

# 2006/07 Condensed Financial Statements

## ROUGE VALLEY HEALTH SYSTEM

Balance Sheet March 31, 2007

	(thousands of dollars)	
	2007	2006
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$910	\$ —
Amounts receivable from Ministry of Health & Long-Term Care	—	309
Other accounts receivable	9,943	8,375
Inventories	1,694	1,712
	12,547	10,396
<b>NON CURRENT ASSETS</b>		
Deferred derivative assets	20	140
Restricted funds - capital asset grants	20,404	22,129
Restricted funds - capital asset donations	2,708	1,582
<b>DEFERRED ENERGY MANAGEMENT CHARGE - net of accumulated amortization of \$2,018 (2006 - \$1,847)</b>		
	590	761
<b>CAPITAL ASSETS</b>		
	104,832	101,930
<b>THE COURT</b>		
	12,869	13,246
	\$153,970	\$150,184
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness	\$ —	\$4,013
Accounts payable	10,624	11,713
Accrued liabilities	30,100	24,472
Current portion of employee future benefits	346	285
Current portion of bank financing for The Court	374	354
Current portion of long-term equipment financing	3,888	2,040
Current portion of other long-term liabilities	283	283
	45,615	43,160
<b>NON CURRENT LIABILITIES</b>		
Deferred derivative contract	101	13
<b>LONG-TERM</b>		
Bank financing for The Court	9,564	9,947
Employee future benefits	5,192	4,948
Deferred revenue	1,942	2,004
Long-term equipment financing	21,455	16,051
Other long-term liabilities	2,724	3,007
	40,877	35,957
<b>DEFERRED DONATIONS - net of accumulated amortization of \$20,139 (2006 - \$19,079)</b>		
	9,354	10,147
<b>DEFERRED PROVINCIAL AND MUNICIPAL CAPITAL ASSET GRANTS - net of accumulated amortization of \$38,850 (2006 - \$35,582)</b>		
	63,190	63,547
	159,137	152,824
<b>EQUITY</b>		
Invested in capital assets	28,629	30,687
Operations	(33,796)	(33,327)
	(5,167)	(2,640)
	\$153,970	\$150,184

APPROVED BY THE BOARD  
T. Atkins, Director

P. Senior, Director

## ROUGE VALLEY HEALTH SYSTEM

Statement of Operations Year ended March 31, 2007

	(thousands of dollars)	
	2007	2006
<b>REVENUES</b>		
Ministry of Health & Long-Term Care	\$211,394	\$202,185
Hospital on-call coverage	2,889	1,617
Preferred accommodation	4,575	4,607
Amortization of provincial and municipal capital asset grants and deferred revenue	4,389	4,904
Ancillary operations	4,766	4,607
Other	22,826	20,505
	250,839	238,425
<b>EXPENSES</b>		
Acute care services	137,745	132,814
Clinical support services	39,441	39,630
Environmental services	26,138	25,208
Administration (Note 1)	34,029	30,952
Hospital on-call coverage	2,889	1,617
Ancillary operations	2,790	2,776
Amortization	9,681	10,591
Employee future benefits	653	585
	253,366	244,173
<b>NET RESULT OF OPERATIONS</b>	<b>\$(2,527)</b>	<b>\$(5,748)</b>

Note 1: Included in Administration are Corporate Services expenses as defined in the Hospital Report Acute Care 2003, a joint publication of the Ontario Hospital Association and the Government of Ontario. These expenses include General Administration, Insurance, Human Resources, Finance, Information Management, Risk Management, Public Relations and Telecommunications and amounted to \$20,694,000 in 2007 (2006 - \$17,732,000). The components of the 16.7% incremental increase to Administration year over year is represented by Insurance 4.9%, Restructuring Costs 7.5%, Reporting Entity costs 0.3% and all other 4.0%.

### Auditors' Report on Condensed Financial Statements To the Members of Rouge Valley Health System

The accompanying condensed balance sheet and condensed statement of operations are derived from the complete financial statements of Rouge Valley Health System as at March 31, 2007 and for the year then ended on which we expressed an opinion without reservation in our report dated May 18, 2007. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the condensed financial statements. In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above. These condensed financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the Rouge Valley Health System's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

Deloitte & Touche LLP, Chartered Accountants  
Licensed Public Accountants  
Toronto, Ontario  
May 18, 2007