



*Healthy Communities for a Healthy Future*

**Cumberland Health Authority**  
**Financial Statements**  
March 31, 2014

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## MANAGEMENTS' REPORT

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The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and external audited financial statements yearly.

The external auditors, McIsaac Darragh Chartered Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Cumberland Health Authority and meet when required.

On behalf of the Cumberland Health Authority



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Bruce Quigley  
Chief Executive Officer



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Jason Varner, CA  
A/Director of Finance

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Cumberland Health Authority

We have audited the accompanying financial statements of Cumberland Health Authority, which comprise the statement of financial position as at March 31, 2014 and the statements of operations and accumulated surplus, changes in net debt 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, 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 Cumberland Health Authority as at March 31, 2014 and the results of its operations and accumulated surplus, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Amherst, Nova Scotia  
June 24, 2014

CHARTERED ACCOUNTANTS

**Cumberland Health Authority**  
**Statement of Financial Position**  
**as at March 31**

	March 31, 2014	March 31, 2013
<b>Financial assets</b>		
Cash	\$ -	\$ 1,368,078
Receivables (Note 3)	7,651,172	6,760,558
Employee future benefits receivable (Note 6)	8,483,233	8,004,266
	<u>16,134,405</u>	<u>16,132,902</u>
<b>Liabilities</b>		
Bank indebtedness (Note 9)	623,608	-
Accounts payable and accrued liabilities (Note 4)	7,797,357	8,149,779
Deferred revenue (Note 5)	1,383,686	1,416,579
Employee future benefits payable (Note 6)	8,483,233	8,004,266
	<u>18,287,884</u>	<u>17,570,624</u>
<b>Net financial assets (debt)</b>	<u>(2,153,479)</u>	<u>(1,437,722)</u>
<b>Non-financial assets</b>		
Inventories held for use	440,941	366,840
Prepaid expenses	178,756	156,246
Tangible capital assets (Note 7)	51,211,556	52,504,480
	<u>51,831,253</u>	<u>53,027,566</u>
<b>Accumulated surplus (Note 10)</b>	<u>\$ 49,677,774</u>	<u>\$ 51,589,844</u>

Commitments (Note 11)  
Subsequent event (Note 14)

On Behalf of the Board



Chief Executive Officer



Chairman

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

**Cumberland Health Authority**  
**Statement of Operations and Accumulated Surplus**  
**Year ended March 31, 2014**

	(Note 15)	(Schedule 2)	
	Budget	Actual	Actual
	2014	2014	2013
<b>REVENUES</b>			
Province of Nova Scotia - operational funding	\$ 57,206,369	\$ 60,967,730	\$ 59,256,101
Province of Nova Scotia - capital funding	-	300,662	1,179,094
Patient billings	3,618,699	3,719,158	3,595,069
Foundations/Auxiliary	30,000	113,224	345,188
Federal government	-	205,989	119,784
Cafeteria	-	114,955	128,578
Parking (Note 10)	-	176,243	179,669
Other income	568,000	433,638	608,610
Workers Compensation Board	150,000	105,359	95,971
	<u>\$ 61,573,068</u>	<u>\$ 66,136,958</u>	<u>\$ 65,508,064</u>
<b>EXPENSES (Schedule 1)</b>			
In-patient services	19,207,515	21,196,923	20,284,124
Ambulatory services	8,505,941	8,869,912	8,789,665
Amortization of tangible capital assets (Note 7)	2,340,128	2,359,559	2,358,027
Diagnostic and therapeutic services	9,625,882	9,121,945	9,509,433
Support services	13,559,971	15,583,761	15,872,779
Community services	9,773,759	9,830,710	8,302,618
Employee future benefits (Note 6)	900,000	1,086,218	1,340,893
	<u>63,913,196</u>	<u>68,049,028</u>	<u>66,457,539</u>
<b>Annual deficit</b>	\$ (2,340,128)	\$ (1,912,070)	\$ (949,475)
<b>Accumulated surplus at beginning of year</b>	<u>52,539,319</u>	<u>51,589,844</u>	<u>52,539,319</u>
<b>Accumulated surplus at end of year</b>	<u>\$ 50,199,190</u>	<u>\$ 49,677,774</u>	<u>\$ 51,589,844</u>

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

**Cumberland Health Authority**  
**Statement of Changes in Net Debt**  
**Year ended March 31, 2014**

	(Note 15) <b>Budget</b>	<b>Actual</b>
<b>Net debt at April 1, 2012</b>	\$ (1,283,389)	\$ (1,283,389)
Annual deficit	(2,338,627)	(949,475)
Acquisition of tangible capital assets	(866,445)	(1,798,827)
Amortization of tangible capital assets	2,338,627	2,358,027
Write-down of tangible capital assets	-	50,209
Acquisition of supplies inventory (net of usage)	-	22,439
Acquisition of prepaid expense (net of usage)	-	163,294
(Increase) decrease in net debt	<u>(866,445)</u>	<u>(154,333)</u>
<b>Balance at March 31, 2013</b>	<u>(2,149,834)</u>	<u>\$ (1,437,722)</u>
Annual deficit	\$ (2,340,128)	\$ (1,912,070)
Acquisition of tangible capital assets	-	(1,066,635)
Amortization of tangible capital assets	2,359,559	2,359,559
Acquisition of supplies inventory (net of usage)	-	(74,103)
Acquisition of prepaid expense (net of usage)	-	(22,509)
(Increase) decrease in net debt	<u>19,431</u>	<u>(715,757)</u>
<b>Balance at March 31, 2014</b>	<u>\$ (2,130,403)</u>	<u>\$ (2,153,479)</u>

**Cumberland Health Authority**  
**Statement of Cash Flows**  
**Year ended March 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>Operating transactions</b>		
Annual deficit	\$ (1,912,070)	(949,475)
Non-cash items:		
Amortization	2,359,559	2,358,027
Write-down of tangible capital assets	-	50,209
Inventories held for use	(74,101)	22,439
Prepaid expenses	(22,509)	163,294
Deferred revenue	(32,893)	(137,843)
Accounts receivable	(1,369,581)	(1,635,132)
Accounts payable	126,544	2,284,794
<b>Net cash generated (used) through operating activities</b>	<u>(925,051)</u>	<u>2,156,313</u>
<b>Cash flow from capital activities</b>		
Acquisition of tangible capital assets	(1,066,635)	(1,798,827)
<b>Net cash used in capital activities</b>	<u>(1,066,635)</u>	<u>(1,798,827)</u>
<b>Net (decrease) increase in cash</b>	<b>(1,991,686)</b>	<b>357,486</b>
Cash, beginning of year	<u>1,368,078</u>	<u>1,010,592</u>
<b>Cash (bank indebtedness), end of year</b>	<u>\$ (623,608)</u>	<u>1,368,078</u>



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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**1. NATURE OF OPERATIONS**

Cumberland Health Authority (CHA) operates several health care facilities including South Cumberland Community Care Centre, North Cumberland Memorial Hospital, Cumberland Regional Health Care Centre, All Saints Springhill Hospital, Bayview Memorial Hospital and related community services including Mental Health, Public Health, Addiction Services and Continuing Care. The Cumberland Health Authority is a registered charity under the Income Tax Act of Canada and therefore is exempt from income tax.

Cumberland Health Authority was formed by the *Health Authorities Act* of the Province of Nova Scotia, as assented to on June 8, 2000. On January 1, 2001, Cumberland Health Authority acquired the assets and assumed the liabilities of the former Northern Regional Health Board related to the facilities and other health care services referred to above.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

These financial statements have been prepared by management in accordance with Public Sector Accounting Standards (PSAS) as issued by the Public Sector Accounting Board (PSAB) under the mandate of Nova Scotia.

Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Estimates include amortization of capital assets, allowance for doubtful accounts, accruals, as well as the actuarial and economic assumptions used in calculating the cost of defined benefit pension plans, the accrued benefit obligation and pension plan assets. Actual results may differ from these estimates.

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

Revenue recognition

Provincial transfers for operating and capital purposes are recognized in the period in which all eligibility criteria or stipulations have been met. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility credits or stipulations, it is recognized when the transfer from the Province of Nova Scotia is authorized.

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimate is impractical.

Externally restricted contributions are recognized as revenue when the resources are used for their intended purpose. Externally restricted contributions received before this time are reported as deferred revenue. Patient billings, cafeteria and parking revenue are recognized as revenue when the related service is rendered or goods provided.

Inventories held for use

Inventories are recorded at the lower of cost or replacement value. Cost is determined by using a weighted average for supplies and specific identification for pharmaceuticals.

Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Amortization is provided on a straight line basis at the following rates:

Land improvements	5%
Buildings	2%
Equipment	5-20%
Equipment under capital lease	5-20%

Amortization on construction in progress is not recorded until the projects are completed.

Tangible capital assets are written down when conditions indicate that they no longer contribute to CHA's ability to provide service.

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

Employee future benefits

- (i) The cost of non-vesting sick leave benefits are actuarially determined using the actuary's best estimate of salary escalation, accumulated sick days at retirement, long-term inflation rates and discount rates.
- (ii) The Authority pays allowances to employees upon retirement and certain employees are entitled to cost-sharing on health benefits following retirement. Annually, the values to record the liability and expenses are provided by the Department of Finance based on third party actuarial valuations.

The actuarial determination of the accrued benefit obligations for retirement benefits uses the projected benefit method prorated on service (which incorporates estimates of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The current service cost for a period is equal to the actuarial present value of benefits attributed to employees' services rendered in that period. Past service costs arising from plan amendments, experience gains and losses, and assumption changes are deferred and amortized on a straight-line basis over the average remaining service period of employees.

Financial instruments

The CHA's financial instruments are comprised of cash, receivables, bank indebtedness, accounts payables and accrued liabilities. These financial instruments are carried at cost or amortized cost. Carrying value approximates fair value.

It is management's opinion that the CHA is not exposed to significant liquidity, interest, currency or credit risks from these instruments.

As the CHA has no assets subject to remeasurement, no statement of remeasurement gains and losses has been presented.

Non-financial assets

Non-financial assets do not normally provide resources to discharge liabilities of the CHA unless they are sold. They are accounted for as an asset because they can be used to provide services in future periods.

The change in non-financial assets during the year, together with the annual surplus or deficit, accounts for the change in net financial assets for the year.

Reserves

Certain amounts, as approved by the Board of Directors, are set aside in accumulated surplus for future capital purposes. Transfers to/from reserves are an adjustment to the respective fund when approved.

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**3. RECEIVABLES**

	<u>2014</u>	<u>2013</u>
Charges to MSI	\$ 82,305	\$ 135,013
Foundations and auxiliaries	26,145	77,356
Harmonized sales tax	445,344	432,760
Patients	1,148,889	1,669,448
Other	621,449	568,874
	<u>2,324,132</u>	<u>2,883,451</u>
 Nova Scotia Department of Health and Wellness		
Construction and equipment	159,739	1,149,827
Contracts and other	4,102,764	1,662,743
Vacation pay	1,064,537	1,064,537
	<u>5,327,040</u>	<u>3,877,107</u>
	<u>\$ 7,651,172</u>	<u>\$ 6,760,558</u>

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**4. ACCOUNT PAYABLES AND ACCRUED LIABILITIES**

	<u>2014</u>	<u>2013</u>
Trade	\$ 6,243,958	\$ 6,669,059
Vacation pay	857,002	860,088
Harmonized sales tax	14,944	20,613
Payroll benefits	681,453	600,019
	<u>\$ 7,797,357</u>	<u>\$ 8,149,779</u>

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**5. DEFERRED REVENUE**

Deferred revenues are set aside for specific purposes as required by legislation or agreement.

2014	Balance, beginning of year	Receipts in year	Transfers to revenue	<b>Balance, end of year</b>
Deferred operating projects	\$ 1,184,978	\$ 98,656	\$ (62,517)	<b>\$ 1,221,117</b>
Deferred donations	52,903	50,893	(80,000)	<b>23,796</b>
Deferred capital projects	178,698	-	(39,925)	<b>138,773</b>
<b>Totals</b>	<b>\$ 1,416,579</b>	<b>\$ 149,549</b>	<b>\$ (182,441)</b>	<b>\$ 1,383,686</b>

2013	Balance, beginning of year	Receipts in year	Transfers to revenue	Balance, end of year
Deferred operating projects	\$ 1,218,872	\$ 68,923	\$ (102,817)	1,184,978
Deferred donations	45,015	50,888	(43,000)	52,903
Deferred capital projects	290,535	36,767	(148,604)	178,698
<b>Totals</b>	<b>\$ 1,554,422</b>	<b>\$ 156,578</b>	<b>\$ (294,421)</b>	<b>\$ 1,416,579</b>

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**6. EMPLOYEE FUTURE BENEFITS**

The Cumberland Health Authority has provided for retirement obligations and sick leave benefits as follows:

	Retirement Benefits	Sick Benefits	<b>2014</b>	2013
<u>Accrued benefit obligation</u>				
Balance, beginning of year	\$ 5,663,266	\$2,341,000	<b>\$ 8,004,266</b>	\$ 7,365,016
Current service cost for the year	445,800	408,889	<b>854,689</b>	827,500
Amortization of experience gain	99,285	-	<b>99,285</b>	357,035
Interest cost during the year	260,515	101,000	<b>361,515</b>	378,800
Estimated fiscal payments for employees	(607,521)	(229,000)	<b>(836,521)</b>	(924,085)
Balance, end of year	<u>\$ 5,861,345</u>	<u>\$2,621,889</u>	<b><u>8,483,233</u></b>	<u>\$ 8,004,266</u>
 Future benefits expense	 <u>\$ 805,329</u>	 <u>\$ 280,889</u>	 <b><u>\$ 1,086,218</u></b>	 <u>\$ 1,340,893</u>

During the period, retiring allowances actually paid totalled \$599,267 (2013 - \$653,980).

The significant actuarial assumptions adopted in measuring the company's employee future benefits are as follows (weighted-average assumptions):

	<u>2014</u>	<u>2013</u>
Discount rate	4.10%	4.30%
Average age of employees	45.3	46.4
Expected average remaining service life	10.3	10.0
Average years of service	12.3	12.3
Rate of compensation increase	1.00%	1.00%

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**Cumberland Health Authority**  
**Notes to the Financial Statements**  
**Year Ended March 31, 2014**

**7. TANGIBLE CAPITAL ASSETS**

March 31, 2014	Land	Land improvements	Buildings	Equipment	Equipment under capital lease	2014 Total
<b>Cost</b>						
Opening						
Balance	\$ 353,785	\$ 1,430,873	\$ 63,123,887	\$ 7,470,350	\$ 12,718	<b>\$ 72,391,613</b>
Additions	-	-	655,106	411,529	-	<b>1,066,635</b>
Disposals	-	-	-	(48,329)	-	<b>(48,329)</b>
Closing Balance	353,785	1,430,873	63,778,993	7,833,550	12,718	<b>73,409,919</b>
<b>Accumulated Amortization</b>						
Opening						
Balance	-	773,146	16,151,724	2,952,087	10,176	<b>19,887,133</b>
Amortization	-	76,986	1,295,165	986,772	636	<b>2,359,559</b>
Disposals	-	-	-	(48,329)	-	<b>(48,329)</b>
Closing Balance	-	850,132	17,446,889	3,890,530	10,812	<b>22,198,363</b>
<b>Net book value</b>	<b>\$ 353,785</b>	<b>\$ 580,741</b>	<b>\$ 46,332,104</b>	<b>\$ 3,943,020</b>	<b>\$ 1,906</b>	<b>\$ 51,211,556</b>

March 31, 2013	Land	Land improvements	Buildings	Equipment	Equipment under capital lease	2013 Total
<b>Cost</b>						
Opening						
Balance	\$ 353,785	\$ 1,430,873	\$ 62,450,532	\$11,127,350	\$ 12,718	<b>\$ 75,375,258</b>
Additions	-	-	673,355	1,125,472	-	<b>1,798,827</b>
Disposals	-	-	-	(4,732,263)	-	<b>(4,732,263)</b>
Write-downs	-	-	-	(50,209)	-	<b>(50,209)</b>
Closing Balance	353,785	1,430,873	63,123,887	7,470,350	12,718	<b>72,391,613</b>
<b>Accumulated Amortization</b>						
Opening						
Balance	-	696,161	14,828,616	6,727,052	9,540	<b>22,261,369</b>
Amortization	-	76,985	1,323,108	957,298	636	<b>2,358,027</b>
Disposals	-	-	-	(4,732,263)	-	<b>(4,732,263)</b>
Closing Balance	-	773,146	16,151,724	2,952,087	10,176	<b>19,887,133</b>
<b>Net book value</b>	<b>\$ 353,785</b>	<b>\$ 657,727</b>	<b>\$ 46,972,163</b>	<b>\$ 4,518,263</b>	<b>\$ 2,542</b>	<b>\$ 52,504,480</b>

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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**8. PENSION PLANS**

The Cumberland Health Authority contributes to the following pension plans on behalf of its employees.

- i) A multi-employer defined benefit plan, administered by the Health Association of Nova Scotia, providing pension benefits to most of its employees. The most recent actuarial valuation was conducted as at April 1, 2012 which indicated an unfunded liability.
- ii) A defined benefit plan, administered by the Public Service Superannuation Plan Trustee Inc. The most recent actuarial valuations were conducted as at December 31, 2011 which indicated an unfunded liability.

The Authority's pension expense for the year amounted to \$3,555,546 (2013 - \$3,452,914) and is included in compensation expense.

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**9. CREDIT FACILITIES**

The Authority has an arrangement with a financial institution, which provides an available unsecured operating line of credit totalling \$1,000,000, bearing interest at the prime rate.

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**10. ACCUMULATED SURPLUS**

The accumulated surplus includes the following reserve:

The Cumberland Health Authority has internally restricted parking revenues to be used for equipment purchases for the Cumberland Regional Health Care Centre. The internally restricted fund balance represents the unspent portion of parking fee revenue and is not available for other purposes without the approval of the Board of Directors.

	<u>2014</u>	<u>2013</u>
Reserve for capital purchases – beginning of year	<b>\$ 255,296</b>	\$ 454,693
Parking receipts set aside during the year	<b>176,243</b>	179,669
Equipment purchases	<b>(180,296)</b>	(379,066)
Reserve for capital purchases – end of year	<b><u>\$ 251,243</u></b>	<u>\$ 255,296</u>



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**Cumberland Health Authority  
Notes to the Financial Statements  
Year Ended March 31, 2014**

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**11. COMMITMENTS**

- a) Cumberland Health Authority is committed to the following estimated operating and occupancy lease payments in each of the next five fiscal years ended March 31:

2015	\$ 798,600
2016	745,800
2017	749,800
2018	270,400
2019	2,500

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**12. RELATED ENTITIES**

The Health Authority has responsibility for the operation of certain hospitals and health care centres as outlined in Note 1. There are several hospital foundations and auxiliaries that solicit funds in the name of these particular hospitals and health care centres. These funds are intended by the contributors to assist in the provision of health care services in the catchment area. The Health Authority is considered to have an economic interest in these foundations and auxiliaries whereby the assets of these organizations will accrue to the benefit of the Authority. The amount and nature of these assets at March 31, 2014 are available from the individual financial statements of the related entities.

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**13. CONTINGENT LIABILITY**

The Health Authority may, from time to time, be involved in legal proceedings, claims and litigation arising in the normal course of operations. As of March 31, 2014, management believes it is not exposed to material, adverse impact on its financial position as a result of any such claims.

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**14. SUBSEQUENT EVENT**

Subsequent to year end the Province of Nova Scotia announced the Cumberland Health Authority will remain as its own legal entity until April 1, 2015. On this date the nine provincial health authorities will be amalgamated and a new provincial board established.

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**15. COMPARATIVE FIGURES**

Certain of the 2013 comparative figures have been reclassified to conform to the financial statement presentation adopted in 2014.

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**16. BUDGET FIGURES**

Budget figures have been compiled from information provided by management. These figures have not been audited or verified by any means and are provided for comparative purposes only.

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**Cumberland Health Authority**  
**Schedule 1 - Expenses by Object**  
**Year ended March 31, 2014**

	<b>Budget</b>		<b>Actual</b>		<b>Actual</b>
	<b>2014</b>		<b>2014</b>		<b>2013</b>
<b>EXPENSES</b>					
Compensation ( <i>Notes 6, 8</i> )	\$ 48,359,822	\$	<b>48,451,544</b>	\$	47,501,076
Plant maintenance/utilities	3,524,048		<b>5,103,477</b>		4,816,497
Purchased services	2,662,894		<b>3,767,901</b>		3,822,400
Amortization	2,340,128		<b>2,359,559</b>		2,358,027
Medical/surgical supplies	1,695,014		<b>1,921,690</b>		1,812,601
Diagnostic and therapeutic services	1,029,071		<b>1,209,588</b>		1,186,897
Pharmaceutical	964,120		<b>1,169,626</b>		1,209,112
Environmental services	689,534		<b>828,286</b>		740,900
Travel and education	534,887		<b>738,556</b>		692,911
Retirement allowance expense	-		<b>721,988</b>		653,980
Other	1,162,861		<b>621,399</b>		465,123
Dietary	439,100		<b>572,197</b>		574,917
Telecommunications	277,847		<b>367,416</b>		382,049
Office supplies	233,870		<b>215,801</b>		241,049
	<b>\$ 63,913,196</b>	<b>\$</b>	<b>68,049,028</b>	<b>\$</b>	<b>66,457,539</b>

**Cumberland Health Authority**  
**Schedule 2 - Statement of Operations by fund**  
**Year ended March 31, 2014**

	<b>Operating</b>	<b>Capital</b>	<b>Total 2014</b>
<b>REVENUES</b>			
Province of Nova Scotia	\$ 60,998,736	\$ 269,656	\$ 61,268,392
Patient billings	3,719,158	-	3,719,158
Foundations/Auxiliaries	56,112	57,112	113,224
Federal government	205,990	-	205,990
Cafeteria	114,955	-	114,955
Parking	-	176,243	176,243
Other income	350,316	83,321	433,637
Workers Compensation Board	105,359	-	105,359
	<b>\$ 65,550,626</b>	<b>\$ 586,332</b>	<b>\$ 66,136,958</b>
<b>EXPENSES</b>			
Compensation	\$ 48,451,544	-	\$ 48,451,544
Purchased services	3,767,901	-	3,767,901
Plant maintenance/utilities	4,964,640	138,843	5,103,483
Amortization	-	2,359,559	2,359,559
Medical/surgical supplies	1,921,690	-	1,921,690
Diagnostic and therapeutic services	1,209,588	-	1,209,588
Pharmaceutical	1,169,626	-	1,169,626
Environmental services	828,286	-	828,286
Travel and education	738,556	-	738,556
Dietary	572,197	-	572,197
Other	621,393	-	621,393
Retirement allowance expense	721,988	-	721,988
Telecommunications	367,416	-	367,416
Office supplies	215,801	-	215,801
	<b>\$ 65,550,626</b>	<b>\$ 2,498,402</b>	<b>\$ 68,049,028</b>
<b>Annual deficit</b>	<b>\$ -</b>	<b>\$ (1,912,070)</b>	<b>\$ (1,912,070)</b>