



May 30, 2017

Jonathon Leong, Relationship Manager
TD Commercial Banking
400 Victoria Street
3rd Floor
Prince George, BC V2C 2I7

Dear Jonathon

Re: 2016 Financial Statements

Enclosed are the North West Regional Hospital District Financial Statements as of December 31, 2016.

If you have any questions, please contact us.

Yours truly,

Verna Wickie, CPA, CMA
Treasurer

VW/mg

Enc.

**NORTH WEST REGIONAL
HOSPITAL DISTRICT**

FINANCIAL STATEMENTS

DECEMBER 31, 2016

**NORTH WEST REGIONAL
HOSPITAL DISTRICT**

FINANCIAL STATEMENTS

DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

STATEMENT

- A STATEMENT OF FINANCIAL POSITION
- B STATEMENT OF FINANCIAL ACTIVITIES

NOTES

CARLYLE SHEPHERD & CO.

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

SECOND FLOOR

4544 LAKELSE AVENUE

TERRACE BC V8G 1P8

TELEPHONE 250-635-6126

FACSIMILE 250-635-2182

To the Directors
North West Regional Hospital District

Report on the Financial Statements

We have audited the accompanying statement of financial position of the North West Regional Hospital District as at December 31, 2016 and the statement of financial activities for the year then ended and a summary of significant accounting policies.

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 controls as management determines are necessary to enable the preparation of financial statements that are free of 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 the audit in accordance with Canadian generally accepted auditing standards. These standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Regional Hospital District as at December 31, 2016 and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

Terrace, BC
April 21, 2017

NORTH WEST REGIONAL HOSPITAL DISTRICT

STATEMENT OF FINANCIAL POSITION

STATEMENT A

DECEMBER 31

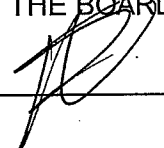
FINANCIAL ASSETS

	2016	2015
	\$	\$
CASH	14,089,975	12,510,371
ACCOUNTS RECEIVABLE	288,277	257,636
MUNICIPAL FINANCE AUTHORITY DEBT RESERVE FUND	<u>473,334</u>	<u>389,453</u>
	<u>14,851,586</u>	<u>13,157,460</u>

FINANCIAL LIABILITIES

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	277,053	195,383
MUNICIPAL FINANCE AUTHORITY DEBT RESERVE FUND	473,334	389,453
LONG TERM DEBT (Note 2)	<u>33,930,408</u>	<u>30,728,657</u>
	34,680,795	31,313,493
NET FINANCIAL ASSETS/LIABILITIES	(19,829,209)	(18,156,033)
FUTURE REVENUE REQUIREMENT FROM TAXPAYERS	<u>33,930,408</u>	<u>30,728,657</u>
REGIONAL HOSPITAL DISTRICT POSITION	<u>14,101,199</u>	<u>12,572,624</u>

APPROVED BY THE BOARD



Chair



Treasurer

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED DECEMBER 31

	Unaudited 2016 Budget \$	Audited 2016 Actual \$	Audited 2015 Actual \$
REVENUE			
Tax Requisition	5,895,988	5,895,989	5,895,988
Grants in Lieu/Other Revenue		119,261	118,439
Interest	<u>110,000</u>	<u>127,900</u>	<u>118,565</u>
	<u>6,005,988</u>	<u>6,143,151</u>	<u>6,132,992</u>
EXPENDITURE			
Grants to Health Facilities and Planning Studies	5,368,145	2,394,556	2,419,767
Debenture Debt			
Interest	1,160,125	1,001,538	928,707
Principal	928,707	906,496	906,496
Interest on Temporary Borrowing	90,000	130,173	99,882
Contingency	866,634	-	-
Administration	<u>165,000</u>	<u>181,813</u>	<u>140,596</u>
	<u>8,578,611</u>	<u>4,614,575</u>	<u>4,495,447</u>
NET CHANGE IN FINANCIAL ACTIVITIES	(2,572,623)	1,528,575	1,637,545
OPENING POSITION	<u>12,572,624</u>	<u>12,572,624</u>	<u>10,935,079</u>
CLOSING POSITION	<u>10,000,001</u>	<u>14,101,199</u>	<u>12,572,624</u>

NORTH WEST REGIONAL HOSPITAL DISTRICT

NOTES

DECEMBER 31, 2016

1) SIGNIFICANT ACCOUNTING POLICIES

The Regional Hospital District has adopted the reporting format recommended by the Public Sector Accounting Board.

A statement of cash flows has not been provided as management has deemed it is not useful for its purposes.

Revenue and expenditures are reported on an accrual basis.

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from these estimates.

The financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the Regional Hospital District is not exposed to significant interest, currency or credit risk arising from these financial instruments.

2) LONG TERM DEBT

Debenture debt is with the Municipal Finance Authority and is being repaid as per approved bylaws.