care unit is moving towards being more of a reactivation unit
- While some small hospitals within our LHIN are closing their emergency departments, Dr. Annis believes we should fight against this trend
- Work needs to be done to bolster the obstetrical program across the Alliance to maintain viability of the service
- Improvements have been made this year in the area of late completion of discharged charts
- Acknowledgement was expressed to Liz Phelan and Kris Dekker for their excellent work and dedication over the past year, and to Margrét Comack for guiding our progression in many areas over the past ten years
- The new primary care centre will position Listowel well for the future
- The South West LHIN is currently restructuring all of their committees as they shift to a more project oriented focus

Ms. Dekker then thanked Dr. Annis for his excellent leadership over his tenure as Chief of Staff and presented Dr. Annis with a certificate and photo set of the hospital.

Mr. McBride then introduced the Executive Directors of the North Huron and North Perth Family Health Teams, as well as the North Huron Reeve, North Huron CAO, and the Alliance's Financial Analysts.

#### **4.4 Report of the Chief of Staff – Wingham & District Hospital**

Dr. Moores noted that this was his first year as Chief of Staff and that it was a year of many changes and challenges. He thanked Dr. Gear, past Chief of Staff, for her continued support. Dr. Moores highlighted from his report and noted:

- It has been great to have Dr. S. Marshall partly back as he completes his residency for GP/Anesthetist
- This year Wingham was able to start a new Physician Assistant role through a demonstration program with the Ministry of Health
- Recruitment was quite successful this year with the recruitment of Dr. Shuffield, family physician, Dr. Spanglet, consulting internist, and Dr. Rameswak, general surgeon
- Appreciation was expressed to the recruitment committee and to recruitment coordinator for their tireless efforts
- Wingham's biggest physician manpower challenge has been staffing the Emergency Department over the past 2 years, and thanks was expressed to our local physicians for their support and flexibility in covering shifts
- Growth of the North Huron Family Health Team has been exciting, and it is great to see the hospital and the Family Health Team working together to plan how to best care for the community
- Appreciation was expressed to Liz for her leadership and support and to the Board for their support during the year

#### **4.5 Treasurer's Report – Listowel Memorial Hospital**

Tom Soltys presented in place of Mike Shepski and highlighted from the report, noting:

- Despite challenges, the hospital posted a surplus at a time when 30 – 40% of hospitals across the province are posting deficits
- The new family health centre is a very exciting development – a lot of private contributions were received to make this a success
- We are facing declining healthcare budgets, so there will be challenges ahead

##### 4.5.1 Presentation of the Listowel Memorial Hospital Corporation Audited Financial Statements 2009/10:

Ray Roswell from the firm of Hoyles & Roswell was introduced. Ray referred to the Listowel Memorial Hospital audited financial statement for the year ended March 31, 2010, and noted that the hospital had a clean audit and is in a strong financial position. Investment income is markedly decreased as returns on investments have dropped over the past few years. It was noted that this is the last year for Hoyles & Roswell as the hospital's auditor, and thanks was expressed to current and past staff and Board for an enjoyable working relationship.

MOTION:

It was moved by Blair Burns, seconded by Bert Johnson to:

*Accept the Listowel Memorial Hospital's Audited Financial Statements for the year ended March 31, 2010, as presented.*

Motion Carried

##### 4.5.2 Appointment of Auditors:

Mr. Soltys then reviewed the decision of the Alliance to move to a common audit service for the two sites. Through this decision and the RFP process, the Alliance was able to save \$5000 per site. Thanks was expressed to Hoyles & Roswell for their years of service.

MOTION:

It was moved by Tom Soltys, seconded by Blair Burns to:

*Appoint the firm of BDO Canada as Auditors for the Listowel Memorial Hospital for the years 2010-2011, 2011-2012, and 2012-2013.*

Motion Carried

#### **4.6 Treasurer's Report – Wingham & District Hospital**

Andy McBride summarized his report as printed in the Annual Report, noting:

- Wingham achieved a modest surplus of \$10,000 by fiscal year end, which was largely due to Liz Phelan's determined efforts to secure funding from Cancer Care Ontario that was owed from the previous two years
- The hospital is maintaining working capital over \$3M
- Appreciation was expressed to the Foundation for their ongoing contributions
- Thanks was expressed to the Resource Committee members for their hard work through a challenging year

#### 4.6.1 Presentation of the Wingham and District Hospital Corporation Audited Financial Statements 2009/10:

The Audited Financial Statements, as provided by KPMG, were available in the Annual Report for review. There were no questions or concerns expressed.

MOTION:

It was moved by Andy McBride, seconded by Rob Hutchison to:  
*Accept the Wingham and District Hospital's Audited Financial Statements for the year ended March 31, 2010, as presented.*

Motion Carried

#### 4.6.2 Appointment of Auditors:

Mr. McBride reviewed the decision of the Alliance to move to a common audit service for the two sites.

MOTION:

It was moved by Rob Hutchison, seconded by Amy Miller to:  
*Appoint the firm of BDO Canada as Auditors for the Wingham and District Hospital for the years 2010-2011, 2011-2012, and 2012-2013.*

Motion Carried

### **4.7 Governance & Nominations Committee Report**

Andy McBride presented the Governance & Nominations Committee Report, reviewing the basic role of the committee, and noted:

- We were able to replace Board members as required during the year due to resignations
- Board educational sessions have been beneficial
- Congratulations was expressed to Kris Dekker for successfully stepping into the Chair role on the resignation of Treves Lucas
- Gratitude was expressed to all committee members, Margrét Comack and Liz Phelan for their efforts through the year

4.7.1 Outgoing Members:

Kris Dekker expressed appreciation to Listowel outgoing members, John MacDonald, Mike Shepski and Rob Annis.

4.7.2 Election of Directors – Listowel Memorial Hospital:

MOTION:

It was moved by Bert Johnson, seconded by Russell Latuskie to:

*Reappoint Blair Burns, June Williamson, Tom Soltys and Ray Reynen for a 2-year term.*

Motion Carried

Ms. Dekker explained that the Board Skills Matrix and interviews were used to recommend candidates from the nominations received for the vacancies.

MOTION:

It was moved by Blair Burns, seconded by Tom Soltys to:

*Appoint Ken Petrie and Dave Calder for a 1-year term.*

Motion Carried

4.7.3 Election of Directors – Wingham and District Hospital:

MOTION:

It was moved by Mary Chippa, seconded by Mark Moores to:

*Reappoint Marg Carswell (North Eastern Zone), Margaret Stapleton (South Eastern Zone) and Andy McBride (Member At Large) for a 2-year term.*

Motion Carried

Mr. McBride explained that due to the mid-term resignation of Alan Reed due to a conflict of interest, the board Skills Matrix was used to determine that the Board should be looking for a new member with financial skills.

MOTION:

It was moved by Rob Hutchison, seconded by Mary Lou Cameron to:

*Appoint Trevor Seip (Central Zone) for a 2-year term.*

Motion Carried

**4.8 Quality & Risk Committee Report**

Mary Chippa presented the Quality & Risk Committee Report, noting:

- The committee name and focus changed, as a separate committee is being developed to allow more individual focus on both quality and risk, as well as communications
- This committee is working with the Leadership Team on the Governance requirements of Accreditation
- The Alliance is continually above provincial averages on patient satisfaction survey scores
- Infection control public reporting continues to be a growing area, and the Alliances rates are available on the Alliance website
- A reminder was issued to all that hand washing is key in infection prevention
- The new automated dispensing system has assisted with reducing the number of medication errors
- A medication reconciliation process is being developed to be in place prior to Accreditation
- Appreciation was expressed to Liz, the Leadership Team and to the Quality and Risk committee for all the work it takes to make quality and risk minimization processes work well

#### **4.9 Strategic Planning Committee Report**

Margaret Stapleton presented the Strategic Planning Committee Report in place of June Williamson, briefly describing the areas covered by the committee and noted:

- Liz Phelan has been an excellent support
- We will work closely with the new CEO to progress in this area
- The new Communications Committee has a community member position

#### **4.10 Report of the Hospital Cradle Club – Listowel Memorial Hospital**

Mary Kerr referred to the report available in the Annual Report. The Cradle Club audited financials are also included for informational purposes. Ms. Kerr noted that one of their primary fundraising activities is gift centre sales and that a new display case has just been received. It is hoped that this will increase sales and thus increase contributions to the hospital.

#### **4.11 Report of the Hospital Auxiliary – Wingham and District Hospital**

Helen Rintoul referred to the report available in the Annual Report, and spoke of their fundraising efforts and commitment to contributing to the hospital. The Auxiliary is encouraged by increases in membership.

### **5.0 Adjournment**

Just prior to adjournment, Verna Steffler enquired as to future use of the Patrick Street property purchased by the Wingham and District Hospital last year. Liz Phelan responded that the property is for Phase 4 of the Redevelopment Program.

#### **MOTION**

It was moved by Amy Miller and seconded by Marie Gear that:  
*The Annual Meeting be adjourned at 2020hours.*

Motion Carried

The Boards then convened for the Inaugural Meetings to elect the Executive of the Boards.

Margaret Stapleton, Chair

Kris Dekker, Chair

Liz Phelan, Secretary (A)

# *REPORTS*

# **Listowel Wingham Hospitals Alliance**

## **Alliance Board Chairs Report**

### **2010/2011**

#### ***Leadership Development***

The primary focus of the past year of the LWHA Board was hiring and transition of a new Chief Executive Officer (CEO). Karl Ellis joined the organization last November after an exhaustive 8 month national recruiting effort lead by an Ad Hoc Selection Committee comprised of the LWHA Board Executive assisted by Board members with specialized skills in Human Resources, the Interim CEO (ICEO), and Physician representatives utilizing the expertise of the consulting firm Promeus Inc. The Board needs to add a special thanks to both ICEO Liz Phelan, who capably managed the operations of the Alliance hospitals during this time period in addition to assisting the Selection Committee, and to all Board members who gave freely of their time and expertise for this important task.

Since Karl's arrival, he has undertaken a comprehensive assessment of the organization and worked with the Board to set short term goals that will lead into planning for longer term goals and strategic planning for the organization with an enhanced process this fall. His transition has been smooth and his fresh viewpoint and open approach has been welcomed by board and staff alike.

#### ***Quality***

Quality continued to be a primary focus of the board and staff again over this past year. Accreditation of the hospitals was completed in November and of the laboratories in April and were both very successful. A hard working team of many staff members deserve Board thanks for their efforts and enthusiasm in leading us through the process. In accordance with recently passed provincial legislation the Board has prepared a Quality Improvement Plan tied to executive compensation and amended the Board committee as well as reporting indicators. The plan will be submitted and evaluated annually in an effort to continuously improve quality of care at both Alliance sites. Enhanced information about quality is now available on our LWHA website which launched with a fresh new look and format in this past year.

#### ***Financial***

Legislative changes have also resulted in many changes to Board policies and reporting of financial data including Procurement policies. Again a fresh eye brought to the organization by new Vice President of Operations Chris Turner with CEO Karl Ellis has resulted in greatly enhanced reporting to the board on benchmarking trends, facility condition, 5 year capital forecasts as well as including a board representative in discussions at the Hospital Fiscal Advisory Committee level. A common auditor is being used for the first time by both Alliance corporations and reports both Corporations ending the year in sound financial shape.

#### ***Communication and Community***

With our new Board committee active this year we were able to organize our second set of Community Forums in both Wingham and Listowel. This provided the Board and both hospital organizations a chance to dialogue and consult with its community, the ultimate end user of

services and facilities. Feedback was favourable and allowed for community input and encouragement with suggestions for continuing improvement.

In response to community interest generated last year, a Health Professionals Recruiting committee has been meeting during the past year to initiate a recruitment effort in the North Perth/Listowel area with the support of a variety of community members. Many of these new recruits will have a new home early next year with the exciting initiation of construction of the Fisher Family Primary Care Centre, a new home for the Family Health Team and Physician group in Listowel. The Wingham and Area Health Professionals Recruitment Committee continues its efforts to attract physicians to Wingham. Recent additions welcomed to the team include Dr. Ravi Ramsewak and Dr. Jim Shuffield.

In late April, Health Minister Deb Matthews and Huron-Bruce MPP Carol Mitchell personally toured the WDH site with an eye to the improvements outlined in the Master Program/Master Plan funding reconstruction request still outstanding. Although no commitments were made at that visit, it was felt by staff and Board that WDH/LWHA issues are now well understood and will be “on the radar” in future cabinet discussions of funding.

### ***Governance***

The Board was able to provide new members with an enhanced orientation program this year. Education sessions continue to be a regular part of most meetings. Many members have attended various OHA training sessions on topics including governance and quality and have also attended South West Local Health Integration Network (LHIN) events. A new board page on the website has provided ease of access to information for Board members. The Board undertook its first formal evaluation of each Director’s performance and information from this process will be used going forward to direct education for the board and decisions about future Board recruitment of new members. With the aim to incorporate best practices of governance into the Board structures, meeting agendas now include a consent agenda as well as an Independent Board Session (staff and physicians absent) at the conclusion of each meeting. Both changes were implemented to enhance opportunities where board members can discuss topical issues.

In conclusion we would like to thank our outgoing board members: Mary Chipka for her leadership during Accreditation and her outstanding 12 year commitment to our organization; Diane Thomson for her HR expertise on the AD Hoc Search Committee; and Ray Reynen for governance and resource involvement. Despite the added pressures of leadership transition over the past year, thanks must be given to our all of our hardworking staff who have continued offering high quality health care. The warm welcome of Karl Ellis into the organization by staff, community, physicians and volunteers is very much appreciated as well.

Respectfully submitted,

Kris Dekker (LMH) and Margaret Stapleton (WDH)  
Listowel Wingham Hospitals Alliance Co-Chairs

**Listowel Wingham Hospitals Alliance**  
**Report of the President and Chief Executive Officer**  
**2010/2011**

Having joined the Listowel Wingham Hospitals Alliance a short six months ago, I can honestly say that the welcome that I have received to the communities and organization by staff, physicians, Board members and volunteers has been very warm hearted and genuine. I appreciate the level of confidence and trust that you have placed in me and commit to always doing my best to ensure the people we serve have timely access to appropriate, quality, health care services.

The Board members have been very supportive of me as a newcomer. The time and energy committed by this group of volunteers is a testament to their dedication to health care in their community. The Board executive and members of the CEO selection committee deserve special mention for the number of hours that they invest in their leadership roles. Thank you to Margaret Stapleton and Kris Dekker, Alliance co-chairs for their advice and guidance. As a group, the Board has been very open to new ideas and approaches and I am grateful for this attitude and openness.

Both Hospitals are extremely well regarded in the community and within the broader health care system. This is the result of the collective efforts of our hard working staff, supporting volunteers and auxiliary, generous communities and Foundations and dedicated physicians. We know that despite our past successes, we can and will make improvements in the future. Health care is functioning in a new environment of public accountability which includes specific requirements within the Excellent Care For All Act. Our response to this environment and the resulting improvements will continue to be documented in our annual Quality Improvement Plan and other publicly reported documents.

Communicating internally and externally the results and outcomes of the work we do is important to our stakeholders. Efforts have been made to expand the means and frequency of internal communications through email, message boards and forums. The local media have been engaged more extensively to assist us in getting our message to the community. Community engagement sessions were conducted to seek direct feedback on the health care services offered in our communities.

A strong senior leadership team is important to the success of any organization. Janet Brooks, Chief Human Resources Officer and Angela Stanley, Vice President Clinical Services and Chief Nursing Executive are welcome additions to the senior team. They join Chris Turner, Vice President Operations and Chief Financial Officer and I to form the senior leadership of the organization. When new leadership joins an organization, transformation and change is a normal outcome. While we will always do our best to ensure the changes are well communicated and understood, we are mindful that not everyone looks forward to new ways of thinking and acting.

One of the most important roles of the Board of Directors is establishing the longer term strategic vision for the organization. Planning is currently underway to conduct sessions during the fall of

2011 to establish the strategic focus of the Listowel Wingham Hospitals Alliance for the next 3 to 5 years. The Board is working hard to ensure that there is a means for the viewpoints of various stakeholders to be reflected in this plan.

Rural communities rely on a strong relationship between acute care and primary care providers. The North Huron Family Health Team and North Perth Family Health Team are both extremely supportive of the hospitals. The South West Local Health Integration Network recognized the value of this strong working relationship and has funded a project that will map the patient journey through the health care system in North Huron and North Perth. The goal of the project will be to identify where improvements can be made in the systems and handoffs between providers that will ultimately improve the patient experience. This type of innovative approach with a strong focus on the patient will continue to serve our patients well as we look to make improvements.

Too often the language of health care reflects the challenges faced on a daily basis. Staffing shortages, financial uncertainty, aging facilities, bureaucratic demands and increasing patient expectations are issues that all require attention. Taking time to celebrate our successes must become part of our routine if we want to find a balance in our world. In the short six months since I started the list of celebrations has been significant. Some of the reasons for celebrating include:

- Accreditation Canada award
- Minister of Health and Long Term Care visit to Wingham
- Fisher Family Primary Care Centre construction in Listowel
- North Perth Recruitment Committee formed
- Dr. Stephen Vanderklippe wishes to practice in Wingham beginning January 2012
- Ontario Laboratory Accreditation success
- London Regional Cancer Program commitment to Wingham
- Patient Flow and Access Project – ONE Number implementation

All members of the health care community in Listowel and Wingham are encouraged to do their part to make others aware of our successes and help us celebrate them together.

Health care is a complex environment with numerous pressures and influences. Our collective commitment and dedication will be necessary as we strive to provide the best care possible for the people we serve.

Respectfully submitted,

Karl Ellis  
President and Chief Executive Officer

# **Listowel and Wingham Hospitals Alliance**

## **Leadership Team**

**2010/2011**

Karl Ellis	Chief Executive Officer (Effective November 10, 2010)	
Liz Phelan	Vice President, Clinical Services (Until March 23, 2011)	
Chris Turner	Vice President, Operations (Effective July 26, 2010)	
Cherie Dolmage	Director, Clinical Services	(WDH only)
Dawn Cleland	Director, Clinical Services	(LMH only)
Kevin Webb	Director, Diagnostics/Support	
Brent Boshart	Chief Information Officer	
Lynne Hopper	Manager, Health Records & Patient Registration	
Ray McNichol	Manager, Projects	
Nancy McGill	Manager, Nutrition & Food Services	(LMH only)
Kevin Armstrong	Manager, Support/Facility (Effective July 12, 2010)	
Justine Leslie	Coordinator, Occupational Health Services	
Nancy Brown	Infection Prevention & Control	

# *CHIEFS OF STAFF REPORTS*

**Listowel Memorial Hospital**  
**Chief of Staff Report**  
**2010/2011**

As this is my first year as Chief of Staff, I ask for your understanding in receiving this rookie report and to expect a more polished product next year. May I also say how impressed I have been with the quality and quantity of work selflessly performed by our volunteer Board Members over the last year.

I must first congratulate my predecessor, Dr. Rob Annis, for all his hard work which continues in his clinical work and in his role as Cancer Care Ontario Primary Care Lead, as well as in his active role in our LHIN.

There have been several major developments over the last year and the foremost of these has been the beginning of construction of the Fischer Family Primary Care Clinic in January 2011, an excellent result of cooperation between our Hospital, community donors, all levels of Government, the Family Health Team, Physicians and Clinic staff. Its completion will undoubtedly result in much better recruitment opportunities for new Physicians to this Community and a much better patient experience.

We now have a new General Surgeon, Dr. Ravi Ramsewak, and I wish to formally welcome him and to thank all those in the Hospital and Clinic who have worked to achieve his present paid and credentialed position. There were many barriers to overcome at Government and Professional College levels and we are now in a secure position as a result of this hard work. I must express some frustration that it took us 10 months to get here but this was through no fault of our local efforts, which were tireless.

Obstetrics has been the subject of much debate over the last year but volumes are up with 170 births and now the Nursing staffing concerns seem to be lessening with adoption of a new 12 hours shift roster and recruitment of some young nursing staff giving us some confidence for the future. Nevertheless we have work to do on future planning.

Transfers of ill patients to other centres such as London has become a major challenge with frequent bed shortages and there are new programs such as the “Life and Limb” program for critically ill patients and the “One Number” program, both of which seem designed to help this difficulty. We do at least have a dialogue now with larger centres recognizing these issues and commitment to work to improve the situation.

We also have some changes in key personnel with the retirement of Liz Phelan (our dynamic VP Patient Services and Acting CEO) and the immortal Dr. Jim Brow (most popular GI Specialist on Earth) but with the acquisition of Karl Ellis and, more recently, Angela Stanley there is a new, youthful team capably steering us forward.

Future directions include a strong emphasis on Recruitment of Staff and I am delighted to note that the Recruitment Committee is gaining strength in Listowel and planning to employ a formal Recruiter, vital in this competitive field nowadays.

There will be funding and program challenges in the future to be sure but I feel our Hospital is well placed to face these and continue in the pursuit of excellence in rural health care.

Respectfully submitted,

Dr. Russell Latuskie

**Wingham & District Hospital**  
**Chief of Staff Report**  
**2010/2011**

This report completes my second year as Chief of Staff. The consistent theme that continues during my second year as Chief of Staff has been “changes and challenges”.

On a positive note, we welcomed new professional staff to the Wingham and District Hospital. Dr. Jim Shuffield, General Practitioner, joined the Wingham and District Health Centre in the spring of 2010. He has since rostered a full practice, serves on the Board of the North Huron Family Health Team, provides inpatient care and contributes to several Hospital committees. Jim has been a welcome addition to Wingham.

Dr. Ravi Rameswak, is a General Surgeon practicing in both Wingham and Listowel. After arriving from New Brunswick, Dr. Rameswak experienced some bureaucratic challenges with the Ontario Health Insurance Plan. We are hopeful that those issues are behind us and that Dr. Rameswak enjoys his professional work with us. Dr. Rameswak is a key element to maintaining a strong surgical program for our Hospital and we are thrilled that he chose to work with us.

We are also very pleased with the recent announcement by Dr. Stephen Vanderklippe that he intends to establish a medical practice in Wingham once he completes his training in January 2012. Stephen’s presence will further strengthen the medical staff in Wingham.

I was glad to be part of the process of recruiting a new Chief Executive Officer for the Hospital. While the exercise was time consuming, I am very pleased to have been part of hiring Karl Ellis to the post. In the short time I have worked with Karl, I have appreciated his support, understanding, flexibility and innovative thinking in helping me through these challenging times. I have been very impressed with Karl’s professionalism and willingness to involve himself in any and all details, as well as his willingness to work with the physicians.

After many years of working at the Wingham and District Hospital in several roles, Liz Phelan announced her departure in early 2011. Liz deserves special recognition for going well beyond the call of duty during her time as Interim CEO. We wish Liz all the best as she moves on to the next stage of her life. As a medical staff, we are looking forward to a positive and professional relationship with our new Vice President of Clinical Services and Chief Nursing Officer, Angela Stanley, who starts work with us in June.

The Excellent Care For All Act resulted in the need to prepare a Quality Improvement Plan for the Hospital. The medical staff is also working at developing several quality improvement initiatives that we expect to be very consistent with the Hospital’s plan. One negative aspect of this legislation is the removal of voting privileges for the Chief of Staff and President of the Medical Staff. While legally required to sit as Board members, the removal of the right to vote dilutes the influence of the medical staff at the Board table.

Filling all of the Emergency Room shifts in Wingham continues to be a month-to-month challenge. We have been very fortunate to maintain a strong nucleus of emergency room

physicians willing to provide occasional coverage in our emergency room. Healthforce Ontario has provided emergency physicians in situations where we were unable to obtain coverage. Special thanks to Emily Elston, Jan McKague-Weiser and the Wingham and Area Health Professionals Recruitment committee for their support. The ongoing challenge of filling emergency shifts combined with the other administrative duties resulted in me giving up the emergency department portion of my responsibilities. Drs. Sleeth and Gear have provided leadership to our emergency department since February.

The North Huron Family Health Team provides a key element of services to our community. The addition of two Nurse Practitioners to the team further strengthens the primary care team in Wingham.

Excellent results from the Accreditation process last fall are a credit to all of the Hospital staff. It takes the collective effort of all frontline staff, RNs, RPNs, Allied, Technical, Support and Administrative staff to achieve positive outcomes in the work we do.

To top off the year, I had the pleasure of touring the Minister of Health and Long Term Care, Deb Matthews, through our facility. The Minister did not arrive with any funding announcement for our long awaited capital redevelopment. Knowing that the Minister will make any future capital funding decisions based on first hand observations of our facility is a positive outcome of her visit.

Health care continues to provide us with many changes and challenges. Collectively, we know we can face these challenges and continue to move forward.

My sincere thanks to each of you for your continued support.

Respectfully submitted,

Dr. Mark Moores

# *TREASURERS REPORTS*

**Listowel Memorial Hospital**  
**Report of the Treasurer**  
**2010/2011**

I am pleased to announce that the Listowel Memorial Hospital finished the 2010/11 fiscal year with a surplus of \$379,032 on Hospital operations and a small overall surplus of \$75,110. We continued to improve our hospital's infrastructure through capital investments of approximately \$1.5M over the course of the year. These investments include the purchase of medical equipment, renovations to our building and improvements to our information systems. Most importantly, construction on the Fisher Family Primary Care Clinic is well under way, and we look forward to seeing the building occupied later this year. This Clinic enhances our vision of a campus style Family Health model, and will assist with the retention and recruitment of health professionals.

Despite the above investments, the hospital has managed to maintain a strong working capital position and a current ratio at 3.5 to 1.

The Audit Committee is also pleased to report that our Auditors have issued an unqualified audit opinion for the 2010/2011 fiscal year.

Continuing to achieve a balanced budget, and providing the services that we have all become accustomed to will become increasingly difficult as the Provincial Government struggles with deficits over the next few years. That being said, the Board and Management will work closely together to ensure that the community continues to be well served .

Respectfully submitted,

Tom Soltys  
Treasurer

**Listowel Memorial Hospital**  
**Financial Statements**  
For the year ended March 31, 2011

---

	<b>Contents</b>
<b>Auditors' Report</b>	2
<b>Financial Statements</b>	
Balance Sheet	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Summary of Significant Accounting Policies	7 - 10
Notes to Financial Statements	11 - 16

---



Tel: 519 357 3231  
Fax: 519 357 3230  
www.bdo.ca

BDO Canada LLP  
152 Josephine Street  
P.O. Box 1420  
Wingham Ontario N0G 2W0 Canada

---

## Independent Auditors' Report

---

### To the Board of Directors of Listowel Memorial Hospital

We have audited the accompanying financial statements of the Listowel Memorial Hospital, which comprise the balance sheet as at March 31, 2011 and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Listowel Memorial Hospital as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**"BDO CANADA LLP"**

Chartered Accountants, Licensed Public Accountants

Wingham, Ontario  
May 24, 2011

---

**Listowel Memorial Hospital  
Balance Sheet**

**March 31** **2011** **2010**

**Assets**

**Current**

Cash (Note 1)	\$ 6,516,349	\$ 5,619,475
Accounts receivable	837,759	401,133
Inventory	84,679	118,915
Prepaid expenses	187,936	105,156
	7,626,723	6,244,679
<b>Other assets</b> (Note 2)	<b>102,444</b>	<b>102,444</b>
<b>Property and equipment</b> (Note 3)	<b>23,236,554</b>	<b>23,287,745</b>
	<b>\$ 30,965,721</b>	<b>\$ 29,634,868</b>

**Liabilities and Net Assets**

**Current**

Accounts payable and accrued liabilities	\$ 2,011,471	\$ 1,518,345
Deferred revenue	85,000	-
Current portion of employee future benefits (Note 4)	50,346	50,537
	2,146,817	1,568,882
<b>Employee future benefits liability</b> (Note 4)	<b>610,925</b>	<b>609,049</b>
<b>Deferred revenue</b>	<b>526,944</b>	<b>526,944</b>
<b>Deferred contributions</b> (Note 5)	<b>13,374,367</b>	<b>12,923,435</b>
	<b>16,659,053</b>	<b>15,628,310</b>

**Contingencies** (Note 10)

**Net Assets**

Invested in property and equipment	9,862,187	10,364,310
Unrestricted	4,444,481	3,642,248
	<b>14,306,668</b>	<b>14,006,558</b>
	<b>\$ 30,965,721</b>	<b>\$ 29,634,868</b>

On behalf of the Board:

  
\_\_\_\_\_

Director

  
\_\_\_\_\_

Director

**Listowel Memorial Hospital  
Statement of Changes in Net Assets**

<b>For the year ended March 31</b>	<b>2011</b>			<b>2010</b>
	<b>Invested in Property and Equipment</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
<b>Balance</b> , beginning of year	<b>\$ 10,364,310</b>	<b>\$ 3,642,248</b>	<b>\$ 14,006,558</b>	<b>\$ 13,934,567</b>
Excess of revenue over (under) expenses for the year	(789,970)	865,080	75,110	71,991
Investment in property and equipment, net	62,847	(62,847)	-	-
Contribution for the purchase of land	225,000	-	225,000	-
<b>Balance</b> , end of year	<b>\$ 9,862,187</b>	<b>\$ 4,444,481</b>	<b>\$ 14,306,668</b>	<b>\$ 14,006,558</b>

## Listowel Memorial Hospital Statement of Operations

<b>For the year ended March 31</b>	<b>2011</b>	<b>2010</b>
<b>Revenue</b>		
Ministry of Health and Long Term Care	\$ 15,024,273	\$ 14,593,545
Inpatient	462,455	548,354
Outpatient	934,933	898,531
Investment income	53,830	24,050
Recoveries and other income	1,416,596	1,339,899
Amortization of deferred contributions	307,845	363,537
	<u>18,199,932</u>	<u>17,767,916</u>
<b>Expenses</b>		
Salaries and wages	8,595,161	8,353,680
Medical staff remuneration	2,007,190	1,942,623
Employee benefits	2,368,762	2,219,868
Supplies and other expenses	3,366,076	3,387,549
Medical and surgical supplies	395,076	341,726
Drug expense	286,303	217,272
Amortization of equipment	802,332	923,218
	<u>17,820,900</u>	<u>17,385,936</u>
<b>Excess of revenue over expenses before building amortization</b>	<b>379,032</b>	<b>381,980</b>
Amortization of land improvements and building	(784,416)	(783,018)
Amortization of deferred contributions for building and land improvements	480,494	473,029
<b>Excess of revenue over expenses for the year</b>	<b>\$ 75,110</b>	<b>\$ 71,991</b>

## Listowel Memorial Hospital Statement of Cash Flows

<b>For the year ended March 31</b>	<b>2011</b>	<b>2010</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the year	\$ 75,110	\$ 71,991
Items not involving cash		
Amortization of property and equipment	1,573,595	1,680,416
Change in employee future benefits liability	1,685	20,453
Amortization of deferred contributions	(788,339)	(836,566)
Loss on disposal of property and equipment	4,713	719
	<u>866,764</u>	<u>937,013</u>
Changes in non-cash working capital balances (Note 8)	<u>92,957</u>	<u>132,921</u>
	<u>959,721</u>	<u>1,069,934</u>
<b>Investing activities</b>		
Disposal of investments, net	-	1,454,461
Acquisition of property and equipment	(1,527,118)	(516,552)
Grants and donations for property and equipment	1,239,271	555,439
Contribution for land	225,000	-
	<u>(62,847)</u>	<u>1,493,348</u>
<b>Net increase in cash during the year</b>	<b>896,874</b>	<b>2,563,282</b>
<b>Cash, beginning of year</b>	<u><b>5,619,475</b></u>	<u><b>3,056,193</b></u>
<b>Cash, end of year</b>	<u><b>\$ 6,516,349</b></u>	<u><b>\$ 5,619,475</b></u>

---

## **Listowel Memorial Hospital Summary of Significant Accounting Policies**

**March 31, 2011**

---

### **Nature and Purpose of Organization**

The Listowel Memorial Hospital is incorporated without share capital under the laws of the Province of Ontario. The hospital is principally involved in providing health services to North Perth and the surrounding area.

Under the Health Insurance Act and the regulations thereto, the hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the South West Local Health Integration Network. These financial statements reflect agreed funding arrangements approved by the Ministry with respect to the year ended March 31, 2011.

The hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax and may issue income tax receipts to donors.

### **Basis of Accounting and Presentation**

The financial statements have been prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

The financial statements do not include the assets, liabilities and activities of related organizations which are not operated by the hospital.

### **Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Use of estimates primarily relates to property and equipment and employee future benefits.

### **Financial Instruments**

The Hospital utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.

All transactions related to financial instruments are recorded on a trade date basis.

The Hospital classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The Hospital's accounting policy for each category is as follows:

---

## Listowel Memorial Hospital Summary of Significant Accounting Policies

**March 31, 2011**

---

**Financial  
Instruments (cont'd)**

**Held-for-trading**

This category is comprised of cash. It is carried in the balance sheet at fair value with changes in fair value recognized in the income statement. Transaction costs related to instruments classified as held-for-trading are expensed as incurred.

**Loans and receivables**

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They arise principally through the provision of goods and services to customers (accounts receivable), but also incorporate other types of contractual monetary assets. They are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment. Transaction costs related to loans and receivables are expensed as incurred.

**Other financial liabilities**

Other financial liabilities includes all financial liabilities other than those classified as held-for-trading and comprises trade payables and other short-term monetary liabilities. These liabilities are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method. Transaction costs related to other financial liabilities are expensed as incurred.

**Revenue Recognition**

The hospital follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.

Other revenue is recognized when earned, as services are rendered or as products are delivered. The amount of the revenue must be fixed or determinable and collectibility reasonably assured.

**Capital Contributions**

Restricted contributions received by the hospital for the purchase of property and equipment are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired assets.

---

---

## Listowel Memorial Hospital Summary of Significant Accounting Policies

**March 31, 2011**

---

**Contributed Materials  
and Services**

Contributed materials and services 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.

Volunteers contribute their time to assist the hospital in carrying out its service delivery activities. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

**Inventory**

Inventory is valued at the lower of average cost and replacement value.

**Property and  
Equipment**

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives as follows:

Land improvements	-	20 years
Buildings	-	20 to 40 years
Equipment	-	4 to 20 years

**Renovations**

The cost of renovations to the hospital building which significantly increase its useful life and capacity are capitalized as part of the cost of the related capital asset. Renovation costs to adapt the hospital building to changed operating conditions or to maintain operating efficiency are recorded as an expense in the period they are incurred.

---

---

## Listowel Memorial Hospital Summary of Significant Accounting Policies

**March 31, 2011**

---

### **Employee Future Benefits**

The hospital provides post-employment health, dental and life insurance benefits to eligible retired employees. The accrued benefit obligation for these benefits is actuarially determined using the projected benefit method prorated on service, and incorporates management's best estimate of salary escalation, retirement ages of employees, and expected benefit costs.

Actuarial gains and losses in a year are combined with the unamortized balance of gains and losses from prior years. The portion of the total that exceeds ten percent of the accrued benefit obligation is amortized over the average remaining service period of the active employees. Past service costs arising from plan amendments are amortized over the future years of service of active employees.

Defined contribution plan accounting is applied to the hospital's multi-employer defined benefit pension plan. Contributions for current and past service costs are expensed in the year in which they become due.

### **New Accounting Pronouncements**

Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs) as follows: For government (public sector) NPOs, they have a choice of:

1. Public Sector Accounting standards with the current series of NPO-specific standards added with some minor changes; or
2. Public Sector Accounting standards.

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

### 1. Cash

Cash consists of bank deposits that are held at one chartered bank. The accounts earn interest at a rate of bank prime less 1.8%, payable monthly.

---

### 2. Other Assets

	2011	2010
1,542 shares of Sun Life Financial (market value: \$46,985)	\$ 20,890	\$ 20,890
Bequest receivable	81,554	81,554
	\$ 102,444	\$ 102,444

The hospital has been named as the beneficiary of an estate. Under the provisions of the estate, an individual has a life interest in the income from the capital invested. At the individual's death, the capital will be transferred to the residual beneficiaries.

---

### 3. Property and Equipment

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 1,386,890	\$ -	\$ 1,127,334	\$ -
Land improvements	445,873	134,665	445,873	110,344
Buildings	15,971,024	2,022,715	15,925,312	1,580,305
Equipment	13,993,185	7,060,486	13,446,531	6,000,923
	31,796,972	9,217,866	30,945,050	7,691,572
Construction in progress	657,448	-	34,267	-
	32,454,420	9,217,866	30,979,317	7,691,572
Net book value		\$ 23,236,554		\$ 23,287,745

---

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

#### 4. Employee Future Benefits

##### Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan, which is a multi-employer final average pay contributory pension plan. The contributions to the plan during the year totalled \$628,622 (2010 - \$627,774) and are included in employee benefits on the statement of operations.

##### Other Benefits

The hospital provides post-employment health care, dental and life insurance benefits to eligible retired employees. The hospital's liability at March 31 for this plan is as follows:

	2011	2010
Accrued benefit obligation	\$ 639,280	\$ 614,582
Unamortized net actuarial gain (loss)	21,991	45,004
	661,271	659,586
Less current portion included in accounts payable	(50,346)	(50,537)
Employee future benefits liability	\$ 610,925	\$ 609,049

In measuring the hospital's accrued benefit obligation, a discount rate of 5.25% (2010 - 5.75%) was assumed to determine the accrued benefit obligation and a discount rate of 5.25% (2010 - 5.75%) was assumed to determine the benefit cost. For extended health care costs, a 6% annual rate of increase was assumed and, for dental costs, a 3% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2010. Actual results could differ from this estimate as additional information becomes available in the future.

Other information about the hospital's plan is as follows:

	2011	2010
Expense for the year	\$ 50,346	\$ 55,242
Benefits paid during the year	48,661	34,252

---

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

### 5. Deferred Contributions Related to Property and Equipment

Deferred contributions related to property and equipment represent restricted contributions with which hospital assets have been purchased. The change in the deferred contributions balance for the period is as follows:

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 12,923,435	\$ 13,204,561
Contributions received	1,239,271	555,440
Amortization of deferred contributions - equipment	(307,845)	(363,537)
Amortization of deferred contributions - building and land improvements	<u>(480,494)</u>	<u>(473,029)</u>
Balance, end of year	<u>\$ 13,374,367</u>	<u>\$ 12,923,435</u>

---

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

### 6. Related Party Transactions

#### Listowel Memorial Hospital Foundation

The hospital exercises significant influence over the Listowel Memorial Hospital Foundation by virtue of its ability to appoint some of the Foundation's Board of Directors. The Foundation was established to raise funds for the use of the hospital, is incorporated without share capital under the laws of the Province of Ontario, and is a registered charity under the Income Tax Act.

The hospital pays expenses on behalf of the Foundation which are offset by recoveries from the Foundation. At March 31, 2011, the net amount receivable for these expenses was \$6,511 (2010 - \$2,780).

	2011	2010
Donations received from the Listowel Memorial Hospital Foundation during the year	\$ 450,000	\$ 358,792

#### North Perth Family Health Team

The North Perth Family Health Team is a not-for-profit organization incorporated by letters patent in the province of Ontario without share capital. The Organization is funded by the Ministry of Health and Long-term Care. The organization provides comprehensive primary health care services through an interdisciplinary team of health care professionals to the residents of North Perth and surrounding area. The Listowel Memorial Hospital and the North Perth Family Health Team work closely together to achieve common objectives regarding health care in the community.

The hospital pays expenses on behalf of the Family Health Team which are offset by recoveries from the Family Health Team. At March 31, 2011, the net amount receivable for these expenses was \$25,657 (2010 - \$37,281).

	2011	2010
Rent charged to Family Health Team for the year	\$ 30,205	\$ 25,968
I/T support charged to Family Health Team for the year	10,000	10,000
Contribution from the Family Health Team for the Fisher Health Centre	848,609	-

#### Listowel Cradle Club Hospital Auxiliary

The Listowel Cradle Club Hospital Auxiliary is a volunteer organization affiliated with the Listowel Memorial Hospital and is engaged in a wide range of services for the betterment of the hospital. The organization periodically transfers funds to the Listowel Memorial Hospital Foundation to be used for the purchase of equipment and supplies for the hospital.

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

### **6. Related Party Transactions (continued)**

#### **Wingham and District Hospital**

The Hospital has an alliance agreement with the Wingham and District Hospital and shares a senior management team and other resources. The Hospital's share of the operating revenues and expenditures, and the assets and liabilities of the alliance have been recorded in the accounts of the Hospital. Shared expenditures paid by Listowel for Wingham are shown as an expenses and recovery.

---

### **7. Capital Management**

For the purposes of capital management, the hospital has defined capital as its net asset balance. The hospital's objective with respect to capital management is to maintain a sufficient net asset balance to fund current and future hospital operations.

The Ministry of Health and Long-Term Care has created regional Local Health Integration Networks (LHIN) that are responsible for the funding and organization of health care services. Listowel Memorial Hospital has negotiated a Hospital Service Accountability Agreement for the 2010 to 2011 fiscal years with the South West LHIN. This agreement requires the submission of budgets and sets out performance standards.

---

---

## Listowel Memorial Hospital Notes to Financial Statements

**March 31, 2011**

---

### 8. Statement of Cash Flows

The change in non-cash working capital balances is made up as follows:

	<u>2011</u>	<u>2010</u>
Decrease (increase) in accounts receivable	\$ (436,624)	\$ 99,703
Decrease (increase) in inventory	34,236	(2,864)
Decrease (increase) in prepaid expenses	(82,780)	34,634
Increase (decrease) in accounts payable	493,125	(127,696)
Increase (decrease) in deferred revenue	85,000	129,144
	<u>\$ 92,957</u>	<u>\$ 132,921</u>

---

### 9. Commitments

The hospital has committed to the construction of the Fisher Family Primary Care Clinic in partnership with the North Perth Family Team and the Listowel Memorial Hospital Foundation. The total project is expected to cost approximately \$3.9 million. \$657,448 had been spent on the project prior to March 31, 2011.

---

### 10. Contingent Liability

The Listowel Memorial Hospital has entered into an agreement with Healthcare Insurance Reciprocal of Canada (HIROC), a reciprocal insurance company licensed under the Insurance Act, (Ontario). HIROC provides insurance coverage on a pooling basis to its subscribers. The Listowel Memorial Hospital is liable for its proportionate share of any assessment for losses experienced by the pool during each policy year that it is a subscriber.

---

### 11. Comparative Amounts

The comparative amounts were reported on by another auditor and have been restated to conform to the current year presentation.

---

## **Wingham and District Hospital Report of the Treasurer for 2010/2011**

The Resource Committee is responsible for overseeing the management of the Hospital's financial and human resources. The committee consists of the Board Chairperson, the Board Vice-Chairperson, the Chief of Medical Staff, the Board Treasurer and two Directors. The committee members for the 2010/2011 year were Margaret Stapleton, Andy McBride, Dr. Mark Moores, Amy Miller, Rob Hutchison, and Trevor Seip respectively.

The committee met five times during the past year jointly with the LMH Resource Committee. Upon the suggestion from our new VP of Operations, Chris Turner, the committee designed a more robust version of our existing Terms of Reference, due to the existing terms lacking content. Another item that was addressed was our adoption of a new investment policy that allows a maximum of 10% of hospital investments to be in equities. A tender was issued for an investment firm to manage the investment portfolio of both organizations. Responses were received from four firms and it was decided to stay with BMO Nesbitt Burns because they had the strongest understanding of our two Hospitals and the risk tolerance of public funds. The Capital Redevelopment Project has not been forgotten either; thanks to the efforts our now retired VP of Clinical Services, Liz Phelan, and some executive members, we continue to work with, MPP Carol Mitchell to advocate for funding to proceed with the much needed redevelopment of our existing building. We have received LHIN support for our project and we wait with bated breath.

The Hospital planned for a break-even position for the 2010/2011 fiscal year and, through various cost-saving measures we have managed a surplus of \$28,116, (before the amortization of land improvements and building, and the amortization of deferred contributions); this is up from last year's \$10,000 surplus. The Hospital invested \$564,093 in capital equipment while maintaining a working capital of \$3,147,000. This is up approximately \$80,000 from last year.

Recognition should be made of the efforts of Liz Phelan in having Cancer Care Ontario guaranteeing us funding for the Oncology Program and also our Hospital Foundation. The Board, Committee and the community appreciate the continual support we receive from the Foundation. This year the Foundation gave \$189,006 toward IV Pumps, a Traction Bed and other various items from our Capital list, as a result of the sponsored CKNX Radiothon.

The Audit Committee is another financial committee which met twice this year. The committee consists of the Board Treasurer and two Directors; which are Amy Miller, Marg Carswell and Trevor Seip respectively. This committee met with the Auditor and the Senior Management on May 26, 2011 to review the Financial Statements and to make a recommendation to the Board. The Auditor's report and the Financial Statements are contained in this Annual Report.

On behalf of the Resource Committee and the Board of Directors, I would like to extend a tremendous thanks to our Senior Management Team and the WDH staff for bringing us through another challenging year.

Respectfully submitted,

Amy Miller  
Treasurer

**Wingham and District Hospital**  
**Financial Statements**  
For the year ended March 31, 2011

---

	<b>Contents</b>
<b>Auditors' Report</b>	2
<b>Financial Statements</b>	
Balance Sheet	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Summary of Significant Accounting Policies	7 - 10
Notes to Financial Statements	11 - 14

---



Tel: 519 357 3231  
Fax: 519 357 3230  
www.bdo.ca

BDO Canada LLP  
152 Josephine Street  
P.O. Box 1420  
Wingham Ontario N0G 2W0 Canada

---

## Independent Auditors' Report

---

### To the Members of Wingham and District Hospital

We have audited the accompanying financial statements of the Wingham and District Hospital, which comprise the balance sheet as at March 31, 2011 and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Wingham and District Hospital as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**"BDO CANADA LLP"**

Chartered Accountants, Licensed Public Accountants

Wingham, Ontario  
May 26, 2011

---

**Wingham and District Hospital  
Balance Sheet**

**March 31** **2011**      **2010**

**Assets**

**Current**

Cash and investments (Note 1)	\$ 2,929,878	\$ 3,099,336	
Accounts receivable	879,672	784,281	
Inventory	209,300	176,815	
Prepaid expenses	212,160	228,896	
	4,231,010	4,289,128	

**Property and equipment (Note 2)** 6,810,361      7,136,635

**\$ 11,041,371      \$ 11,425,763**

**Liabilities and Net Assets**

**Current**

Accounts payable and accrued liabilities	\$ 1,044,036	\$ 1,190,708	
Current portion of employee future benefits	39,913	33,065	
	1,083,948	1,223,773	

**Employee future benefits liability (Note 3)** 518,025      512,388

**Deferred contributions (Note 4)** 2,117,365      2,153,614

**3,719,338      3,889,775**

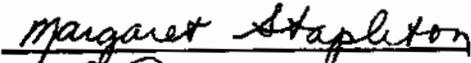
**Contingencies (Note 8)**

**Net Assets**

Invested in property and equipment	4,692,996	4,983,021	
Unrestricted	2,629,037	2,552,967	
	7,322,033	7,535,988	

**\$ 11,041,371      \$ 11,425,763**

On behalf of the Board:

 <hr style="border: 0; border-top: 1px solid black; margin-top: 5px;"/>	Director
 <hr style="border: 0; border-top: 1px solid black; margin-top: 5px;"/>	Director

**Wingham and District Hospital  
Statement of Changes in Net Assets**

<b>For the year ended March 31</b>	<b>2011</b>			<b>2010</b>
	<b>Invested in Property and Equipment</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
<b>Balance</b> , beginning of year	<b>\$ 4,983,021</b>	<b>\$ 2,552,967</b>	<b>\$ 7,535,988</b>	<b>\$ 7,755,722</b>
Excess of revenue over (under) expenses for the year	<b>(482,152)</b>	<b>268,197</b>	<b>(213,955)</b>	<b>(219,734)</b>
Investment in property and equipment, net	<b>192,127</b>	<b>(192,127)</b>	<b>-</b>	<b>-</b>
<b>Balance</b> , end of year	<b>\$ 4,692,996</b>	<b>\$ 2,629,037</b>	<b>\$ 7,322,033</b>	<b>\$ 7,535,988</b>

## Wingham and District Hospital Statement of Operations

<b>For the year ended March 31</b>	<b>2011</b>	<b>2010</b>
<b>Revenue</b>		
Ministry of Health and Long Term Care	\$ 13,259,031	\$ 12,952,007
Inpatient	205,013	143,717
Outpatient	587,389	542,420
Investment income	16,873	5,204
Recoveries and other income	2,530,850	2,166,304
Amortization of deferred contributions	375,830	361,490
	<u>16,974,986</u>	<u>16,171,142</u>
<b>Expenses</b>		
Salaries and wages	7,800,530	7,540,275
Medical staff remuneration	2,025,746	1,971,433
Employee benefits	2,115,867	1,976,367
Supplies and other expenses	3,016,460	2,941,214
Medical and surgical supplies	346,976	298,932
Drug expense	1,029,916	793,462
Amortization of equipment	611,375	638,497
	<u>16,946,870</u>	<u>16,160,180</u>
<b>Excess of revenue over expenses before building amortization</b>	<b>28,116</b>	<b>10,962</b>
Amortization of land improvements and building	(274,456)	(263,081)
Amortization of deferred contributions for building and land improvements	<u>32,385</u>	<u>32,385</u>
<b>Deficiency of revenue over expenses for the year</b>	<b>\$ (213,955)</b>	<b>\$ (219,734)</b>

## Wingham and District Hospital Statement of Cash Flows

For the year ended March 31	2011	2010
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue under expenses for the year	\$ (213,955)	\$ (219,734)
Items not involving cash		
Amortization of property and equipment	885,831	901,578
Change in employee future benefits liability	12,485	7,505
Amortization of deferred contributions	(408,215)	(393,875)
Loss on disposal of property and equipment	4,536	1,485
	280,682	296,959
Changes in non-cash working capital balances (Note 7)	(258,013)	(422,370)
	22,669	(125,411)
<b>Investing activities</b>		
Acquisition of property and equipment	(564,093)	(716,126)
Grants and donations for property and equipment	371,966	343,878
	(192,127)	(372,248)
<b>Net decrease in cash and investments during the year</b>	(169,458)	(497,659)
<b>Cash and investments, beginning of year</b>	3,099,336	3,596,995
<b>Cash and investments, end of year</b>	\$ 2,929,878	\$ 3,099,336

---

## **Wingham and District Hospital Summary of Significant Accounting Policies**

**March 31, 2011**

---

### **Nature and Purpose of Organization**

The Wingham and District Hospital is incorporated without share capital under the laws of the Province of Ontario. The hospital is principally involved in providing health services to the Wingham area.

Under the Health Insurance Act and the regulations thereto, the hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Southwest Local Health Integration Network (LHIN). These financial statements reflect agreed funding arrangements approved by the Ministry with respect to the year ended March 31, 2011.

The hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax and may issue income tax receipts to donors.

### **Basis of Accounting and Presentation**

The financial statements have been prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

The financial statements do not include the assets, liabilities and activities of related volunteer organizations which are not operated by the hospital.

### **Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Use of estimates primarily relates to property and equipment and employee future benefits.

### **Financial Instruments**

The Hospital utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.

All transactions related to financial instruments are recorded on a trade date basis.

The Hospital classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The Hospital's accounting policy for each category is as follows:

---

## Wingham and District Hospital Summary of Significant Accounting Policies

March 31, 2011

---

**Financial  
Instruments (cont'd)**

**Held-for-trading**

This category is comprised of cash and investments. They are carried in the balance sheet at fair value with changes in fair value recognized in the income statement. Transaction costs related to instruments classified as held-for-trading are expensed as incurred.

**Loans and receivables**

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They arise principally through the provision of goods and services to customers (accounts receivable), but also incorporate other types of contractual monetary assets. They are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment. Transaction costs related to loans and receivables are expensed as incurred.

**Held-to-maturity investments**

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company's management has the positive intention and ability to hold to maturity and comprises certain investments in debt securities. These assets are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment. Transaction costs related to held-to-maturity investments are expensed as incurred.

**Other financial liabilities**

Other financial liabilities includes all financial liabilities other than those classified as held-for-trading and comprises trade payables and other short-term monetary liabilities. These liabilities are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method. Transaction costs related to other financial liabilities are expensed as incurred.

---

---

## Wingham and District Hospital Summary of Significant Accounting Policies

**March 31, 2011**

---

<b>Revenue Recognition</b>	<p>The hospital follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.</p> <p>Other revenue is recognized when earned, as services are rendered or as products are delivered. The amount of the revenue must be fixed or determinable and collectibility reasonably assured.</p>												
<b>Capital Contributions</b>	<p>Restricted contributions received by the hospital for the purchase of property and equipment are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired assets.</p>												
<b>Contributed Materials and Services</b>	<p>Contributed materials and services 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.</p> <p>Volunteers contribute their time to assist the hospital in carrying out its service delivery activities. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.</p>												
<b>Inventory</b>	<p>Inventory is valued at the lower of average cost and replacement value.</p>												
<b>Property and Equipment</b>	<p>Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives as follows:</p> <table><tr><td>Land improvements</td><td>-</td><td>10 to 25 years</td></tr><tr><td>Buildings</td><td>-</td><td>25 to 50 years</td></tr><tr><td>Building service equipment</td><td>-</td><td>5 to 20 years</td></tr><tr><td>Equipment</td><td>-</td><td>3 to 10 years</td></tr></table>	Land improvements	-	10 to 25 years	Buildings	-	25 to 50 years	Building service equipment	-	5 to 20 years	Equipment	-	3 to 10 years
Land improvements	-	10 to 25 years											
Buildings	-	25 to 50 years											
Building service equipment	-	5 to 20 years											
Equipment	-	3 to 10 years											
<b>Renovations</b>	<p>The cost of renovations to the hospital building which significantly increase its useful life and capacity are capitalized as part of the cost of the related capital asset. Renovation costs to adapt the hospital building to changed operating conditions or to maintain operating efficiency are recorded as an expense in the period they are incurred.</p>												

---

## Wingham and District Hospital Summary of Significant Accounting Policies

**March 31, 2011**

---

### **Employee Future Benefits**

The hospital provides post-employment health, dental and life insurance benefits to eligible retired employees. The accrued benefit obligation for these benefits is actuarially determined using the projected benefit method prorated on service, and incorporates management's best estimate of salary escalation, retirement ages of employees, and expected benefit costs.

Actuarial gains and losses in a year are combined with the unamortized balance of gains and losses from prior years. The portion of the total that exceeds ten percent of the accrued benefit obligation is amortized over the average remaining service period of the active employees. Past service costs arising from plan amendments are amortized over the future years of service of active employees.

Defined contribution plan accounting is applied to the hospital's multi-employer defined benefit pension plan. Contributions for current and past service costs are expensed in the year in which they become due.

### **New Accounting Pronouncements**

#### Accounting Standards for Not-for-Profit Organizations (NPO)

In December 2010, the Accounting Standards Board (AcSB) and Public Sector Accounting Board (PSAB) issued new standards for not-for-profit organizations (NPOs). For government (public sector) NPOs, they have a choice of:

1. Public Sector Accounting standards with the current series of NPO-specific standards added with some minor changes; or
2. Public Sector Accounting standards.

The Boards require NPOs to adopt their respective standards for year ends beginning on or after January 1, 2012; early adoption is allowed. Until the date of transition to the new standards, all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting Part V – Pre-Changeover Standards.

---

## Wingham and District Hospital Notes to Financial Statements

**March 31, 2011**

### 1. Cash and Investments

	2011	2010
Cash	\$ 1,249,815	\$ 1,427,313
Guaranteed investment certificates, 0.60% to 0.90%, maturing May to August 2011	1,678,000	1,672,000
Investment cash account	2,063	23
	<b>\$ 2,929,878</b>	<b>\$ 3,099,336</b>

Cash consists of bank deposits that are held at one chartered bank. The accounts earn interest at a rate of bank prime less 1.7%, payable monthly.

### 2. Property and Equipment

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 648,188	\$ -	\$ 648,188	\$ -
Land improvements	190,024	31,232	187,502	19,152
Building and building service equipment	7,209,773	4,017,606	7,104,051	3,819,169
Equipment	6,917,200	4,358,899	6,522,785	3,721,247
Construction in progress	252,913	-	233,677	-
	<b>\$ 15,218,098</b>	<b>\$ 8,407,737</b>	<b>\$ 14,696,203</b>	<b>\$ 7,559,568</b>
Net book value		<b>\$ 6,810,361</b>		<b>\$ 7,136,635</b>

## Wingham and District Hospital Notes to Financial Statements

**March 31, 2011**

### 3. Employee Future Benefits

#### Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan, which is a multi-employer final average pay contributory pension plan. The contributions to the plan during the year totalled \$580,861 (2010 - \$550,871) and are included in employee benefits on the statement of operations.

#### Other Benefits

The hospital provides post-employment health care, dental and life insurance benefits to eligible retired employees. The hospital's liability at March 31 for this plan is as follows:

	<b>2011</b>	<b>2010</b>
Accrued benefit obligation	<b>\$ 511,203</b>	\$ 503,622
Unamortized experience gain (loss)	<b>46,735</b>	41,831
	<b>557,938</b>	545,453
Less current portion	<b>(39,913)</b>	(33,065)
Employee future benefits liability	<b>\$ 518,025</b>	\$ 512,388

In measuring the hospital's accrued benefit obligation, a discount rate of 5.25% was assumed to determine the accrued benefit obligation and a discount rate of 5.25% was assumed to determine the benefit cost. For extended health care costs, a 7.5% annual rate of increase was assumed declining to 5% and, for dental costs, a 3.5% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2011. Actual results could differ from this estimate as additional information becomes available in the future.

Other information about the hospital's plan is as follows:

	<b>2011</b>	<b>2010</b>
Expense for the year	<b>\$ 39,913</b>	\$ 33,027
Benefits paid during the year	<b>27,427</b>	28,516

---

## Wingham and District Hospital Notes to Financial Statements

**March 31, 2011**

---

#### 4. Deferred Contributions Related to Property and Equipment

Deferred contributions related to property and equipment represent restricted contributions with which hospital assets have been purchased. The change in the deferred contributions balance for the period is as follows:

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 2,153,614	\$ 2,203,611
Contributions received	371,966	343,878
Amortization of deferred contributions - equipment	(375,830)	(361,490)
Amortization of deferred contributions - building and land improvements	<u>(32,385)</u>	<u>(32,385)</u>
Balance, end of year	<u>\$ 2,117,365</u>	<u>\$ 2,153,614</u>

---

#### 5. Related Party Transactions

##### Wingham and District Hospital Foundation

Wingham and District Hospital exercises significant influence over Wingham and District Hospital Foundation by virtue of its ability to appoint some of the Foundation's board of directors. The Foundation was established to raise funds for the use of the hospital, is incorporated without share capital under the laws of the Province of Ontario, and is a registered charity under the Income Tax Act. During the year ended March 31, 2011, the Foundation provided donations totaling \$189,006 (2010 - \$123,683) to the Hospital.

##### Listowel Memorial Hospital

The Hospital participates in an alliance with Listowel Memorial Hospital ("LMH") that results in some staff working at both locations. As at March 31, 2011, accounts receivable includes \$130,099 (2010 - \$156,954) owed to the Hospital by LMH and accounts payable and accrued liabilities includes \$78,073 (2010 - \$60,500) owed by the Hospital to LMH.

---

---

## Wingham and District Hospital Notes to Financial Statements

**March 31, 2011**

---

### 6. Capital Management

For the purposes of capital management, the hospital has defined capital as its net asset balance. The hospital's objective with respect to capital management is to maintain a sufficient net asset balance to fund current and future hospital operations.

The Ministry of Health and Long-Term Care has created regional Local Health Integration Networks (LHIN) that are responsible for the funding and organization of health care services. Wingham and District Hospital has negotiated a Hospital Service Accountability Agreement for the 2010 to 2011 fiscal years with the South West LHIN. This agreement requires the submission of budgets and sets out performance standards.

---

### 7. Statement of Cash Flows

The change in non-cash working capital balances is made up as follows:

	<u>2011</u>	<u>2010</u>
Decrease (increase) in accounts receivable	\$ (95,391)	\$ (422,854)
Decrease (increase) in inventory	(32,685)	25,522
Decrease (increase) in prepaid expenses	16,736	36,672
Increase (decrease) in accounts payable	<u>(146,673)</u>	<u>(61,710)</u>
	<u>\$ (258,013)</u>	<u>\$ (422,370)</u>

---

### 8. Contingent Liability

Wingham and District Hospital has entered into an agreement with Healthcare Insurance Reciprocal of Canada (HIROC), a reciprocal insurance company licensed under the Insurance Act, (Ontario). HIROC provides insurance coverage on a pooling basis to its subscribers. Wingham and District Hospital is liable for its proportionate share of any assessment for losses experienced by the pool during each policy year that it is a subscriber.

---

### 9. Comparative Amounts

The comparative amounts were reported on by another auditor and have been restated to conform to the current year presentation.

---

# *AUXILIARY REPORTS*

## **Report of the Listowel Memorial Hospital Auxiliary 2010**

Twenty-one members formed the 2010 auxiliary. We lost three members throughout the year due to other commitments.

We obtained our new Gift Centre and location on First Floor as well as a new display case down in the new Admitting area. Since that time we are now recently moved down into the Admitting area.

A Purchasing Committee for the Auxiliary was nominated to do the purchasing and overseeing for the Gift Centre and is made up of four members.

Staffing is done on a monthly basis. Summertime staffing is more difficult due to people being away.

In January 2011, our Wish List was made available to the Auxiliary from the various departments from 2010. Through our fundraisers and bake sales, we were able to provide \$10,634.99 to the hospital. Monies will be spent on equipment and supplies needed to improve patient care during their hospital stay and as well, out-patient treatments.

A \$25.00 gift certificate was presented to the 2010 New Year's baby.

In January, our new executive was installed. In the spring of 2010, Ray McNichol headed up a training session for our volunteers on prevention and infection control, as well as accessibility for handicapped patients and how, as a club, we can assist them. It was well attended and documented.

Mary Kerr, our auxiliary's connection to the LWHA Board, attended regular meetings and kept the club well informed in upcoming plans and changes in policies and procedures and how these affect the club.

I.D. badges were created for our volunteers to wear during working hours.

Bake Sales for the year 2010 consisted of:

1. Valentine's Day
2. St. Patrick's Day
3. Thanksgiving Day
4. Mark's Work Wearhouse
5. November Christmas Bake Sale at our annual bazaar

All were well attended with wonderful monies made.

2010 fundraisers were:

1. Listowel Greenhouse Spring Fundraiser & Raffle draw in May. 10% of the total hanging basket sales was returned to the club by Frank Slys. The raffle draw was made in June at our regular meeting at 8:00 p.m. 4 winners - 2 Listowel, 1 Atwood and 1 Wroxeter residents were our prize money winners. A bake sale was also incorporated into this event over 2 days.

2. Two boxed frozen pork products from Skinner Farms – one in February and one in November
3. Vesey's Flower Bulbs for fall planting – September and October

In April of 2010 we held our Volunteer Appreciation Night serving cake, fruit and refreshments. Approximately 30 attended. Toastmasters performed their talents.

Tray favors for hospital patients were provided over the year at Valentines, Easter, Thanksgiving and Christmas holidays. .

In November we held our Annual Christmas Bazaar and Bake Sale in the First Floor Activity Room and front lobby. A bake sale, craft table and Skinner's meat table and door prizes made up the event. The Gift Centre was also open during this time.

In the last month of 2010, a new Nominating Committee was formed to elect our 2011 Executive, we held our annual Christmas meeting as a social time and cookie exchange. Also in December, a staff appreciation day was held at the Gift Centre with 20% discount to staff and refreshments were served from 10 a.m. – 4 p.m.

It was a good year thanks to everyone's time and dedication.

Respectfully submitted,

Dawna Voll  
Secretary

**LISTOWEL MEMORIAL  
HOSPITAL AUXILLIARY**  
**Financial Statements**  
Year Ended December 31, 2010  
*(Unaudited)*

# **LISTOWEL MEMORIAL HOSPITAL AUXILLIARY**

**Year Ended December 31, 2010**

*(Unaudited)*

## **Contents**

	<b>Page</b>
Review Engagement Report	1
Statement of Financial Position	2
Statement of Change in Net Assets	3
Statement of Operations	4
Notes to the Financial Statements	5

# **Hoyles & Roswell**

***Chartered Accountants  
Professional Corporation***

**380 Wallace Avenue North  
Listowel, Ontario N4W 1L3**

**Tel.: (519) 291-1251  
Fax: (519) 291-4714  
E-Mail: [office@hoyros.com](mailto:office@hoyros.com)**

## **Review Engagement Report**

**To the Members of the  
Listowel Memorial Hospital Auxilliary**

We have reviewed the balance sheet of Listowel Memorial Hospital Auxilliary as at December 31, 2010 and the statements of operations and change in fund balance for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to use by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

*Hoyles + Roswell Chartered Accountants Professional Corporation*

Authorized to practise public accounting by The Institute of Chartered Accountants of Ontario.

Listowel, Ontario, Canada  
March 16, 2011

**LISTOWEL MEMORIAL HOSPITAL AUXILLIARY**  
**Statement of Financial Position as at December 31, 2010**  
*(Unaudited)*

	2010	2009
<b>ASSETS</b>		
Cash	\$ 81	\$ 332
Investments	10,562	9,270
Inventory	994	500
	<b>\$ 11,637</b>	<b>\$ 10,102</b>
<b>NET ASSETS</b>		
Unrestricted net assets	<b>\$ 11,637</b>	<b>\$ 10,102</b>

On behalf of the board

Director: \_\_\_\_\_

Director: \_\_\_\_\_

# LISTOWEL MEMORIAL HOSPITAL AUXILLIARY

## Statement of Change in Net Assets for the year ended December 31, 2010

(Unaudited)

	2010		2009
Net assets, beginning of year	\$ 10,102	\$	11,903
Excess (deficiency) of revenues over expenses	1,535		(1,801)
Net assets, end of the year	\$ 11,637	\$	10,102

**LISTOWEL MEMORIAL HOSPITAL AUXILLIARY**  
**Statement of Operations for the year ended December 31, 2010**  
*(Unaudited)*

	2010	2009
<b>Revenues</b>		
Gift centre	\$ 4,668	\$ 2,157
Fundraising	10,850	9,199
Interest	24	25
Miscellaneous	314	389
	<b>15,856</b>	<b>11,770</b>
<b>Expenses</b>		
Donations and gifts - Listowel Memorial Hospital	7,730	11,589
Other	152	59
Gift centre	2,438	789
Fundraising	4,001	1,134
	<b>14,321</b>	<b>13,571</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ 1,535</b>	<b>\$ (1,801)</b>

# LISTOWEL MEMORIAL HOSPITAL AUXILLIARY

## Notes to Financial Statements

Year Ended December 31, 2010

(Unaudited)

---

### 1. Summary of significant accounting policies

#### Basis of accounting and presentation

The financial statements have been prepared using the accrual basis of accounting. Under the accrual method, revenue is recognized when earned and expenses are recognized when incurred.

#### Revenue

Revenue is recognized when goods are sold.

#### Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

#### Contributed services

Volunteers contribute their time to carry out day-to-day operations of the organization and the making of items for sale. Because of the difficulty of determining the fair market value, contributed services are not recognized in the financial statements.

#### Use of estimates

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from these estimates.

---

### 2. Financial instruments

#### Interest rate risk

Client has invested in money market funds that do not have a fixed interest rate risk therefore, interest may fluctuate depending on economic conditions.

---

## **Report of the Auxiliary to the Wingham and District Hospital 2010/2011**

The Auxiliary holds 5 general meetings throughout the year in January, April, June, September and November. Membership totals 52 and meeting attendance is approximately 50%.

Guest speakers at our meetings included:

- Victoria Hoy, Teen Volunteer Coordinator
- Cherie Dolmage, LWHA Director of Clinical Services
- Karl Ellis, LWHA CEO
- Chris Turner, LWHA VP of Operations
- Donna Clarke, North Huron Family Health Team Executive Director

Membership involvement this year included:

- Representative on the Hospital Board
- Attendance at Fall and Spring H.A.A.O. Conferences
- Operate the Gift Shop during visiting hours
- Assist evening visitors at the controlled hospital entrance
- Historian and Secretary record Auxiliary and Hospital activity
- Participation in the Community Forum
- Representative attended OHA Convention
- Attendance at Doctor Appreciation Days
- Erect and decorate Christmas Tree in the lobby
- Executive revised the Auxiliary Constitution and Bylaws
- Executive created a Policy and Procedure Manual
- Members received recognition for 104 years of service from Ben Lobb and Carol Mitchell

Contributions in 2010/11 included:

- Bursary awarded to Meagan Tervitt at the F.E. Madill Secondary School Commencement
- Auxiliary Volunteer Pin presented to Lisa Choi, Teen Volunteer, for outstanding service
- Pressure Relief Mattress purchased for the Hospital
- Tray favours for patient trays on special occasions
- Books and magazines circulated for visitors and patients

Fundraising events and activities included:

- Annual Spring and Fall Rummage Sales
- Quilt Raffle, plus additional prizes
- Hospital Bridge, monthly from September to May
- Euchre, weekly from November to March
- Annual Poinsettia Tea and door prizes
- Gift Shop, operated by Auxiliary volunteers
- May Tag Days, a new fundraiser this year

We thank you for your continued support.

Respectfully submitted,

Helen Rintoul  
Auxiliary Representative to the  
Wingham & District Hospital Board

# *FOUNDATIONS*

## **Listowel Memorial Hospital Foundation Report 2010/2011**

The sole purpose of the Foundation is to raise funds for the benefit of our local health care system. We are being proactive and making our residents more aware of who we are and our purpose.

The Listowel Memorial Hospital Foundation has brought the Foundation profile to the forefront of the residents of Listowel and surrounding areas in the past year.

The Foundation has hosted several fundraisers such as a Car & Motorcycle Poker Rally, several Radiothon BBQ's, the Radiothon itself, the event at Knox Presbyterian Hall at Radiothon time and canvassing the Kinsmen for donation from this year's Paddyfest. The Foundation also sold tickets on a 'Win-a-Meal Deal' which brought awareness to the community. Businesses in our community hosted fundraising events coordinated with our Foundation Administrative Assistant. Overall the Foundation has brought a higher profile to the public in the past year.

A fall newsletter was well received and the Foundation heard great reviews about it and the information in it. The Foundation is in the process of developing their own website for easier access for donations and awareness of what is going on with the hospital and fundraisers. To bring more awareness to the public of the need for donations to our hospital, the Listowel Foundation is going to be hosting 3-4 annual events every year.

Our upcoming events are the Spring Gala, Car & Motorcycle Poker Rally, a Doctor Recruitment Golf Tournament, Radiothon and a concert in November.

The Listowel Memorial Hospital Foundation was able to purchase \$108,000.00 worth of equipment in 2010, fund \$4,700.00 for education and finance a Hospital facility redevelopment project for \$325,000.00. Also, with support from our Foundation, the new 4 million dollar Fisher Family Primary Care Clinic is well underway with a projected completion date of spring 2012.

The Foundation is gratified with the support from the staff of LMH and the citizens and businesses of North Perth and surrounding area.

Respectfully submitted,

L.M.H. Foundation

## **Wingham & District Hospital Foundation Report 2010/2011**

### ***Radiothon***

In 2010, the Wingham and District Hospital Foundation raised over \$85,000 for the purchase of a Chemistry Analyzer. The previous analyzer at the Hospital was 13 years old and, with a predicted life expectancy of only 10 years, this piece of equipment was urgently needed. The Foundation received over \$64,000 in on-air donations and over \$20,000 during the weeks that followed the Radiothon. The 2011 Radiothon will be held on Saturday, October 15<sup>th</sup> 2011 and marks the 10<sup>th</sup> Anniversary! All of the participating Hospital Foundations plan on making this year's event bigger and better! The Fundraising goal for 2011 is \$100,000 for the purchase of OR Equipment.

### ***Logan Hallahan Memorial BBQ and Dance***

Janice, Dwight and Dawson Hallahan will be hosting the *Logan Hallahan Memorial BBQ and Dance* on Saturday, June 4<sup>th</sup>. With the support of the Belgrave Kinsmen, the BBQ and Dance will take place at the Belgrave Arena. The BBQ runs from 5 to 7 P.M. and will be followed by a live auction at 7 P.M. An age of majority dance, featuring The River Junction Band, will follow from 9 P.M. to 1 A.M. Proceeds from the event will purchase pediatric equipment for the Wingham and District Hospital.

Last year, the Hallahans partnered with Silpada jewellery and hosted an Open House that generated over \$9000 in donations and proceeds from jewellery sales. These funds were used to purchase accessories for a Pediatric Resuscitator Cart and a Bili Blanket.

### ***Equipment***

The Wingham and District Hospital Foundation is pleased to present the Wingham and District Hospital with a cheque in the amount of \$189,006.61. The money comes at a pivotal time, and will be used to fund the purchase of up-to-date and essential medical equipment. The money donated today will be used to purchase the following pieces of equipment: Traction Bed, Resuscitator Cart, Microscope, Software Upgrade, Inpatient Hot Food Cart, Automated Upgrade, Defibrillator Monitor, Gastroscope, four Vital Signs Monitors, Dermatone and Glidescope.

### ***New Website / On-Line Donations***

With the help of Clarity, an IT consulting firm based out of Calgary, AB, the Foundation is hoping to launch its new website by the end of June 2011. The domain user name is [www.wdhfoundation.ca](http://www.wdhfoundation.ca) and will feature an on-line donation function. At this time, the Foundation is looking into partnering with CanadaHelps for on-line donations.

### ***Spring Newsletter***

The response we received from our first publication was so tremendous we decided to make the spring newsletter an annual publication. In the 2011 edition, we hope you will enjoy reading about upcoming events, the success of the 2010 Radiothon, a special tribute to memorial donations and much more! Distribution date is scheduled for the first week of June 2011.

Respectfully submitted,

WDH Foundation

*MEDICAL STAFF*

# Listowel Memorial Hospital

## Medical Staff 2010/11

Dr. R. Latuskie - Chief of Staff

Dr. A. Qureshi – President

Dr. Barb Matthews – Vice-President

Dr. R. Warren - Secretary

### ACTIVE STAFF

Dr. R. Annis

Dr. G. Edmonds

Dr. R. Latuskie

Dr. B. Matthews

Dr. B. Neable

Dr. A. Qureshi

Dr. P. Rutherford

Dr. T. Suggitt

Dr. R. Warren

Dr. E. Westen

### DENTAL STAFF

Dr. K. Cledes

Dr. N. Hogg

Dr. D. Nuhn

Dr. A. Shellnutt

Dr. P. Trainor

### CONSULTING & COURTESY STAFF

Dr. G. Antoniadis

Dr. K. Blaine

Dr. J. Brow

Dr. M. Bucur

Dr. M. Carlson

Dr. J. Conners

Dr. C. Cressey

Dr. C. Donald

Dr. Y. Erenberg

Dr. M. Gillett

Dr. J. Guy

Dr. A. Haider

Dr. G. Hancock

Dr. J. Hardwick

Dr. B. Hughes

Dr. A. Hussey

Dr. T. Kalos

Dr. M. Klassen

Dr. M. Mann

Dr. D. Mowbray

Dr. C. Omole

Dr. W. Papoff

Dr. S. Prasad

Dr. R. Puley

Dr. R. Ramsewak

Dr. E. Scott

Dr. G. Semelhago

Dr. O. Spanglet

Dr. P. Squires

Dr. C. Tamblyn

Dr. S. Tamblyn

Dr. S. Tejpar

Dr. G. Sarkaria

Dr. D. Stewart

Dr. J. Vettors

# Listowel Memorial Hospital

## Visiting Consultants

<b>Clinic</b>	<b>Physician</b>	<b>Clinic Held</b>
Paediatric	Dr. K. Blaine	Bi-Weekly – Tuesday
Cardiology	Dr. D. Tamblyn Dr. M. Gillett Dr. O. Spanglet	Weekly – Tuesday Weekly – Thursday Weekly - Monday
Dermatology	Dr. A. Haider	Weekly - Wednesday
Obstetrics/Gynaecology	Dr. G. Hancock Dr. T. Kalos	Bi-Weekly – Wednesday Bi-Weekly – Monday
Surgical	Dr. C. Omole Dr. R. Ramsewak	Weekly – Thursday and Some Wednesdays Weekly – Monday, Wednesday and Friday
Gastroenterology	Dr. J. Brow	Weekly – Tuesday
Urology	Dr. A. Hussey	1 <sup>st</sup> & 3 <sup>rd</sup> Friday
Gerontology	Dr. S. Prasad/Dr. G. Sarkaria	Quarterly
Orthopaedics	Dr. J. Guy	2 <sup>nd</sup> & 4 <sup>th</sup> Friday
E.N.T.	Dr. B. Hughes	Bi-Weekly
Oral & Maxillofacial Surgeon	Dr. N. Hogg	Bi-Weekly Wednesday

# Wingham & District Hospital

## Medical Staff 2010/2011

Dr. M. Moores – Chief of Staff

Dr. S. Marshall – President

Dr. B. Marshall – Vice-President/Secretary/Treasurer

### ACTIVE STAFF

Dr. G. Antoniadis  
Dr. M. Gear  
Dr. B. Marshall  
Dr. J. Shuffield

Dr. S. Marshall  
Dr. M. Moores  
Dr. M. Shubat

### DENTAL STAFF

Dr. R. Bateman  
Dr. D. Hall  
Dr. Y. Liu  
Dr. D. Magee  
Dr. W. Spink

### CONSULTING & COURTESY STAFF

Dr. C. Bloch  
Dr. B. Bukala  
Dr. M. Carlson  
Dr. P. Conlon  
Dr. C. Cramer  
Dr. D. Dittmer  
Dr. G. Edmonds  
Dr. Y. Erenberg  
Dr. M. Flowers

Dr. R. Gasparelli  
Dr. M. Ispahany  
Dr. M. Korvemaker  
Dr. L. Krishna  
Dr. M. Loubani  
Dr. E. MacRae  
Dr. A. Montgomery  
Dr. D. Mowbray  
Dr. C. Omole

Dr. W. Papoff  
Dr. F. Perera  
Dr. R. Ramsewak  
Dr. T. Rheaume  
Dr. J. Schwalm  
Dr. S. Sleeth  
Dr. O. Spanglet  
Dr. P. Squires  
Dr. C. Tomlinson  
Dr. J. Veters

## Wingham & District Hospital

### Visiting Consultants

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Cancer Clinic	Dr. Perera	Monthly - 2 <sup>nd</sup> Tues.
Cardiology/Echocardiography/ Carotid Doppler Studies*	Dr. C. Tomlinson* Dr. A. Montgomery Dr. J. Schwalm	Monthly Monthly
Echo Lab	Mr. Mike Cooper	Weekly - Friday
Ear, Nose, Throat	Dr. E. MacRae	Twice Monthly
Geriatric Outreach Program	Dr. Crilly / Team	As needed
Hearing Aid Technician	Mark McIntyre	Twice Monthly
Internal Medicine	Dr. M. Flowers	4 days per week
Internal Medicine	Dr. O. Spanglet	Weekly - Thursday
Obstetrical & Gynecology	Dr. C. Bloch	Monthly
Paediatrics	Dr. P. Squires	Monthly
Physical Medicine & Rehab	Dr. D. Dittmer	Monthly
Surgical	Dr. C. Omole	Monday & Tuesday
Surgical	Dr. R. Ramsewak	Tuesday & Thursday
Urologist	Dr. B. Bukala	Monthly

**Listowel Memorial Hospital  
Board of Directors  
2010/2011**

**Chair** – Ms. Kris Dekker

**Vice-Chair** – Mr. Blair Burns

**Treasurer** – Mr. Tom Soltys

Directors

Mr. David Calder

Mr. Robert Johns

Mr. Bert Johnson

Mr. Ken Petrie

Dr. Ray Reynen

Appointed Members

**Representative of Auxiliary** - Ms. Mary Kerr

**Chief of Staff** - Dr. Russell Latuskie

**President of Medical Staff** - Dr. Arif Qureshi

\*\*\*\*\*

**Wingham and District Hospital  
Board of Directors  
2010/2011**

**Chair** – Ms. Margaret Stapleton

**Vice-Chair** – Mr. Andy McBride

**Treasurer** – Ms. Amy Miller

Directors

Ms. Marg Carswell

Ms. Mary Chippa

Mr. Rob Hutchison

Mr. Trevor Seip

Ms. Diane Thomson

Appointed Members

**Representative of Auxiliary** - Ms. Helen Rintoul

**Chief of Staff** - Dr. Mark Moores

**President of Medical Staff** - Dr. Shaun Marshall