

Financial Statements of

**GUELPH COMMUNITY
HEALTH CENTRE**

And Independent Auditor's Report thereon

Year ended March 31, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Guelph Community Health Centre

Opinion

We have audited the financial statements of Guelph Community Health Centre (the Centre), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2025 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for 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.



In preparing the financial statements, management is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

June 18, 2025

GUELPH COMMUNITY HEALTH CENTRE

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	General Fund	Non-Government Programs Fund	Externally Restricted Fund	Capital Fund	2025 Total	2024 Total
Assets						
Current assets:						
Cash (note 2)	\$ 2,205,999	\$ 1,185	\$ 9,945	\$ 7,777	\$ 2,224,906	\$ 3,115,177
Investments (note 3)	-	464,749	-	125,484	590,233	810,877
Accounts receivable (note 4)	624,519	5,000	1,493,273	33,541	2,156,333	1,623,379
Inventories	-	-	66,515	-	66,515	49,854
Prepaid expenses	117,940	-	-	23,232	141,172	135,746
Interfund receivable (payable)	(566,990)	361,721	(213,511)	418,780	-	-
	2,381,468	832,655	1,356,222	608,814	5,179,159	5,735,033
Capital assets (note 5)	-	-	-	4,526,497	4,526,497	4,887,208
	\$ 2,381,468	\$ 832,655	\$ 1,356,222	\$ 5,135,311	\$ 9,705,656	\$ 10,622,241

GUELPH COMMUNITY HEALTH CENTRE

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	General Fund	Non-Government Programs Fund	Externally Restricted Fund	Capital Fund	2025 Total	2024 Total
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Liabilities and Fund Balances

Current liabilities:

Accounts payable and accrued liabilities (note 6)	\$ 1,768,101	\$ 14,338	\$ 161,651	\$ 53,081	\$ 1,997,171	\$ 2,246,798
Funding repayable (note 8)	558,421	-	-	45,779	604,200	1,105,406
Deferred revenue	54,946	10,000	828,520	43,739	937,205	1,040,652
	2,381,468	24,338	990,171	142,599	3,538,576	4,392,856

Fund balances:

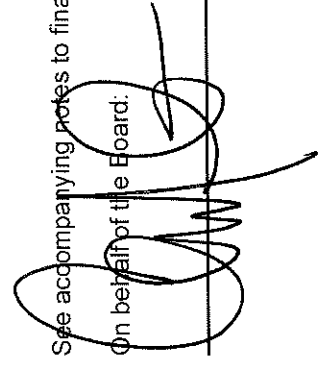
Internally restricted	-	806,461	-	4,992,712	5,799,173	5,909,868
Externally restricted (note 7)	-	-	367,907	-	367,907	319,517
	-	806,461	367,907	4,992,712	6,167,080	6,229,385


Commitments (note 13)

	\$ 2,381,468	\$ 830,799	\$ 1,358,078	\$ 5,135,311	\$ 9,705,656	\$ 10,622,241
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See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

GUELPH COMMUNITY HEALTH CENTRE

Statement of Operations

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

	General Fund	Government Programs Fund	Non-Government Programs Fund	Externally Restricted Fund	Capital Fund	2025	2024
Revenue:							
Ontario Health (note 9)	\$ 8,159,174	\$ -	\$ -	\$ -	\$ -	8,159,174	6,753,014
Ontario Ministry of Health (note 9)	2,531,542	-	-	-	129,249	2,660,791	9,027,343
Program revenue	67,278	922,682	-	2,723,719	127,263	3,840,942	2,042,866
County of Wellington / City of Guelph	-	-	-	1,076,987	-	1,076,987	1,134,619
Corporate, government and other organization grants	-	-	-	1,950,565	216,192	2,166,757	2,849,699
Rent	-	-	-	-	354,969	354,969	388,219
Donations and Fundraising	1,050	-	-	168,689	-	169,739	175,797
Interest income	-	108,526	-	7,708	-	114,234	189,042
	10,759,044	1,029,208	5,927,668	827,673	18,543,593	22,560,599	
Expenses:							
Salaries and benefits (note 11)	8,299,618	577,295	3,519,496	223,647	12,620,056	10,940,075	
Fees - Midwifery	-	-	-	-	-	3,948,090	
Supplies and other	838,383	13,984	1,616,869	98,950	2,568,186	1,995,791	
Insurance	14,272	-	3,101	-	17,373	1,074,393	
Other Midwifery	-	-	-	-	-	1,145,322	
Occupancy and repairs	851,128	9,737	338,685	126,032	1,325,582	881,473	
Amortization of capital assets	-	-	-	662,691	555,247	431,188	
Information technology	362,079	133,958	53,101	323	549,461	492,107	
Professional fees	233,178	91,938	262,370	-	587,486	133,487	
Meetings and travel	67,784	25,410	44,432	1,755	139,381	97,838	
Medical supplies	92,602	-	43,080	-	135,682	21,695,011	
	10,759,044	852,322	5,881,134	1,113,398	18,605,898	21,695,011	
Excess (deficiency) of expenses over revenue	\$ -	\$ 176,886	\$ 46,534	\$ (285,725)	\$ (62,305)	\$ 865,588	

See accompanying notes to financial statements.

GUELPH COMMUNITY HEALTH CENTRE

Statement of Changes in Fund Balances

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

	General Fund	Non-Government Programs Fund	Externally Restricted Fund	Capital Fund	2025 Total	2024 Total
Fund balances, beginning of year	\$ -	\$ 631,431	\$ 319,517	\$ 5,278,437	\$ 6,229,385	\$ 5,363,797
Excess (deficiency) of expenses over revenue	-	176,886	46,534	(285,725)	(62,305)	865,588
Interfund transfer (note 7)	-	(1,856)	1,856	-	-	-
Fund balances, end of year	\$ -	\$ 806,461	\$ 367,907	\$ 4,992,712	\$ 6,167,080	\$ 6,229,385

See accompanying notes to financial statements.

GUELPH COMMUNITY HEALTH CENTRE

Statement of Cash Flows

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

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (62,305)	\$ 865,588
Item not involving cash:		
Amortization	662,691	555,247
Changes in non-cash operating working capital:		
Accounts receivable	(532,954)	17,110
Inventories	(16,661)	18,022
Prepaid expenses	(5,426)	(9,187)
Accounts payable and accrued liabilities	(249,627)	632,858
Funding repayable	(501,206)	(610,723)
Deferred revenue	(103,447)	568,076
	(808,935)	2,036,991
Investing:		
Purchase of capital assets	(301,980)	(1,267,780)
Sale of investments	243,000	454,327
Purchase of investments	(22,356)	(275,154)
	(81,336)	(1,088,607)
Increase (decrease) in cash	(890,271)	948,384
Cash, beginning of year	3,115,177	2,166,793
Cash, end of year	\$ 2,224,906	\$ 3,115,177
Cash consists of:		
Cash - General	\$ 2,205,999	\$ 2,758,867
Cash - Externally restricted	9,945	250
Cash - Restricted - Ontario Midwifery Program	-	347,150
Cash - Internally restricted	8,962	8,910
	\$ 2,224,906	\$ 3,115,177

See accompanying notes to financial statements.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements

Year ended March 31, 2025

Guelph Community Health Centre (the "Centre") is incorporated under the Ontario Not-for-Profit Corporations Act, 2010. The Centre is a not-for-profit organization providing health care services and health related activities to the City of Guelph and the County of Wellington. The Ontario Ministry of Health (MOH) has designated the Centre as a Community Health Centre, with primary funding sources coming from Ontario Health (OH), the County of Wellington (CW), as well as the Ontario Ministry of Health, and multiple diversified granting sources.

The Centre is a registered charity under the Income Tax Act (Canada) and is, therefore, exempt from income taxes.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with the Chartered Professional Accountants of Canada Handbook Part III - Canadian accounting standards for not-for-profit organizations.

(a) Fund accounting:

The Centre follows the restricted fund method of reporting separate funds on the statement of financial position, statement of operations and changes in fund balances.

The General Fund records the activities of the Centre related to Primary Care, Telemedicine, CTS, Hive Health Services and the HART Hub and all programs that are Non-Government Programs Fund, Externally Restricted Fund and Capital Fund.

Non-Government Program Fund:

- (i) The Community Innovation Fund records funds raised through donations and various fundraising functions organized by the Centre's staff and volunteers for the purpose of enhancing the unfunded services offered by the Centre.
- (ii) Special Projects Fund records administrative revenue received by the Centre from various funder sources and granting streams, and is relied upon to support many of the Centre's administrative overhead costs. Revenues and expenditures recorded within this fund also include smaller scale programs within the Centre's operations.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(a) Fund accounting (continued):

Externally Restricted Fund comprises of the following programs:

- The Nurturing Neighbourhoods Fund
- The EarlyON Fund
- The Seed Community Food Project Fund
- The Toward Common Ground Fund
- The Welcoming Streets Fund
- The Specialized Outreach Support Fund
- The Rapid Access Addictions Fund
- Substance Use and Addictions Program Fund
- Transitions in Care Fund
- Guelph Wellington Drugs Strategy Fund
- Pregnancy to Parenting Fund
- Supportive Housing – 10 Shelldale Fund
- Emergency Treatment Fund

The Centre's Ontario Midwifery Program ended as at March 31, 2024.

Capital Fund:

The Capital Fund records the assets, liabilities, revenues and expenditures related to the Centre's capital assets.

(b) Revenue recognition:

The Centre follows the restricted fund method of accounting for contributions which include donations and government grants.

Unrestricted and restricted donations and grants 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 relating to internally restricted funds or unrestricted funds are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Restricted revenues where expenses have not been incurred are recorded as deferred revenue.

Investment income earned on restricted funds is recognized as revenue of the appropriate restricted fund. Other investment income is recognized as revenue when earned.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(c) Inventories:

Inventories are valued at the lower of cost (first-in, first-out basis) and net realizable value.

(d) Capital assets:

Capital assets are capitalized and stated at cost. Capital assets constructed will commence amortization in the year of use. In the year of acquisition or use, one-half the normal rate is claimed. Amortization is provided using the following methods and rates:

Asset	Method	Rate
Buildings	Declining balance	4%
Furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	30%
Vehicle	Declining balance	30%
Leasehold improvements	Straight-line	5 years

The carrying amount of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the capital asset's carrying amount is not recoverable and exceeds its fair value.

(e) Allocation of expenses:

Certain expenses of the Centre involve program and administrative functions. The distribution of these expenses between program and administrative expenditures is based on time tracked in these functions by certain employees and management.

(f) Donated materials and services:

Donated materials and services, which would otherwise be paid by the Centre, are recorded at fair value when determinable. A substantial number of volunteers have made significant contributions of their time to the Centre's program and support services. The value of this contributed time is not reflected in these financial statements.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(g) Employee future benefits:

a) Defined benefit pension plan:

Defined contribution plan accounting (where contributions are expensed as incurred) is applied to the multi-employer defined benefit Healthcare of Ontario Pension Plan ("HOOPP") for which the Centre does not have the necessary information to apply defined benefit plan accounting.

b) Defined contribution pension plan:

The Centre maintains a defined contribution plan for employees that were employed prior to the implementation of HOOPP. The cost of the defined contribution pension plan is recognized as an expense for services rendered during the period based on the contributions required to be made during each period.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost. Equity instruments that are quoted in an active market are subsequently measured at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Centre determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Centre expects to realize by exercising its right to any collateral. If events and circumstances improve in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(i) Cloud computing arrangements:

On April 1, 2024, the Centre adopted AcG-20, Customer's accounting for cloud computing arrangements ("AcG-20"). In accordance with AcG-20, the Centre has elected to apply the simplification approach in accounting for its expenses in a cloud computing arrangement.

The Centre recognizes the expenses in the cloud computing arrangements as a supply of services. As such, the Centre recognizes the costs related to the elements in the arrangement as an expense as incurred.

(j) Use of estimates:

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues and expenses during the year. Actual results could differ from those estimates.

The assets and liabilities which require management to make significant estimates and assumptions in determining carrying values include accounts receivable, capital assets, and accrued liabilities.

2. Operating line:

The Centre has an operating line of credit available up to a maximum of \$50,000 pursuant to an agreement with its lender. The line of credit bears interest at the prime rate and is secured by a general security agreement. As at March 31, 2025, the Centre has \$nil drawn on the operating line (2024 - \$nil).

3. Investments:

Investments consist of the following:

	2025	2024
Guaranteed investment certificates	\$ -	\$ 243,000
Money market funds	590,233	567,877
	\$ 590,233	\$ 810,877

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

4. Accounts receivable:

No allowance for impairment of accounts receivable has been recorded at March 31, 2025 (2024 - \$nil).

5. Capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 150,000	\$ -	\$ 150,000	\$ 150,000
Buildings	6,235,561	3,488,427	2,747,134	2,861,598
Furniture and equipment	1,632,102	1,401,038	231,064	228,050
Computer equipment	1,148,531	1,058,150	90,381	131,564
Vehicles	249,163	150,010	99,153	84,690
Leasehold improvements	2,380,603	1,191,062	1,189,541	1,368,621
Capital in progress	19,224	-	19,224	62,685
	\$ 11,815,184	\$ 7,288,687	\$ 4,526,497	\$ 4,887,208

Amortization for the year was \$662,691 (2024 - \$555,247).

6. Accounts payable and accrued liabilities:

Government remittances payable included in accounts payable and accrued liabilities was \$7,457 (2024 - \$6,583).

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

7. Externally Restricted Fund:

Externally restricted funded programs ending fund balance are as follows:

	2025	2024
Nurturing Neighbourhoods Fund	\$ 5,111	\$ 5,111
EarlyON Fund	36,015	36,015
Clinical Telemedicine Nursing Fund	-	(1,856)
The Seed Community Food Project Fund	(128,537)	(138,354)
Toward Common Ground Fund	246,424	217,538
Welcoming Street Fund	160,826	160,703
Specialized Outreach Support Fund	39,142	39,142
Rapid Access Addictions Fund	1,218	1,218
Ontario Midwifery Program Fund	7,708	-
	<u>\$ 367,907</u>	<u>\$ 319,517</u>

During the year, the Non-Government Programs Fund transferred \$1,856 to the externally Restricted Fund to cover the deficit of the Clinical Telemedicine Nursing Fund.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

8. Funding repayable:

	2025	2024
2019 - OH - Primary Care	\$ 228	\$ 228
2021 - OH - Primary Care	40,000	40,000
2025 - OH - Primary Care	28,193	-
2024 - OH - Expanded Midwifery Care Models	36,000	36,000
2024 - MOH - Midwifery	-	333,805
2020 - MOH - CTS	200	108,896
2021 - MOH - CTS	-	42,926
2022 - MOH - CTS	-	7,004
2023 - MOH - CTS	-	38,075
2022 - MOH - Community Infrastructure Renewal Fund	628	628
2023 - MOH - Community Infrastructure Renewal Fund	-	32,669
2024 - MOH - Community Infrastructure Renewal Fund	45,773	45,773
2022 - MOH - Capital, CTS	29,585	29,585
2022 - OH - Indigenous Health and Wellness	50,384	50,384
2023 - MOH HIV	12,231	12,231
2024 - MOH HIV	327,202	327,202
2025 - MOH HIV	578	-
2025 - OH - HART Hub	33,198	-
	\$ 604,200	\$ 1,105,406

The Centre's Ontario Midwifery Program ended as at March 31, 2024.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

9. Ontario Health and Ministry of Health Revenue:

	General Fund	Capital Fund	2025 Total	2024 Total
Revenue received	\$ 8,220,565	\$ -	\$ 8,220,565	\$ 6,789,014
OH Primary Care payable (note 8)	(28,193)	-	(28,193)	-
OH - HART Hub payable (note 8)	(33,198)	-	(33,198)	-
OH Expanded Midwifery Care Models payable (note 8)	-	-	-	(36,000)
Ontario Health Revenue	\$ 8,159,174	\$ -	\$ 8,159,174	\$ 6,753,014
Revenue received	\$ 2,532,120	\$ 129,249	\$ 2,661,369	\$ 9,734,123
MOH HIV payable (note 8)	(578)	-	(578)	(327,202)
MOH Midwifery Care payable (note 8)	-	-	-	(333,805)
MOH Community Infrastructure Renewal Fund payable (note 8)	-	-	-	(45,773)
Ministry of Health Revenue	\$ 2,531,542	\$ 129,249	\$ 2,660,791	\$ 9,027,343

10. Cloud computing arrangements:

Included in information technology expense on the statement of operations is \$13,355 (2024 - \$nil) of software licensing and subscription costs and implementation costs of \$110,384 (2024 - \$nil).

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

11. Employee future benefits:

a) Defined benefit pension plan:

The Centre is a member of the Healthcare of Ontario Pension Plan (HOOPP), a multi-employer defined benefit pension plan. The member organizations are unable to identify their share of the underlying assets and liabilities. As a result, the benefit plan has been accounted for following the recommendations for defined contribution plans. Employer contributions to the plan for the year was \$771,106 (2024 - \$692,793).

HOOPP is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of participating Centre in Ontario and their employees. As a result, the Centre does not recognize any share of the HOOPP pension surplus or deficit. The plan has reported a \$10.4 billion actuarial surplus at the end of December 2024 (2023 - \$10.2 billion surplus), based on actuarial liabilities of \$112.6 billion (2023 - \$102.5 billion) and actuarial net assets of \$123.0 billion (2023 - \$112.6 billion).

b) Defined contribution pension plan:

The Centre's contributions made to the defined contribution plan during the year were \$6,989 (2024 - \$12,800). The amounts are included in salaries and benefits expense in the statement of operations.

12. Economic dependence:

The Centre receives 96.55% (2024 - 96.65%) of its eligible funding for its core operations from Ontario Health, the Ministry of Health and other organizations. The future of the Centre is reliant on these government organizations to provide sufficient ongoing funding to continue to manage future programs.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

13. Commitments:

The Centre entered into various operating leases for space with expiry dates between December 2025 and May 2030.

The minimum annual lease and support payments for the next five years are as follows:

2026	\$	296,119
2027		227,738
2028		134,941
2029		134,941
2030		37,871
	\$	831,610

14. Public Sector Salary Disclosure:

The Centre is subject to The Public Sector Salary Disclosure Act, 1996. Salaries and benefits that have been paid by the Authority and reported to the Province of Ontario in compliance with this legislation are listed on the Ontario Ministry of Finance Website at <https://www.ontario.ca/page/public-sector-salary-disclosure#section-0> or can be provided in an alternate format upon request from the Centre.

GUELPH COMMUNITY HEALTH CENTRE

Notes to Financial Statements (continued)

Year ended March 31, 2025

15. Financial risks:

(a) Market risk:

Market risk is the risk that a value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual instrument, its issuer, or all factors affecting all instruments traded in the market. Given the nature of investments held, the Centre believes that it is not exposed to significant market risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Centre will encounter difficulty in meeting obligations associated with financial liabilities. The Centre believes that it is not exposed to significant liquidity risk as they have investments that are held in money market funds and guaranteed investment certificates that are highly liquid and can be disposed of to settle commitments.

(c) Interest rate risk:

Interest rate risk refers to the adverse consequences of interest rate changes on the Centre's cash flows, financial position, and operations. Interest rate changes have an indirect impact on the market valuation of the Centre's investments. The Centre believes that it is not exposed to significant interest rate risk.

(d) Financial risks:

The Centre manages its investment portfolio to earn investment income according to policies approved by the Board of Directors. The Centre is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

There have been no change to the risk exposures from 2024.