



**Listowel Memorial Hospital
94th Annual Report**



**Wingham and District Hospital
106th Annual Report**



2014 - 2015 ANNUAL REPORT



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Listowel Wingham Hospitals Alliance 2014 Annual Meeting Minutes

Listowel Memorial Hospital Corporation Wingham and District Hospital Corporation Wednesday June 11, 2014 Former Wingham Public School, Wingham

Welcome

Greetings were extended to all members and guests. It is noted that this is a concurrent meeting of the two corporations.

1.0 Call to Order

The meeting was called to order at 1906 hours.

2.0 Chair's Remarks

Amy Miller welcomed Corporation members, hospital staff and visitors, and noted she would be chairing the meeting with the assistance of Blair Burns, Chair of the Listowel Memorial Hospital Board.

Amy introduced the Directors of both the Wingham & District Hospital Board and the Listowel Memorial Hospital Board, and recognized the member of the Boards who received the 2014 Trillium Volunteer Award, namely Helen Rintoul, Kris Dekker, Rob Hutchison, Dr. Russell Latuskie, Marg Stapleton and Mary Chippa.

3.0 Minutes of the Previous Meeting

MOTIONS:

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

Adopt the minutes of the June 12, 2013 Annual Meeting of the Listowel Memorial Hospital corporation.

Motion Carried

It was moved by Marc Pittock, seconded by Penny Mulvey to:

Adopt the minutes of the June 12, 2013 Annual Meeting of the Wingham and District Hospital corporation.

Motion Carried

4.0 Reports

4.1 Report of the Board Chairs and Chief Executive Officer

Karl Ellis, Amy Miller and Blair Burns presented the report. Highlights from the report were:

- The Board continues to monitor the initiatives in the LWHA Clinical Services plan and has recently taken the time to compare it with the values outlined within the South West LHIN Clinical Plan
- A Human Resource Plan was adopted by the Board during the 2013-2014 year which is consistent with the LWHA goal to “Develop a single human resource plan for recruitment, retention, succession and talent development”
- Great success was achieved with the on-site Accreditation Canada Survey which occurred in the fall of 2013
- Tim Lewis, the new Chief Financial Officer, and Jodi Snell, the new Executive Assistant were welcomed to the Alliance Leadership Team
- A review of the current infrastructure projects underway at the LWHA were reviewed which included:
 - Wingham & District Hospital Redevelopment
 - New accessible entrance way at the Wingham & District Hospital
 - The purchase of the former Wingham Public School
 - The renovation of the CCC dining room at the Listowel Memorial Hospital
- The 2013/2014 budget year was difficult for both sites due to frozen funding from the Ministry, and inflationary pressures. This has resulted in operational changes occurring at both sites to improve financial results and comply with the legislated obligation to present a balanced budget.
- Both sites continue with efforts to recruit new physicians and healthcare providers. The recent retirement of Dr. Neable, in Listowel, has increased this awareness and Listowel was fortunate to have Dr. Hayward join their practice in May of 2014
- Advised that the Listowel Memorial Hospital Board and the Wingham & District Hospital Board are reviewing the possibility of having a single Board govern both corporations. Questions were received from the audience in which Karl advised that there are a number of areas that require review, discussion and debate prior to a final determination being made.

4.2 Report of the Chief of Staff – Listowel Memorial Hospital

Dr. Latuskie presented the Report of the Chief of Staff for the Listowel Memorial Hospital, and noted:

- Significant advances have been made at the Listowel Memorial Hospital over the last year with the implementation of the medication reconciliation program, and the physicians appreciate the hard work of the staff while they remain working through some challenges

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- Due to the positive physician coverage in the Emergency Department, the Listowel Memorial Hospital was able to discontinue to the use of EDCDP
- The retirement of Dr. Barry Neable was a great loss to the physician team in Listowel and he is greatly missed
- Due to recent funding allocation from the municipality, the local Recruitment Officer will be able to continue her position within the North Perth area

4.3 Report of the Chief of Staff – Wingham and District Hospital

Dr. Antoniadis presented the Report of the Chief of Staff for the Wingham & District Hospital, and noted:

- Advised that the report was included within the 2013-2014 Annual Report and if there were any questions he would be happy to address them
- Thanks the staff for the dedication and for making Wingham & District Hospital a fantastic place to work

4.4 Treasurer's Report – Listowel Memorial Hospital

Tom Soltys presented the Report of the Treasurer for the Listowel Memorial Hospital. He noted that:

- The largest investment in fixed assets during the year was the HUGO investment
- The Listowel Memorial Hospital experienced a deficit of \$446,054 in hospital operation for the 2013/2014 year
- Thanked Linda Bross and BDO for their hard work during the audit process for 2013/2014
- Thanked a number of dedicated staff for their hard work and support to the Board over the past year

4.4.1 Presentation of the Listowel Memorial Hospital Corporation Audited Financial Statements 2013/14:

Linda Bross from BDO Canada presented the independent auditor's report of the Listowel Memorial Hospital:

- BDO has audited the financial statements of the Listowel Memorial Hospital
- Management is responsible for the preparation and fair presentation of the financial statements in accordance with public sector accounting standards for government not-for-profit organizations
- The Auditors are responsible to express an opinion on the financial statements, based on their audit
- Auditor Opinion – The financial statements present fairly, in all material respects, the financial position of Listowel Memorial Hospital as at March 31, 2014

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- Revenue for the 2013/14 year was \$19,679,389 while expenses were \$20,125,452, resulting in an operating deficit of \$446,054

MOTION:

It was moved by Tom Soltys, seconded by Rosemary Rognvaldson to:
Accept the Audited Financial Statements of the Listowel Memorial Hospital for the year ended March 31, 2014, as presented.

Motion Carried

4.4.2 Appointment of Auditors:

MOTION:

It was moved by Tom Soltys, seconded by Bert Johnson to:
Appoint the firm of BDO Canada as Auditors for the Listowel Memorial Hospital for 2014/2015.

Motion Carried

4.5 Treasurer's Report – Wingham and District Hospital

Penny Mulvey presented the Report of the Treasurer for the Wingham and District Hospital and noted that:

- The Wingham and District Hospital finished the fiscal year with a deficit of \$553,897 on hospital operations and an overall deficit of \$843,722 after amortization
- There was a strong investment in fixed assets over the year, totaling more than \$2.2 million, a large portion was invested in the HUGO system for computerized medical and pharmacy records and the purchase of the former Wingham Public School
- Appreciation was expressed to the staff of the hospital for bringing us through a financially challenging year

4.5.1 Presentation of the Wingham and District Hospital Corporation Audited Financial Statements 2013/14:

Linda Bross from BDO Canada presented the independent auditor's report of the Wingham and District Hospital:

- BDO has audited the financial statements of the Wingham and District Hospital
- Management is responsible for the preparation and fair presentation of the financial statements in accordance with public sector accounting standards for government not-for-profit organizations

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- The Auditors are responsible to express an opinion on the financial statements, based on their audit
- Auditor Opinion – The financial statements present fairly, in all material respects, the financial position of Wingham and District Hospital as at March 31, 2014
- Revenue for the 2013/14 year was \$17,325,424 while expenses were \$17,879,321, resulting in an operating deficit of \$553,897

MOTION:

It was moved by Trevor Seip, seconded by Andy McBride to:
Accept the Wingham and District Hospital's Audited Financial Statements for the year ended March 31, 2014, as presented.

Motion Carried

4.5.2 Appointment of Auditors:

MOTION:

It was moved by Penny Mulvey, seconded by Marc Pittock to:
Appoint the firm of BDO Canada as Auditors for the Wingham and District Hospital for 2014/2015.

Motion Carried

4.6 Governance & Nominations Committee Report

4.6.1 Blair Burns and Amy Miller recognized the outgoing members Boards

- Listowel Memorial Hospital Board
 - Dave Calder
 - Kathy Mitchell
 - Mary Kerr
- Wingham & District Hospital Board
 - Sandra Campbell
- Appreciation tokens were presented to Mary Kerr and Sandra Campbell for their dedication, and support over the years

4.6.2 Election of Directors – Listowel Memorial Hospital

MOTION:

It was moved by Kris Dekker, seconded by Rosemary Rognvaldson to:

Re-appoint Blair Burns, Robert Johns, and Tom Soltys for a 2-year term.

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Motion Carried

MOTION:

It was moved by Blair Burns, seconded by Kris Dekker
To appoint Derek Mendez to the Listowel Memorial Hospital Board for a 2 year term.

Motion Carried

MOTION:

It was moved by Bert Johnson, seconded by Tom Soltys
To appoint Krishna Beharry to the Listowel Memorial Hospital Board for a 1 year term.

Motion Carried

4.6.3 Election of Directors – Wingham and District Hospital

MOTION:

It was moved by Marc Pittock, seconded by Penny Mulvey to:
Re-appoint Trevor Seip (Central), Marg Carswell (North Eastern), Andy McBride (Central) and Gladys Peacock (South Eastern) for a 2-year term.

Motion Carried

MOTION:

It was moved by Trevor Seip, seconded by Gladys Peacock to:
Appoint Gord Hunt (At Large) to the Wingham & District Hospital Board of Directors for a 1 year term.

Motion Carried

4.7 Report of the Listowel Memorial Hospital Auxiliary

The Auxiliary Report was available in the Annual document for review.

- Noted that the Auxiliary consist of 20 members
- Outlined the monthly highlights of the year
- Thanked the many volunteers for their hard work, dedication and friendship

4.8 Report of the Auxiliary to Wingham and District Hospital

The Auxiliary Report was available in the Annual Report document for review.

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- Acknowledgement was given to the Auxiliary Executive for their many volunteer hours
- Auxiliary volunteers assist with the WDH gift shop, directing visitors within the hospital, ordering items for sale in the gift shop, selling tickets and organizing rummage sales, teas, bridge and euchre events.

4.9 Report of the Listowel Memorial Hospital Foundation

As a member of the Foundation Board, Tom Solyts presented the Report of the Listowel Memorial Hospital Foundation and noted:

- The Spring Gala is the largest annual fundraiser for the Foundation, raising thousands of dollars, the most recent gala was held a week ago
- Staff appreciation luncheon will be held the week of June 16th
- Recognized Mitch Matheson for her hard work and dedication to the Foundation

4.10 Report of the Wingham and District Hospital Foundation

As a member of the Foundation Board, Andy McBride presented the Report of the Wingham & District Hospital Foundation and noted:

- Recognition of Nicole Jutzi for her support and hard work
- Outlined the number of contributions presented to the hospital by the Foundation which are outlined within the report
- The Foundation is currently in the process of amending their by-laws in accordance with federal legislation
- Have recruited Charity Coaches to assist with the fundraising efforts for the former Wingham Public School

5.0 Adjournment

MOTION

It was moved by Mary Lou Cameron that:

The Annual Meeting be adjourned at 2004 hours.

Motion Carried

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

.....
Amy Miller, Chair

.....
Karl Ellis, Secretary

REPORTS

For the past 3 years, the Listowel Wingham Hospitals Alliance (LWHA) has focused on strengthening our organizational effectiveness while responding to the changing health care environment. The Board of Directors has undertaken their responsibilities to govern the Alliance corporations with these two guiding principles in mind. This task is not always easy. Board members have done their best to ensure that the Listowel Memorial Hospital and the Wingham and District Hospital continue to strive towards providing the best possible care for the people we serve. The board works hard to ensure that present and future generations have access to a wide range of quality health care services as close to home as possible. This report outlines the efforts of the organization over the last year to achieve those aims.

Strengthening Our Organizational Effectiveness

The organization has been guided by a Clinical Services Plan that was adopted in 2012. This document has directed many of the decisions of the board since that time as it acknowledges that not all hospital services can be provided at all sites. During the past year, the South West Local Health Integration Network (SW-LHIN) has been reviewing the location and utilization of Complex Continuing Care (CCC) and Rehabilitation beds across Huron and Perth. The recent utilization of the beds did not justify the number of current beds. As the location of beds was being determined for all hospitals in Huron and Perth, the Clinical Services Plan was utilized as a guide for the location and size of CCC and rehab programs within the LWHA. In addition to the current acute beds, Listowel will operate 15 CCC beds while Wingham will have 5 CCC and 5 Rehab beds going forward.

When the SW-LHIN reached out to LWHA to provide additional outpatient physiotherapy services in our service area, the Clinical Services Plan directed our efforts towards the Wingham and District Hospital (WDH) as the site expected to focus on rehabilitation services.

Hospitals are subject to a growing list of inspections, regulation and accreditations. Two additional inspections were initiated this year as a result of provincial regulation changes. The provincial fire code now requires hospitals to conduct timed fire evacuation drills within the hospital. With the assistance of dedicated staff, both sites have met the required evacuation time-lines. Secondly, the Ontario College of Pharmacists performed their first ever inspection of hospital pharmacies. This will now be an annual obligation. The hospitals also performed exceptionally well on a laboratory accreditation that occurs every 4 years.

While quality is a key part of the daily work within a hospital, there is a legislated requirement to prepare, implement and monitor an annual Quality Improvement Plan. This year we will focus on the following 5 objectives:

- Increasing the rate of Medication Reconciliation on Admission
- Maintaining Balanced Budgets
- Improving Patient Satisfaction Survey Results
- Increasing the reporting of near miss and reportable medication incidents
- Reducing patient falls

The board also adopted an integrated quality and risk framework which links the various legislative, regulatory, accreditation, insurance, emergency preparedness, risk reporting and patient experience expectations within a single document. This document is exceptionally valuable for a small hospital working very hard with limited resources to comply with the numerous standards, demands and expectations.

Responding to the Changing Health Care Environment

A significant amount of time and effort has been invested in the redevelopment of the Wingham and District Hospital and the creation of a health care campus in Wingham following the purchase of the former Wingham Public School. Planning for the hospital redevelopment has progressed to the point we are now able to prepare working construction drawings and tender packages. If projected timelines are met by the hospital and the Ministry of Health and Long Term Care, construction will begin before the end of 2015. Prior to this, there will be some minor renovations within the hospital to accommodate departmental moves necessary to create space for the construction.

VG Architects have been hired to design a new medical clinic that will create space for our local primary care physicians and the North Huron Family Health Team. Having primary care services in the facility is anticipated to help attract other health care providers as tenants. While the project is consuming a significant amount of time and effort, the expected benefit for the community is the creation of a single campus of providers that spans the continuum of health care. A healthy population and access to health care services are key elements of a vibrant and strong community. Creating this facility is an important part of that vision.

Wingham has significantly improved the accessibility of the facility through the construction of a ramp that replaced the front stairway. The Listowel Memorial Hospital has focused on smaller targeted renovations that improve patient experience and accessibility. During the last year a new dining room with accessible washroom space was opened along with the creation of an accessible shower and new tub room. Improving the accessibility of older facilities can be a challenge architecturally and financially.

Beyond renovations, capital expenditures also included the replacement of the IV pumps at both facilities, the purchase of a new ultrasound machine in Wingham and the expected purchase of ultrasound machine for the emergency room at Listowel. Ongoing Foundation support remains essential to the replacement of medical and diagnostic equipment. A comprehensive 5 year capital plan was also created this year. This document will be a valuable resource in planning for the major capital redevelopment and informing the Foundations and community of the ongoing capital needs of the hospitals.

Operating funds from the province remain frozen for Ontario's hospitals. This reality resulted in organizational and staffing model changes that were implemented in the last year. Part of the change involved the closure of local laundry services. In addition, we also needed to ensure the impact of South West Local Health Integration Network redistribution of inpatient Complex

Continuing Care beds was anticipated. Following the changes, the two sites within the Alliance have sufficient inpatient beds and clinical staffing to support the patient population that we care for.

The hospital board remains committed to keeping the community informed of events and plans for their hospitals. At the community forum in January, we were very pleased with the attendance and the interest shown by the Wingham community. Informational displays at the annual meeting are also part of the community engagement plan. Board leadership and hospital representatives also meet with local Mayors and Reeves on an annual basis to discuss topics of mutual interest.

The board attempts to hold regular education sessions as part of their board meetings. Topics in the past year included:

- CT Scan clinical applications
- Ontario hospital finances
- South West Local Health Integration Network
- Ontario Hospital Association
- Wingham redevelopment plans

Governing two corporations working together in an Alliance structure has benefits and challenges. Following significant discussions regarding their own governance practices, the board has committed to reducing the size of the board, amending the hospital bylaws, removing geographic board member representation and amending the committee structure and meeting schedule. Currently, the two boards meet as a single entity in undertaking the governance function of the two corporations. They remain strongly committed to maintaining two separate corporations and in the year ahead will redraft the bylaws to formalize the existing practice of a single board governing the hospitals. All of these initiatives are an effort to acknowledge the necessity of working together while maintaining the need to successfully operate two hospitals serving the needs of two distinct communities.

Looking ahead we will be focusing on the following initiatives:

- Wingham Hospital Redevelopment
- Wingham Health Campus
- Listowel CT Scan proposal
- Clinical Services Plan refresh
- SW-LHIN Clinical Services Planning and Quality Based Procedure Implementation

The board was highly appreciative of the efforts of the leadership team during Karl's absence. In particular, we were grateful for Angela Stanley's willingness to take on additional responsibilities and Tracy Murray's positive attitude throughout the transition. We have also welcomed Jennifer Johnston in her role as administrative support to the Board.

It takes the efforts of many individuals working together with a common goal to be successful. The board is indebted to the efforts of the many Hospital staff, physicians, volunteers and



Listowel Wingham Hospitals Alliance (LWHA) Governance Report For 2014/2015

community members on behalf of the Listowel Wingham Hospitals Alliance. Thanks again for your interest and commitment.

Respectfully Submitted,

Amy Miller
Chair, Wingham and District Hospital Board
Co-Chair Listowel Wingham Hospitals Alliance

Blair Burns
Chair, Listowel Memorial Hospital Board
Co-Chair Listowel Wingham Hospitals Alliance

Karl Ellis,
President and CEO, Listowel Memorial Hospital
President and CEO, Wingham and District Hospital
Listowel Wingham Hospitals Alliance

CHIEFS OF STAFF REPORTS

It has been another interesting year at Listowel Memorial Hospital and I want to thank the Physicians, Staff and Management as well as our diligent Board Members for helping us to negotiate our way through it.

ER coverage was seamless this year and achieved by cooperation between our loyal locums and the accommodating local docs who are to be congratulated for offering extra work and shifts when needed. We continue to try to seek new young docs to assist our present compliment especially as some of our locals are somewhat long-toothed now and Dr. Warren may be reducing his on-call hours after many years of fine service in this area.

Efforts at recruitment of medical staff continue with thanks to Kim Kowch and the recruitment committee. We have had some discussions with several possible recruits lately, one GP Anesthetist who might be a dual site worker and two possible ER and practice physicians and we are hopeful that one or more of these will come to fruition. We recently discovered that we are still in an underserved area and that this will allow us to offer a capitation funding model to new recruits. This is very important in a very competitive environment and highlights some of the barriers to recruitment which include recent cutbacks in physicians' wages.

Information Technology remains a hot topic locally and the docs introduced Accuro, a new electronic medical record system, to their offices in the last year with some benefits but some expected challenges also. The Hospital Cerner Medical Software still causes some frustration for physicians and staff but there have been improvements and we continue efforts to optimize it. There are plans to introduce clinical documentation in the future to complete out computerization process but we recognize that it is critical to fully optimize our present systems first.

There has been good work on various accreditation programs such as lab and pharmacy over the last year, although some would say we are now more than fully accredited as a lot of work goes into each of these processes and we have finite time to deal with some of this apparent duplication. Infectious Diseases have challenged us in the last year with Influenza outbreaks and Ebola threats and the degree of cooperation required to cope with these was met with gusto and efficiency.

This continues to be a rewarding and impressive Community to serve.

Respectfully Submitted,

Dr. Russell Latuskie,

Chief of Staff

Another year has come and gone and what an exceptionally busy year it was at the Wingham and District Hospital.

The strength of any institution is dependent on its employees and we continue to be fortunate to have an excellent staff.

The Information Technology staff have implemented Accuro and the clinical staff with the support of IT have implemented HUGO. The healthcare staff have adapted exceptionally well to these new computer programs. Accuro is a suite of medical software modules that provides computer-based medical records for Primary Care, as well as administrative modules for billing and patient scheduling. With HUGO, these key elements of the patient record have now been migrated to the electronic format:

- Computerized provider order entry (i.e. all orders are submitted electronically)
- Bar-coding and electronic medical administration record (i.e. a patient's hospital bracelet barcode is scanned and must match the medication being administered)
- Electronic medical reconciliation (i.e. a patient's medication history is inputted electronically)

Renovations will begin in the Emergency Room and have been completed on the second floor. Planning continues for the areas in the hospital that will be impacted by the capital build.

The former Wingham Public School redevelopment is progressing well. This is an exciting opportunity to develop a new healthcare hub in Wingham where multiple health care services can be integrated and accessed in one location.

Although the upcoming year will provide many challenges concerning budgetary constraints, staffing and the usual unforeseen challenges, the strength of our staff positions us well to meet these challenges.

Respectfully Submitted,

Dr. Greg Antoniadis
Chief of Staff

TREASURERS' REPORTS

The Resource & Audit Committee of the Board is responsible for oversight of the management of the hospital's financial and human resources. This committee meets regularly during the year and receives reports on financial performance and forecasting, budgeting issues, audit, property and human resource matters. This committee makes recommendations to the Board. For the 2014/15 fiscal year the committee members were; Tom Soltys, Blair Burns, Krishna Beharry, Craig Coghlin (until April 2015) and Dr. Arif Qureshi. The committee meets jointly with the Wingham and District Hospital's Resource & Audit Committee.

The Board, the committee and the whole community appreciate the high level of ongoing support that we receive from the Listowel Memorial Hospital Foundation. Vital renewal of patient care equipment and hospital infrastructure is enabled by the Foundation's fundraising initiatives. The annual gala is a well-supported event which generates much needed capital donations for the hospital. The hospital received over \$130k this year from the foundation for patient care purchases. The foundation also gave the hospital over \$300k to continue the investment in the HUGO project. HUGO is an automated medicine recording and dispensing system that increases patient safety. We also received nursing bursaries from RBC via the Foundation for nurse training and education.

Investment in fixed assets during this fiscal year totaled just under \$1 million. There were key investments in patient care through the purchase of new beds, mattresses, equipment for the Operating Room and a new shower room.

The Listowel Memorial Hospital has finished the 2014/15 fiscal year with a \$80,148 surplus from hospital operations. Changes made in the staffing model, outsourcing of the laundry operations, and constraint on spending for supplies led to the turnaround in financial results from last year. When including amortization of fixed assets, the hospital had an overall deficit of \$378,000. We have received funding increases in the past two fiscal years of 1% which is beneath the level of inflation that we are experiencing in wages, drugs and supplies. There is no commitment yet about a funding increase for the next fiscal year.

The Audit Committee is pleased to report that our Auditors have issued an unqualified audit opinion for this fiscal year. The Auditor's report and the Financial Statements are contained in this Annual Report.

Respectfully submitted,

Tom Soltys

Treasurer

Listowel Memorial Hospital
Financial Statements
For the year ended March 31, 2015

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Independent Auditor's Report

To the Board of Directors of Listowel Memorial Hospital

We have audited the accompanying financial statements of Listowel Memorial Hospital, which comprise the statement of financial position as at March 31, 2015 and the statements of changes in net assets, operations, remeasurement gains (losses) 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 public sector accounting standards for government not-for-profit organizations, 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.

Auditor's 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 auditor's 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, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

"BDO CANADA LLP"

Chartered Professional Accountants, Licensed Public Accountants

Wingham, Ontario

May 20, 2015

Listowel Memorial Hospital Statement of Financial Position

March 31	2015	2014
Assets		
Current		
Cash (Note 2)	\$ 1,549,037	\$ 670,045
Accounts receivable (Note 3)	914,505	957,922
Inventory	122,231	128,072
Prepaid expenses	205,507	157,788
Current portion of investments (Note 5)	552,000	722,000
	<u>3,343,280</u>	<u>2,635,827</u>
Investments (Note 5)	1,762,163	2,297,147
Other assets (Note 6)	81,554	81,554
Capital assets (Note 7)	25,521,583	26,702,211
	<u>\$ 30,708,580</u>	<u>\$ 31,716,739</u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 1,771,877	\$ 2,192,729
Deferred contributions (Note 8)	64,317	64,317
Current portion of long-term debt (Note 9)	127,923	127,923
	<u>1,964,117</u>	<u>2,384,969</u>
Deferred contributions (Note 8)	902,230	960,547
Long-term debt (Note 9)	682,285	810,208
Post-employment benefits (Note 10)	770,359	739,989
Deferred capital contributions (Note 11)	13,913,458	13,986,213
	<u>18,232,449</u>	<u>18,881,926</u>
Contingencies (Note 14)		
Net Assets		
Invested in capital assets	10,797,919	11,777,868
Unrestricted	1,592,775	991,285
	<u>12,390,694</u>	<u>12,769,153</u>
Accumulated remeasurement gains	85,437	65,660
	<u>12,476,131</u>	<u>12,834,813</u>
	<u>\$ 30,708,580</u>	<u>\$ 31,716,739</u>

On behalf of the Board:

Director

Director

The accompanying notes are an integral part of these financial statements.

Listowel Memorial Hospital Statement of Changes in Net Assets

For the year ended March 31	2015		2014	
	Invested in Capital Assets	Unrestricted	Total	Total
Balance , beginning of year	\$ 11,777,868	\$ 991,285	\$ 12,769,153	\$ 13,668,547
Excess (deficiency) of revenue over expenses for the year	(871,641)	493,182	(378,459)	(899,394)
Investment in capital assets, net	(108,308)	108,308	-	-
Balance , end of year	\$ 10,797,919	\$ 1,592,775	\$ 12,390,694	\$ 12,769,153

Statement of Remeasurement Gains (Losses)

For the year ended March 31	2015		2014	
Accumulated remeasurement gains , beginning of year	\$ 65,660	\$ 25,172		
Unrealized gains (losses) attributable to portfolio investments	14,336	37,732		
Amounts reclassified to statement of operations:				
Loss on dispositions of portfolio investments	5,441	2,756		
Net remeasurement gains for the year	19,777	40,488		
Accumulated remeasurement gains , end of year	\$ 85,437	\$ 65,660		

The accompanying notes are an integral part of these financial statements.

Listowel Memorial Hospital Statement of Operations

For the year ended March 31	2015	2014
Revenue		
Ministry of Health and Long Term Care	\$ 15,833,821	\$ 15,778,224
Inpatient	202,698	169,552
Outpatient	1,047,211	967,771
Investment income	71,062	82,895
Recoveries and other income	2,046,907	2,329,915
Amortization of deferred capital contributions	459,634	351,041
	19,661,333	19,679,398
Expenses		
Salaries and wages	9,602,724	9,817,100
Medical staff remuneration	2,335,965	2,328,761
Employee benefits	2,753,031	2,676,113
Supplies and other expenses	3,442,951	3,756,775
Medical and surgical supplies	363,023	385,956
Drug expense	210,053	237,993
Amortization of equipment	851,185	761,302
Interest on long-term debt	22,253	25,452
Restructuring costs	-	136,000
	19,581,185	20,125,452
Excess (deficiency) of revenue over expenses before other revenue and expenses	80,148	(446,054)
Other revenue (expenses)		
Amortization of deferred capital contributions for building and land improvements	526,902	541,823
Amortization of land improvements and building	(985,509)	(995,163)
Excess (deficiency) of revenue over expenses for the year	\$ (378,459)	\$ (899,394)

The accompanying notes are an integral part of these financial statements.

Listowel Memorial Hospital Statement of Cash Flows

For the year ended March 31

2015

2014

Cash provided by (used in)

Operating activities

Deficiency of revenue over expenses for the year	\$ (378,459)	\$ (899,394)
Items not involving cash:		
Amortization of property and equipment	1,836,694	1,756,465
Change in employee future benefits liability	30,370	33,525
Deferred contributions recognized as revenue	(58,317)	(107,063)
Amortization of deferred capital contributions	(986,536)	(892,864)
Realized loss on sale of investments	5,441	2,756
Loss on disposal of property and equipment	21,483	-
Deferred contributions	-	6,000
Changes in non-cash working capital items:		
Accounts receivable	43,417	723,684
Inventory	5,841	(7,700)
Prepaid expenses	(47,719)	(28,570)
Accounts payable and accrued liabilities	(420,850)	(88,634)
	<u>51,365</u>	<u>498,205</u>

Investing activities

Disposal (acquisition) of investments, net	<u>719,319</u>	<u>(66,163)</u>
--	----------------	-----------------

Capital activities

Purchase of capital assets	(682,199)	(1,871,536)
Grants and donations for property and equipment	913,781	1,061,185
Proceeds on disposal	4,649	-
	<u>236,231</u>	<u>(810,351)</u>

Financing activities

Repayment of long-term debt	<u>(127,923)</u>	<u>(127,923)</u>
-----------------------------	------------------	------------------

Net increase (decrease) in cash during the year

878,992 (506,232)

Cash, beginning of year

670,045 1,176,277

Cash, end of year

\$ 1,549,037 \$ 670,045

The accompanying notes are an integral part of these financial statements.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies

**Description
of Organization**

Listowel Memorial Hospital is incorporated without share capital under the laws of the Province of Ontario. The Hospital provides health care services to the residents of North Perth and surrounding area. The Hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax.

**Basis of
Presentation**

The financial statements of the Hospital have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board (PSAB for Government NPOs). The Listowel Memorial Hospital Foundation referred to in the notes is a separate entity whose financial information is reported separately from the Hospital.

Financial Instruments

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

The fair value category includes cash and equity investments. They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restriction has been met. Transaction costs relate to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

The amortized cost category includes bonds, guaranteed investment certificates, accounts receivable, accounts payable and accrued liabilities and long term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instrument in the amortized cost category are added to the carrying value of the instrument. Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

Inventory

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

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies (continued)

Revenue Recognition The hospital follows the deferral method of accounting for contributions, which include donations and government grants.

Under the Health Insurance Act and Regulations thereto, the Hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health and Long-term Care (MOHLTC) and the South West Local Health Integration Network (LHIN). The Hospital has entered into a Hospital Service Accountability Agreement (the H-SAA) for fiscal 2015 with the Ministry and LHIN that sets out the rights and obligations of the parties to the H-SAA in respect of funding provided to the Hospital by the Ministry/LHIN. The H-SAA also sets out the performance standards and obligations of the Hospital that establish acceptable results for the Hospital's performance in a number of areas.

If the Hospital does not meet its performance standards or obligations, the Ministry/LHIN has the right to adjust funding received by the Hospital. The Ministry/LHIN is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of Ministry/LHIN funding received by the Hospital during the year may be increased or decreased subsequent to year-end.

Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

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.

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Amortization of buildings is not funded by the LHIN and accordingly the amortization of buildings has been reflected as an undernoted item in the statement of operations with the corresponding realization of revenue for deferred contributions.

Externally restricted investment income is accounted for as a liability until the restrictions imposed on the income have been met by the Hospital.

Revenue from patient services is recognized when the service is provided.

Ancillary revenue is recognized when the goods are sold and services provided.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies (continued)

Contributed Services Volunteers contribute numerous hours to assist the Hospital in carrying out certain charitable aspects of its service delivery activities. Due to the difficulty of determining the fair value, contributed services are not recognized these financial statements.

Capital assets Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Hospital's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value. Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.

Capital assets are capitalized on acquisition and amortized on a straight line basis over their estimated useful lives as follows:

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

**Retirement and
Post-employment
Benefits**

The Hospital provides defined retirement and post-employment health, dental and life insurance benefits to eligible retired employees. The Hospital has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment benefits are actuarially determined using management's best estimate of health care costs and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs are recognized as an expense in the period of the plan amendment.
- (ii) The costs of the multi-employer defined benefit pension plan are the employer's contributions due to the plan in the period.

**Management
Estimates**

The preparation of financial statements in accordance with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of key estimation include determination of the allowance for doubtful accounts, inventory obsolescence, estimated useful life of buildings, improvements and equipment, funding recognition and actuarial estimation of post-employment benefits.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

2. 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.

3. Accounts Receivable

	2015	2014
Patient services	\$ 150,507	\$ 232,068
Other	769,257	725,854
	919,764	957,922
Less: Allowance for doubtful accounts	(5,259)	(17,153)
	<u>\$ 914,505</u>	<u>\$ 957,922</u>

4. Financial Instrument Classification

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2015			2014
	Fair Value	Amortized Cost	Total	Total
Cash	\$ 1,549,037	\$ -	\$ 1,549,037	\$ 670,045
Accounts receivable	-	914,505	914,505	957,922
Investments - GICs	-	2,054,000	2,054,000	2,776,000
Investments - equities	260,163	-	260,163	243,147
Accounts payable	-	(1,771,877)	(1,771,877)	(2,192,729)
Long-term debt	-	(810,208)	(810,208)	(938,131)
	\$ 1,809,200	\$ 386,420	\$ 2,195,620	\$ 1,516,254

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

4. Financial Instrument Classification (Continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which their fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the latest bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that includes inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2015				
	Level 1	Level 2	Level 3	Total
Cash	\$ 1,549,037	-	-	\$ 1,549,037
Investments - equities	260,163	-	-	260,163
Total	\$ 1,809,200	-	-	\$ 1,809,200

2014				
	Level 1	Level 2	Level 3	Total
Cash	\$ 670,045	-	-	\$ 670,045
Investments - equities	243,147	-	-	243,147
Total	\$ 913,192	-	-	\$ 913,192

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2015 and March 31, 2014 . There were also no transfers in or out of Level 3.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

5. Investments

	2015	2014
Sun Life Financial shares (cost - \$20,890)	\$ 60,184	\$ 59,028
Equity Investments (cost - \$153,901, (2014 - \$156,596))	199,979	184,119
Guaranteed Investment Certificates, 2.45% - 2.90%, maturing between June 2015 and July 2018	2,054,000	-
Guaranteed Investment Certificates, 1.20% - 2.90%, maturing between June 2014 and July 2018	-	2,776,000
	2,314,163	3,019,147
Less: current portion	552,000	722,000
	<u>\$ 1,762,163</u>	<u>\$ 2,297,147</u>

6. Other Assets

	2015	2014
Bequest receivable	\$ 81,554	\$ 81,554

The hospital has been named as one of the beneficiaries 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.

7. Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 1,386,890	\$ -	\$ 1,386,890	\$ -
Land improvements	537,321	291,205	537,321	237,354
Buildings	20,798,130	4,168,592	20,790,971	3,572,138
Equipment	17,487,350	10,555,522	17,320,891	9,560,510
	40,209,691	15,015,319	40,036,073	13,370,002
Construction in progress	327,211	-	36,140	-
	<u>\$ 40,536,902</u>	<u>\$ 15,015,319</u>	<u>\$ 40,072,213</u>	<u>\$ 13,370,002</u>
Net book value		<u>\$ 25,521,583</u>		<u>\$ 26,702,211</u>

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

8. Deferred Contributions

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	2015	2014
Balance, beginning of year	\$ 1,024,864	\$ 1,125,927
Less amounts recognized as revenue in the year	(58,317)	(107,063)
Contributions received during the year	-	6,000
Balance, end of year	<u>\$ 966,547</u>	<u>\$ 1,024,864</u>

Deferred contributions are comprised of:

	2015	2014
North Perth Family Health Team prepaid rent for medical clinic lease expiring in February 2032	\$ 959,772	\$ 1,016,230
Other funding	6,000	6,000
Other prepaid rent	775	2,634
	<u>966,547</u>	<u>1,024,864</u>
Less current portion	<u>64,317</u>	<u>64,317</u>
Balance, end of year	<u>\$ 902,230</u>	<u>\$ 960,547</u>

9. Long-Term Debt

	2015	2014
Listowel Memorial Hospital Foundation, prime less 0.5%, loan repayable in monthly instalments of \$10,660 plus interest, due August 2021	\$ 810,208	\$ 938,131
Less current portion	<u>127,923</u>	<u>127,923</u>
	<u>\$ 682,285</u>	<u>\$ 810,208</u>

Scheduled principal payments required over the next five fiscal years are as follows:

2016	\$ 127,923
2017	127,923
2018	127,923
2019	127,923
2020	127,923

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

10. Post-Employment Benefits

Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan (HOOPP). The plan is a multi-employer plan and therefore the Hospital's contributions are accounted for as if the plan were a defined contribution plan with the Hospital's contributions being expensed in the period they come due. Contributions made to the plan during the year by the Hospital amounted to \$785,330 (2014 - \$780,811) and are included in employee benefits on the statement of operations. Variances between actuarial funding estimates and the actual experience could be material and any differences are funded by participating members. HOOPP has reported a \$13.9 billion actuarial surplus at the end of December 2014 (2013 - \$10.1 billion surplus) based on actuarial liabilities of \$46.9 billion (2013 - \$41.5 billion) and actuarial net assets of \$60.8 billion (2013 - \$51.6 billion).

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:

	2015	2014
Accrued benefit obligation	\$ 878,408	\$ 763,675
Unamortized net actuarial gain (loss)	(108,049)	(23,686)
Post-employment benefits liability	\$ 770,359	\$ 739,989

In measuring the hospital's accrued benefit obligation, a discount rate of 2.50% (2014 - 3.75%) was assumed. For extended health care costs, a 8% annual rate of increase was assumed then decreasing by 0.25% per year to a rate of 5% and, for dental costs, a 4% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2013. Actual results could differ from this estimate as additional information becomes available in the future.

	2015	2014
Current year benefit cost	\$ 65,985	\$ 62,200
Interest on accrued benefit obligation	29,826	29,480
Amortized actuarial losses	3,159	2,545
Expense for the year	\$ 98,970	\$ 94,225
Benefits paid during the year	\$ 65,985	\$ 62,200

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

11. Deferred Capital Contributions

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	<u>2015</u>	<u>2014</u>
Balance, beginning of year	\$ 13,986,213	\$ 13,817,892
Contributions received	913,781	1,061,185
Amortization of deferred contributions - equipment	(459,634)	(351,041)
Amortization of deferred contributions - building and land improvements	<u>(526,902)</u>	<u>(541,823)</u>
Balance, end of year	<u>\$ 13,913,458</u>	<u>\$ 13,986,213</u>

12. Hospital Foundation and Auxiliary

Listowel Memorial Hospital Foundation

The Listowel Memorial Hospital Foundation is an independent corporation incorporated without share capital which has its own independent Board of Directors and is a registered charity under the Income Tax Act. The Foundation was established to raise funds for the use of the hospital. Donations received during the year were \$142,056 (2014 - \$473,074).

At March 31, 2015, the Hospital has a receivable from the Foundation of \$0 (2014 - \$301,371).

Listowel Hospital Auxiliary

The Listowel 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 Hospital to be used for the purchase of equipment and supplies for the hospital. During the year, the Auxiliary donated \$16,000 (2014 - \$15,000) to the Hospital.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

13. Related Party Transactions

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 expense and recovery. As at March 31, 2015 amounts due from (to) Wingham and District Hospital totaled \$235,961 (2014 - (\$26,554)).

14. Contingent Liability

The Hospital participates in the Healthcare Insurance Reciprocal of Canada (HIROC), a pooling of the public liability insurance risks of its hospital members. Members of the pool pay annual premiums, which are actuarially determined. Members are subject to assessment for losses, if any, experienced by the pool for the year in which they were members. No assessments have been made to March 31, 2015, with respect to claims.

15. Financial Instrument Risks

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk, and equity risk. The Hospital is not exposed to significant currency risk or equity risk as it does not transact materially in foreign currency or hold significant equity financial instruments. The Hospital's investment policy limits equity instruments to 10% of the fair value of the total investment portfolio. At March 31, 2015, a 10% movement in stock markets with all other variables held constant, could impact the market value of the equity instruments held by \$26,000 (2014 - \$24,300).

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Hospital is exposed to this risk through its interest bearing investments and term debt.

Credit Risk

Credit risk is the risk of financial loss to the Hospital if a debtor fails to make payments of interest and principal when due. The Hospital is exposed to this risk relating its cash, accounts receivable, and debt holdings in its investment portfolio. The Hospital holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Hospital's cash accounts are insured up to \$500,000.

The Hospital's investment policy operates with the constraints of the investment guidelines issued by the MOHLTC and puts limits on the investment portfolio.

The maximum exposure to investment credit risk is outlined in Note 4.

Listowel Memorial Hospital Notes to Financial Statements

March 31, 2015

15. Financial Instrument Risks (Continued)

Accounts receivable are primarily due from OHIP, the Ministry of Health and Long-term Care and patients. Credit risk is mitigated by the financial solvency of the provincial government and the highly diversified nature of the patient population.

The Hospital measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Hospital's historical experience regarding collections.

Liquidity Risk

Liquidity risk is the risk that the Hospital will not be able to meet its financial obligations as they fall due. The Hospital has a planning and budgeting process in place to help determine the funds required to support the Hospital's normal operating requirements on an ongoing basis. The Hospital ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and investments. Liquidity risk arises primarily from accounts payable and accrued liabilities and long-term debt.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

The Resource Committee of the Board is responsible for oversight of the management of the hospital's financial and human resources. This committee meets regularly during the year and receives reports on financial performance and forecasting, budgeting issues, audit, property and human resource matters. This committee makes recommendations to the Board. For the 2014/15 fiscal year the committee members were; Penny Mulvey, Gladys Peacock, Andy McBride, Gord Hunt, Amy Miller, and Dr. Jim Shuffield. The committee meets jointly with the Listowel Memorial Hospital's resource committee.

Investment in fixed assets during this fiscal year totaled just over \$1.2 million. There were key investments in patient care through the completion of the HUGO project, cardiac ultrasound, and vital signs monitors. The infrastructure of the hospital was improved with a boiler replacement, roof repairs and the construction of a ramp at the front entrance to increase accessibility.

The Wingham and District Hospital has finished the 2014/15 fiscal year with a \$176,062 deficit from hospital operations. This is below the balanced budget waiver threshold that the hospital was granted by the SWLHIN and an improvement on the results of the prior year. There were changes made in the staffing model, outsourcing of the laundry and constraint on spending on supplies that led to the turnaround in financial results from last year. Including amortization of fixed assets the hospital had an overall deficit of \$469,825.

The Audit Committee is pleased to report that our Auditors have issued an unqualified audit opinion for this fiscal year. The Auditor's report and the Financial Statements are contained in this Annual Report.

Respectfully submitted,

Penny Mulvey

Treasurer

Wingham and District Hospital
Financial Statements
For the year ended March 31, 2015

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Independent Auditor's Report

To the Board of Directors of Wingham and District Hospital

We have audited the accompanying financial statements of Wingham and District Hospital, which comprise the statement of financial position as at March 31, 2015 and the statements of changes in net assets, operations, remeasurement gains (losses) 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 public sector accounting standards for government not-for-profit organizations, 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.

Auditor's 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 auditor's 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, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

"BDO CANADA LLP"

Chartered Professional Accountants, Licensed Public Accountants

Wingham, Ontario

May 27, 2015

Wingham and District Hospital Statement of Financial Position

March 31	2015	2014
Assets		
Current		
Cash (Note 2)	\$ 882,444	\$ 1,173,113
Accounts receivable (Note 3)	1,271,805	809,505
Inventory	301,411	276,664
Prepaid expenses	98,808	106,718
Current portion of investments (Note 5)	368,000	270,000
	<u>2,922,468</u>	<u>2,636,000</u>
Investments (Note 5)	734,810	798,245
Capital assets (Note 6)	8,744,632	8,462,506
	<u>\$ 12,401,910</u>	<u>\$ 11,896,751</u>

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 1,777,453	\$ 1,047,937
Deferred contributions (Note 7)	34,500	22,151
	<u>1,811,953</u>	<u>1,070,088</u>
Post-employment benefits (Note 9)	553,060	561,952
Deferred capital contributions (Note 10)	4,781,965	4,548,672
	<u>7,146,978</u>	<u>6,180,712</u>
Contingencies (Note 12)		
Net Assets		
Invested in capital assets	3,962,667	3,913,834
Unrestricted	1,269,999	1,788,657
	<u>5,232,666</u>	<u>5,702,491</u>
Accumulated remeasurement gains	22,266	13,548
	<u>5,254,932</u>	<u>5,716,039</u>
	<u>\$ 12,401,910</u>	<u>\$ 11,896,751</u>

On behalf of the Board:

Director

Director

The accompanying notes are an integral part of these financial statements.

Wingham and District Hospital Statement of Changes in Net Assets

For the year ended March 31			2015	2014
	Invested in Capital Assets	Unrestricted	Total	Total
Balance , beginning of year	\$ 3,913,834	\$ 1,788,657	\$ 5,702,491	\$ 6,546,212
Excess (deficiency) of revenue over expenses for the year	(574,960)	105,135	(469,825)	(843,721)
Investment in capital assets, net	623,793	(623,793)	-	-
Balance , end of year	\$ 3,962,667	\$ 1,269,999	\$ 5,232,666	\$ 5,702,491

Statement of Remeasurement Gains (Losses)

For the year ended March 31	2015	2014
Accumulated remeasurement gains , beginning of year	\$ 13,548	\$ 1,723
Unrealized gains (losses) attributable to portfolio investments	6,278	10,398
Amounts reclassified to statement of operations:		
Loss on dispositions of portfolio investments	2,440	1,427
Net remeasurement gains for the year	8,718	11,825
Accumulated remeasurement gains , end of year	\$ 22,266	\$ 13,548

The accompanying notes are an integral part of these financial statements.

Wingham and District Hospital Statement of Operations

For the year ended March 31	2015	2014
Revenue		
Ministry of Health and Long Term Care	\$ 13,520,140	\$ 13,520,212
Inpatient	57,465	91,415
Outpatient	598,014	574,065
Investment income	35,260	38,178
Recoveries and other income	2,594,327	2,843,396
Amortization of deferred capital contributions	262,925	258,158
	<u>17,068,131</u>	<u>17,325,424</u>
Expenses		
Salaries and wages	8,607,748	8,668,411
Medical staff remuneration	1,880,167	1,931,287
Employee benefits	2,137,447	2,311,248
Supplies and other expenses	2,735,668	2,924,808
Medical and surgical supplies	360,668	407,783
Drug expense	1,001,033	1,012,341
Amortization of equipment	521,462	541,442
Restructuring costs	-	82,000
	<u>17,244,193</u>	<u>17,879,320</u>
Deficiency of revenue over expenses before other revenue and expenses	(176,062)	(553,896)
Other revenue (expenses)		
Amortization of deferred capital contributions for building and land improvements	45,742	45,716
Amortization of land improvements and building	<u>(339,505)</u>	<u>(335,541)</u>
Deficiency of revenue over expenses for the year	\$ (469,825)	\$ (843,721)

The accompanying notes are an integral part of these financial statements.

Wingham and District Hospital Statement of Cash Flows

For the year ended March 31	2015	2014
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses for the year	\$ (469,825)	\$ (843,721)
Items not involving cash		
Amortization of property and equipment	860,967	876,983
Change in employee future benefits liability	(8,892)	(9,972)
Amortization of deferred capital contributions	(308,667)	(303,874)
Realized loss on sale of investments	2,440	1,427
Loss (gain) on disposal of property and equipment	22,660	(24,093)
Changes in non-cash working capital items:		
Accounts receivable	(462,300)	934,192
Inventory	(24,747)	(31,617)
Prepaid expenses	7,910	(381)
Accounts payable and accrued liabilities	729,516	(623,326)
Deferred contributions	12,349	22,151
	<u>361,411</u>	<u>(2,231)</u>
Investing activities		
Disposal (acquisition) of investments, net	<u>(28,287)</u>	69,694
Capital activities		
Purchase of capital assets	(1,165,753)	(2,338,409)
Grants and donations for property and equipment	541,960	2,485,986
Proceeds from sale of equipment	-	18,963
	<u>(623,793)</u>	<u>166,540</u>
Net increase (decrease) in cash during the year	(290,669)	234,003
Cash, beginning of year	<u>1,173,113</u>	939,110
Cash, end of year	\$ 882,444	\$ 1,173,113

The accompanying notes are an integral part of these financial statements.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies

Description of Organization

The Wingham and District Hospital is incorporated without share capital under the laws of the Province of Ontario. The Hospital provides health care services to the residents of North Huron and surrounding area. The Hospital is a registered charity under the Income Tax Act and, as such, is exempt from income tax.

Basis of Presentation

The financial statements of the Hospital have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board (PSAB for Government NPOs). The Wingham and District Hospital Foundation referred to in the notes is a separate entity whose financial information is reported separately from the Hospital.

Financial Instruments

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

The fair value category includes cash and equity investments. They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restriction has been met. Transaction costs relate to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

The amortized cost category includes bonds, guaranteed investment certificates, accounts receivable, accounts payable and accrued liabilities and long term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instrument in the amortized cost category are added to the carrying value of the instrument. Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies (continued)

Revenue Recognition The hospital follows the deferral method of accounting for contributions, which include donations and government grants.

Under the Health Insurance Act and Regulations thereto, the Hospital is funded primarily by the Province of Ontario in accordance with budget arrangements established by the Ministry of Health and Long-term Care (MOHLTC) and the South West Local Health Integration Network (LHIN). The Hospital has entered into a Hospital Service Accountability Agreement (the H-SAA) for fiscal 2015 with the Ministry and LHIN that sets out the rights and obligations of the parties to the H-SAA in respect of funding provided to the Hospital by the Ministry/LHIN. The H-SAA also sets out the performance standards and obligations of the Hospital that establish acceptable results for the Hospital's performance in a number of areas.

If the Hospital does not meet its performance standards or obligations, the Ministry/LHIN has the right to adjust funding received by the Hospital. The Ministry/LHIN is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of Ministry/LHIN funding received by the Hospital during the year may be increased or decreased subsequent to year-end.

Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

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.

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Amortization of buildings is not funded by the LHIN and accordingly the amortization of buildings has been reflected as an undernoted item in the statement of operations with the corresponding realization of revenue for deferred contributions.

Externally restricted investment income is accounted for as a liability until the restrictions imposed on the income have been met by the Hospital.

Revenue from patient services is recognized when the service is provided.

Ancillary revenue is recognized when the goods are sold and services provided.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

1. Significant Accounting Policies (continued)

Contributed Services Volunteers contribute numerous hours to assist the Hospital in carrying out certain charitable aspects of its service delivery activities. Due to the difficulty of determining the fair value, contributed services are not recognized in these financial statements.

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

Capital assets Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Hospital's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value. Construction in progress is not amortized until construction is substantially complete and the assets are ready for use.

Capital assets are capitalized on acquisition and amortized on a straight line basis over their estimated useful lives as follows:

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

Retirement and Post-employment Benefits The Hospital provides defined retirement and post-employment health, dental and life insurance benefits to eligible retired employees. The Hospital has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment benefits are actuarially determined using management's best estimate of health care costs and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis. Plan amendments, including past service costs are recognized as an expense in the period of the plan amendment.
- (ii) The costs of the multi-employer defined benefit pension plan are the employer's contributions due to the plan in the period.

Management Estimates The preparation of financial statements in accordance with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future. Areas of key estimation include determination of allowance for doubtful accounts, inventory obsolescence, estimated useful life of capital assets, funding recognition and actuarial estimation of post-employment benefits.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

2. Cash

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

3. Accounts Receivable

	2015	2014
Ministry of Health and Long-Term Care	\$ 45,000	\$ 122,777
Patient services	191,179	94,971
Other	1,043,282	595,438
	1,279,461	813,186
Less: Allowance for doubtful accounts	(7,656)	(3,681)
	\$ 1,271,805	\$ 809,505

4. Financial Instrument Classification

The following table provides cost and fair information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2015			2014
	Fair Value	Amortized Cost	Total	Total
Cash	\$ 882,444	\$ -	\$ 882,444	\$ 1,173,113
Accounts receivable	-	1,271,805	1,271,805	809,505
Investments - GICs	-	1,008,000	1,008,000	980,000
Investments - equities	94,810	-	94,810	88,245
Accounts payable	-	(1,777,453)	(1,777,453)	(1,047,937)
	\$ 977,254	\$ 502,352	\$ 1,479,606	\$ 2,002,926

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

4. Financial Instrument Classification (Continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which their fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the latest bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that includes inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2015				
	Level 1	Level 2	Level 3	Total
Cash	\$ 882,444	-	-	\$ 882,444
Investments - equities	94,810	-	-	94,810
Total	\$ 977,254	-	-	\$ 977,254

2014				
	Level 1	Level 2	Level 3	Total
Cash	\$ 1,173,113	-	-	\$ 1,173,113
Investments - equities	88,245	-	-	88,245
Total	\$ 1,261,358	-	-	\$ 1,261,358

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2015 and 2014. There were also no transfers in or out of Level 3.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

5. Investments

	2015	2014
Equity Investment Portfolio (cost - \$74,399), (2014 - \$77,988))	\$ 94,810	\$ 88,245
Guaranteed Investment Certificates, 1.15% - 3.25%, maturing between May 2015 and May 2019	1,008,000	-
Guaranteed Investment Certificates, 2.50% - 3.25%, maturing between May 2014 and May 2017	-	980,000
	1,102,810	1,068,245
Less: current portion	368,000	270,000
	<u>\$ 734,810</u>	<u>\$ 798,245</u>

6. Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 916,541	\$ -	\$ 916,541	\$ -
Land improvements	193,464	71,219	193,464	61,755
Buildings	7,967,210	4,915,811	7,945,336	4,674,633
Equipment	10,068,552	6,690,512	9,752,193	6,131,004
	19,145,767	11,677,542	18,807,534	10,867,392
Construction in progress	1,276,407	-	522,364	-
	<u>\$ 20,422,174</u>	<u>11,677,542</u>	<u>19,329,898</u>	<u>10,867,392</u>
Net book value		<u>\$ 8,744,632</u>		<u>\$ 8,462,506</u>

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

7. Deferred Contributions

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	<u>2015</u>	<u>2014</u>
Balance, beginning of year	\$ 22,151	\$ -
Contributions received during the year	32,500	50,746
Less amounts recognized as revenue in the year	<u>(20,151)</u>	<u>(28,595)</u>
Balance, end of year	<u>\$ 34,500</u>	<u>\$ 22,151</u>

Deferred contributions are comprised of:

	<u>2015</u>	<u>2014</u>
Patient experience funding	\$ -	\$ 20,151
Prepaid rent	32,500	-
Other funding	<u>2,000</u>	<u>2,000</u>
	34,500	22,151
Less current portion	<u>34,500</u>	<u>22,151</u>
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>

8. Wingham and District Hospital Foundation

The Wingham and District Hospital Foundation is an independent corporation incorporated without share capital which has its own independent Board of Directors and is a registered charity under the Income Tax Act. The Foundation was established to raise funds for the use of the hospital. Donations received during the year were \$205,951 (2014 - \$476,022).

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

9. Post-Employment Benefits

Pension Plan

Substantially all of the employees of the hospital are eligible to be members of the Healthcare of Ontario Pension Plan (HOOPP). The plan is a multi-employer plan and therefore the Hospital's contributions are accounted for as if the plan were a defined contribution plan with the Hospital's contributions being expenses in the period they come due. Contributions made to the plan during the year by the Hospital amounted to \$589,621 (2014 - \$581,655) and are included in employee benefits on the statement of operations. Variances between actuarial funding estimates and the actual experience could be material and any differences are funded by participating members. HOOPP has reported a \$13.9 billion actuarial surplus at the end of December 2014 (2013 - \$10.1 billion surplus) based on actuarial liabilities of \$46.9 billion (2013 - \$41.5 billion) and actuarial net assets of \$60.8 billion (2013 - \$51.6 billion).

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:

	2015	2014
Accrued benefit obligation	\$ 665,503	\$ 531,493
Unamortized net actuarial gain (loss)	(112,443)	30,459
Post-employment benefits liability	\$ 553,060	\$ 561,952

In measuring the hospital's accrued benefit obligation, a discount rate of 2.75% (2014 - 3.75%) was assumed. For extended health care costs, a 7.0% annual rate of increase was assumed beginning in 2015, then decreasing to a 4.75% increase, for dental costs, a 3.75% annual rate of increase was assumed. The most recent actuarial valuation was prepared as at April 1, 2014. Actual results could differ from this estimate as additional information becomes available in the future.

	2015	2014
Current year benefit cost	\$ 26,100	\$ 23,821
Interest on accrued benefit obligation	23,069	20,638
Amortized actuarial (gains) losses	4,712	(4,431)
Expense for the year	\$ 53,881	\$ 40,028
Benefits paid during the year	\$ 26,100	\$ 23,821

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

10. Deferred Capital Contributions

Deferred capital contributions represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2015	2014
Balance, beginning of year	\$ 4,548,672	\$ 2,366,560
Contributions received	541,960	2,485,986
Amortization of deferred contributions - equipment	(262,925)	(258,158)
Amortization of deferred contributions - building and land improvements	(45,742)	(45,716)
Balance, end of year	\$ 4,781,965	\$ 4,548,672

11. Related Party Transactions

The Hospital has an alliance agreement with the Listowel Memorial 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 Wingham for Listowel are shown as an expense and recovery. As at March 31, 2015, amounts due to (from) Listowel Memorial Hospital totalled \$235,961 (2014 - \$26,554).

12. Contingent Liability

The Hospital participates in the Healthcare Insurance Reciprocal of Canada (HIROC), a pooling of the public liability insurance risks of its hospital members. Members of the pool pay annual premiums, which are actuarially determined. Members are subject to assessment for losses, if any, experienced by the pool for the year in which they were members. No assessments have been made to March 31, 2015, with respect to claims.

Wingham and District Hospital Notes to Financial Statements

March 31, 2015

13. Financial Instrument Risks

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk, and equity risk. The Hospital is not exposed to significant currency risk or equity risk as it does not transact materially in foreign currency or hold significant equity financial instruments. The Hospital's investment policy limits equity instruments to 10% of the fair value of the total investment portfolio. At March 31, 2015, a 10% movement in stock markets with all other variables held constant, could impact the market value of the equity instruments held by \$9,480 (2014 - \$8,825).

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Hospital is exposed to this risk through its interest bearing investments.

Liquidity Risk

Liquidity risk is the risk that the Hospital will not be able to meet its financial obligations as they fall due. The Hospital has a planning and budgeting process in place to help determine the funds required to support the Hospital's normal operating requirements on an ongoing basis. The Hospital ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and investments. Liquidity risk arises primarily from accounts payable and accrued liabilities and long-term debt.

Credit Risk

Credit risk is the risk of financial loss to the Hospital if a debtor fails to make payments of interest and principal when due. The Hospital is exposed to this risk relating to its cash, accounts receivable, and debt holdings in its investment portfolio. The Hospital holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Hospital's cash accounts are insured up to \$500,000.

The maximum exposure to investment credit risk is outlined in Note 4.

Accounts receivable are primarily due from OHIP, the Ministry of Health and Long-term Care and patients. Credit risk is mitigated by the financial solvency of the provincial government and the highly diversified nature of the patient population.

The Hospital measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Hospital's historical experience regarding collections.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

AUXILIARY REPORTS

The Listowel Memorial Hospital Auxiliary consists of 19 members and meets on the first Wednesday of every month except July and August.

Our main objective is to provide, within our means, equipment and supplies on the suggestion of the hospital staff and CEO. We also provide a gift for the New Year baby and tray favours for patients on special holidays.

In order to raise funds to achieve our goals, we hold several fundraisers throughout the year. They are as follows:

- Spaghetti Dinner
- Christmas Bazaar and Bake Sale
- Bake Sales on Special Holidays
- M&M Bar-b-que
- Hanging Basket and Bake Sale at the Listowel Greenhouses
- Food Booth / Bake Sale at Radiothon

We also have proceeds from our gift shop which is run by our members and volunteers and is open year round.

From information gathered from our Hospital Wish Lists submitted from each department in the Listowel Memorial Hospital we were able to purchase the following equipment worth approximately \$16, 000:

- Pedometers for the Diabetes Department
- Breslow Cart for the Medical / Surgical Department
- Air Mattress for the Complex Continuing Care Department
- Bassinette for the Obstetrics Department
- Bariatric Stretcher the for the Emergency Department

Thank you to all who support our Auxiliary through donations of time, finances and resources resulting in another successful year.

Respectfully submitted,

Marilyn Nichol

Auxiliary Representative on the Listowel Memorial Hospital Board

The Wingham and District Hospital Auxiliary hold meetings on the fourth Monday of September, November, January, April and June.

The annual meeting is held in June. This year on June 22nd, 2015. Annual reports are given and submitted to the secretary.

This year a new Executive will be elected for a two-year term. The current executives for 2014/2015 are:

- President - Janice Taylor
- Vice President - Vacant
- Treasurer - Trudy Thomson
- Secretary - Catherine Mulvey
- Past President - Verna Steffler
- Membership - Noreen Gnaey

The main objective of the Auxiliary is to support our hospital in any way possible. To achieve this we participate in several activities to raise funds. These activities include:

- Spring and fall rummage sales
- Poinsettia tea and bake sale in December
- Ticket sales on donated items
- Used book sales
- Gift shop sales
- Euchre and bridge sessions
- May tag days in Wingham and Listowel
- Selling tickets for community fashion show in the spring and fall

We also support a bursary for an F.E. Madill student to further studies in the healthcare field.

Auxiliary conferences are held in the region and many of our members have participated. They are reported to be very informative. The most recent spring conference was held in Mount Forest.

May Tag Days held in Wingham and Listowel was supported very well in both communities. Proceeds from the May Tag Days will go towards the purchase of a special Emergency Stretcher.

Our Auxiliary membership is anticipating a new gift shop area in conjunction with the Wingham and District Hospital redevelopment project.

Thank you to all of our volunteers, and those who support our Auxiliary through donations of time and resources.

Respectfully submitted,

Helen Rintoul

Auxiliary Representative on the Wingham and District Hospital Board

FOUNDATIONS

The Listowel Memorial Hospital Foundation has had a very good year bringing the profile of the Foundation to a new level for local residents and surrounding areas.

The Foundation has held several fundraisers in the last year such as:

- The Spring Gala, June 2014 was held at the Elma Community Centre, Atwood, hosted 264 people to an evening of fine dining, music and auction items. This successful event profited a net \$290,000 towards equipment purchase for the hospital.
- Other events held were the M& M Hamburg BBQ in June 2014, Car & Motorcycle Poker Rally in September & a Radiothon event @ Knox Presbyterian Church, Listowel same day as Radiothon. This Radiothon event has entertainment, bake sale, food booth and generates over \$15,000 from our local donors for Radiothon.

The Foundation now is hosting four events each year bringing awareness of the importance of fundraising for our hospital to the area. The Foundation's new website is updated regularly with events going on and many other donations made by cheque presentation throughout the year.

Upcoming Events for 2015/2016

- Spring Gala 2015, theme "Viva Las Vegas" will be held Saturday, June 6, 2015, hosting 256 people proceeds to "O.R. Care Packages" cost in excess of \$265,000. To date Gala 2015 has brought in over \$276,000 corporate dollars!
- LMH Staff Appreciation hosted by LMH Foundation members, Thursday, June 18th, 2015
- BBQ at M & M Meats June 12th, 2015
- LMHF Car & Motorcycle Poker Rally, Saturday, September 26th, 2015
- Fall fundraiser, proceeds to Radiothon 2015 TBD
- Radiothon Knox Presbyterian Church Hall event, music, etc, Saturday, October 17th, 2015

Newsletters

The Spring 2015 newsletter just went out in the mail showing our Continuing Care Renovations to the first floor bathroom, Current Needs List, Dr. Rob Annis comments, Donations throughout the Fall 2014. The Foundation circulated 2 newsletters in the Spring 2014 and Fall 2014 to over 9000 residents. The newsletters make people aware of what is going on at the Foundation, some of the donations made, in memory donations, and what the current needs are for the hospital. The newsletters have been

very well received and generates donations plus awareness about the needs and what's going on at their local hospital.

The Foundation is grateful for the support from the staff at LMH and the citizens and businesses of North Perth and surrounding areas. **The Listowel Memorial Hospital Foundation was able to purchase \$463,000 of equipment and also support the Hugo the balance of the project for \$303,000 in 2014.**

Respectfully submitted,

LMH Foundation

Radiothon

In 2014, the Wingham & District Hospital Foundation raised over \$143,000 for the purchase of a Cardiac Ultrasound Machine for the Digital Imaging Department. On Saturday, October 18, 2014, the Foundation received over \$81,000 in on-air donations and over \$62,000 during the weeks that followed the Radiothon. Some of the significant donations that contributed to the overall total include generous gifts from the Wingham Homecoming 2014 Committee, the Lucknow Kinsmen, and the Girls Night Out Fundraiser. For the second year in a row the Foundation ran The Great Radiothon Race in conjunction with regular Radiothon day activities. The event raised \$8,100 towards the Radiothon project. The 2015 Radiothon will be held on Saturday, October 17, 2015. And, in order to accommodate the CKNX ratings period which occurs annually in September and October, the date of the Radiothon will be changed beginning in 2016 with the event scheduled for Thursday, May 12, 2016. The intention is to move forward annually with the Radiothon in May as of the 2016 event.

Equipment

On May 27, 2015, the Foundation was pleased to officially present the Wingham & District Hospital Board with a cheque in the amount of \$205,951.30. These funds were generated through the Radiothon, memorial donations, and other events in the 2014-2015 fiscal year. The money donated funded the purchase of the following pieces of equipment: Cardiac Ultrasound Machine, Ultrasound Stretcher, Tall Bed & Mattress Extension and Oncology Scale with Side Arms.

Our Hospital, Our Future

The WDH Foundation completed a feasibility study with the assistance of campaign consulting firm, Campaign Coaches, and determined to proceed with a community fundraising capital campaign with a goal of \$4 million. The funds raised through the campaign will supplement the Ministry funded renovations to the Hospital building, support the additional renovation projects required for the Ministry project, fund the purchase of additional equipment that will be required after the renovation and to support the conversion of the former public school building into the Wingham Health and Wellness Center, which will be the new home of the family health team clinic. The capital campaign has been branded "Our Hospital, Our Future". Currently, the Foundation Board is working with Campaign Coaches consultant, Glen Boy, to recruit the campaign leadership team with the intention of beginning fundraising in mid-June 2015.

Database Transition

In the past year, the WDH Foundation has switch from an MS Access donor database to Blackbaud's eTapestry donor database system. It is a cloud based system which can be accessed by secured users from anywhere via the internet. It has the capacity to track pledges which the previous system did not, and in light of the upcoming capital campaign that was seen as a necessary function. It also has the ability to track donor relationships, track communications, report on more detailed data such as lapsed

donors, deliver tax-receipts electronically, and many other functions which the previous database did not have.

Respectfully submitted,

WDH Foundation

BY-LAW AMENDMENTS



Listowel Memorial Hospital By-Law Changes June 10, 2015

ARTICLE 5.0

BOARD

Section 5.03	Board Composition
Section 5.04	Elected Directors
Section 5.05	Ex-officio Directors
Section 5.06	Terms of Office Restrictions

ARTICLE 5.0 BOARD

5.03 Board Composition

The Board shall consist of ~~eight (8)~~ seven (7) elected Directors and ~~five (5)~~ four (4) *ex officio* Directors.

5.04 Elected Directors


- (a) The elected Directors shall be as follows:
 - (i) ~~8~~ 7 Directors elected by the members
- (b) Except as provided in Section 5.05, no Excluded Person shall be eligible to serve on the Board.
- (c) Elected directors shall be residents in the County of Perth, Huron, Wellington or Waterloo and live within ~~a radius of~~ 40 kilometers of the Listowel Memorial Hospital.

5.05 Ex-Officio Directors

- (b) The ex-officio Directors of the Corporation shall be:
 - (i) Chief of Staff (non-voting);
 - (ii) President of the Medical Staff (non-voting)
 - (iii) Chief Executive Officer (non-voting);
 - (iv) Chief Nursing Executive (non-voting);
 - (v) ~~President of the Hospital Auxiliary or their designate~~
- (c) The ex-officio Directors shall hold office until their successors are appointed in accordance with the By-Laws of the Corporation.

5.06 Term of Office Restrictions

- (a) No person may be elected a Director for more terms than will constitute twelve (12) consecutive years of service, provided however that following a break in the continuous service of at least one (1) year the same person may be re-elected or re-appointed a Director.

- 
- (b) No Director may serve as Chair or Vice-Chair or ~~Treasurer~~ of the Board for more than three (3) consecutive annual years in one (1) office; provided, however, that following a break in the continuous service of at least one (1) year, the same person may be re-elected or reappointed to the same office



Wingham and District Hospital By-Law Changes June 10, 2015

ARTICLE 5.0

BOARD

Section 5.03	Board Composition
Section 5.04	Elected Directors
Section 5.05	Ex-officio Directors
Section 5.06	Terms of Office Restrictions

ARTICLE 5.0 BOARD

5.03 Board Composition

The Board shall consist of ~~eight (8)~~ seven (7) elected Directors and ~~five (5)~~ four (4) ex-officio Directors.

5.04 Elected Directors

- ~~(a) — The elected Directors shall be as follows:~~
- ~~(i) — three (3) Directors shall be residents of the Central Zone and shall be a Member or shall become a Member forthwith. Two (2) Directors shall be elected by a majority vote of all Members present at an annual meeting held on odd years, one (1) Director shall be elected by a majority vote of all Members present at an annual meeting held on even years.~~
 - ~~(ii) — one (1) Director shall be a resident of the Western Zone and shall be a Member or shall become a Member forthwith. Such Director shall be elected by a majority vote of all Members present at an annual meeting held on odd years;~~
 - ~~(iii) — one (1) Director shall be a resident of the South Eastern Zone and shall be a Member or shall become a Member forthwith. Such Director shall be elected by a majority vote of all Members present at an annual meeting held on even years.~~
 - ~~(iv) — one (1) Director shall be a resident of the North Eastern Zone and shall be a Member or shall become a Member forthwith. Such Director shall be elected by a majority vote of all Members present at an annual meeting held on even years.—~~
 - ~~(v) — two (2) Directors shall be residents in the County of Huron or the County of Bruce living within a radius of forty (40) kilometers of the Corporation and shall be a Member or shall become a Member forthwith. One (1) Director shall be elected by a majority vote of all Members present at an annual meeting held on even years, one (1) Director shall be elected by a majority vote of all Members present at an annual meeting held on odd years.~~
- (a) The elected Directors shall be as follows:
- (i) 7 Directors elected by the members
- (b) Except as provided in Section 5.05, no Excluded Person shall be eligible to serve on the Board.
- (c) Elected directors shall be residents in the County of Huron or Bruce and live within a radius of 40 kilometers from of the Wingham and District Hospital

5.05 Ex-officio Directors

- (a) The ex-officio Directors of the Corporation shall be:
 - (i) Chief of Staff (non-voting);
 - (ii) President of the Medical Staff (non-voting);
 - (iii) Chief Executive Officer (non-voting);
 - (iv) Chief Nursing Executive (non-voting);
 - ~~(v) — President of the Hospital Auxiliary or their designate.~~
- (b) The ex-officio Directors shall hold office until their successors are appointed in accordance with the By-Laws of the Corporation.

5.06 Term of Office Restrictions

- (a) No person may be elected a Director for more terms than will constitute twelve (12) consecutive years of service, provided however that following a break in the continuous service of at least one (1) year the same person may be re-elected or re-appointed a Director.
- (b) No Director may serve as Chair, Vice-Chair or Treasurer of the Board for more than three (3) consecutive annual years in one (1) office; provided, however, that following a break in the continuous service of at least one (1) year, the same person may be re-elected or reappointed to the same office.

MEDICAL STAFF

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. A. Qureshi

Dr. P. Rutherford
Dr. T. Suggitt
Dr. R. Warren
Dr. E. Westen

DENTAL STAFF

Dr. K. Clemes	Dr. O. Panich
Dr. N. Hogg	Dr. A. Thompson
Dr. D. Nuhn	Dr. P. Trainor

MIDWIFERY STAFF

Madeline Clin
Mhairi Colgate
Sabrina Connor
Catherine Goudy
Catherine Kipp
Mianh Lamson

Amanda Levencrowne
Jillian Nafziger
Laura Pierce
Amy Sjaarda
Cynthia Soulliere

NURSE PRACTITIONERS

Wendy Dunn

CONSULTING & COURTESY STAFF

Dr. G. Antoniadis
Dr. K. Blaine
Dr. M. Carlson
Dr. M. Chan
Dr. J. Conners
Dr. C. Cressey
Dr. Y. Erenberg
Dr. D. Finnigan
Dr. A. Folkl
Dr. M. Gillett
Dr. J. Guy
Dr. A. Haider

Dr. G. Hancock
Dr. J. Hardwick
Dr. L. Hayward
Dr. G. Heaton
Dr. B. Hughes
Dr. A. Hussey
Dr. T. Kalos
Dr. M. Klassen
Dr. M. Korvemaker
Dr. M. Mann
Dr. K. Miller
Dr. K. Mir

Dr. W. Papoff
Dr. S. Prasad
Dr. R. Puley
Dr. R. Ramsewak
Dr. G. Semelhago
Dr. V. Sharma
Dr. O. Spanglet
Dr. D. Stewart
Dr. C. Tamblyn
Dr. S. Tamblyn
Dr. G. Tarulli
Dr. D. Wycoco
Dr. O. Yousef

Dr. G. Antoniadis – Chief of Staff

Dr. J. Shuffield – 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
Dr. S. Vanderklippe

DENTAL STAFF

Dr. R. Bateman
Dr. Y. Liu

Dr. J. O'Young
Dr. W. Spink

**NURSE
PRACTITIONERS**

Robyn Nocilla

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. Gobburu

Dr. J. Kargbo
Dr. M. Korvemaker
Dr. E. MacRae
Dr. K. Mir
Dr. A. Montgomery
Dr. C. O'Neill
Dr. W. Papoff
Dr. F. Perera
Dr. R. Ramsewak
Dr. C. Ray

Dr. J. Schwalm
Dr. S. Sleeth
Dr. O. Spanglet
Dr. P. Squires
Dr. H. Sun
Dr. J. Tarulli
Dr. C. Tomlinson
Dr. D. Wycoco
Dr. O' Yousef

Listowel Memorial Hospital Visiting Consultants 2015/2016

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Dermatology	Dr. A. Haider	Weekly - Thursday
E.N.T.	Dr. B. Hughes	Last Monday of month
Gerontology	Dr. S. Prasad	Last Thursday of month
Internal Medicine – Cardiology	Dr. D. Tamblyn	Weekly – Tuesday
	Dr. M. Gillett	Weekly – Thursday
	Dr. O. Spanglet	Weekly – Monday
Internal Medicine – Gastroenterology	Dr. V. Sharma	Weekly - Friday
Neurology	Dr. D. Stewart	Last Friday of month (May – November)
Obstetrics / Gynecology	Dr. G. Hancock	Bi-Weekly – Wednesday
	Dr. T. Kalos	Weekly - Monday
Oral Maxillofacial Surgeon	Dr. N. Hogg	Bi-Weekly - Wednesday
Orthopedics	Dr. J. Guy	Bi-Weekly - Friday
Pediatric	Dr. K. Blaine	Bi-Weekly - Tuesday
Plastic Surgery	Dr. G. Heaton	Bi-Weekly – Tuesday
Surgical	Dr. R. Ramsewak	Weekly – Monday, Wednesday and Friday
Urology	Dr. A. Hussey	Bi-Weekly – Friday

<u>Clinic</u>	<u>Physician</u>	<u>Clinic Held</u>
Cancer Clinic	Dr. Perera	2 nd Tuesday of Month
Cardiology / Echocardiography / Carotid Doppler Studies	Dr. C. Tomlinson Dr. A. Montgomery Dr. J. Schwalm	Monthly Monthly Monthly
Echo Lab	Dr. M. Cooper	Weekly - Friday
Ear, Nose, Throat	Dr. E. MacRae	Twice Monthly
Internal Medicine – Cardiology	Dr. O. Spanglet	Weekly - Thursday
Internal Medicine – Gastroenterology	Dr. M. Flowers	5 Days per Week
Obstetrical and Gynecology	Dr. C. Bloch	Monthly
Pediatrics	Dr. R. Gobburu	Monthly
Physical Medicine and Rehab	Dr. D. Dittmer	Monthly
Surgical	Dr. Ramsewak Dr. C. O'Neill	Weekly – Tuesday Bi-Weekly - Monday
Urology	Dr. B. Bukala	Monthly

Listowel Memorial Hospital

Chair – Blair Burns

Vice-Chair – Rosemary Rognvaldson

Treasurer – Tom Soltys

Directors

Krishna Beharry

Craig Coghlin*

Kris Dekker

Robert Johns

Bert Johnson

Appointed Member

Representative of Auxiliary - Marilyn Nichol

Ex-Officio Members

Chief of Staff - Dr. Russell Latuskie

President of Medical Staff - Dr. Arif Qureshi

Chief Executive Officer – Karl Ellis

Chief Nursing Executive – Angela Stanley

Wingham and District Hospital

Chair – Amy Miller

Vice-Chair – Trevor Seip

Treasurer – Penny Mulvey

Directors

Marg Carswell

Andy McBride

Gladys Peacock

Marc Pittock

Gord Hunt

Appointed Member

Representative of Auxiliary - Helen Rintoul

Ex-Officio Members

Chief of Staff - Dr. Greg Antoniadis

President of Medical Staff - Dr. Jim Shuffield

Chief Executive Officer – Karl Ellis

Chief Nursing Executive – Angela Stanley