



# Regional Hospital District Board Report

**TO:** Regional Hospital District Board

**FROM:** Carol Teschner  
Manager - Financial Services

**DATE:** April 25, 2019

**SUBJECT:** 2018 CORHD Financial Statements

**Voting Entitlement:** *All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208.1*

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**Purpose:** To report Annual Financial Information to the Board and comply with legislative requirements.

## **Executive Summary:**

The attached 2018 Audited Financial Statements are submitted for the Board's approval as required under the *Hospital District Act*.

In the opinion of the auditors, BDO, the financial statements present fairly, in all material respects, the position of the Central Okanagan Regional Hospital District as at December 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

## **RECOMMENDATION:**

**THAT** the Central Okanagan Regional Hospital District Audited Financial Statements – year ended December 31, 2018 be approved.

Respectfully Submitted:

Carol Teschner  
Manager-Financial Services

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**Implications of Recommendation:**

General:	Legislative Compliance.
Organizational:	The main purpose of the CORHD is to provide financing for 40% of the region's approved capital projects and equipment purchases.
Financial:	Compliance with legislative requirements. Part of Financial Control System.
Legal/Statutory Authority:	Expenditures were approved in the 2018–2022 Financial Plan Bylaw 1 – 2018 <i>Hospital District Act</i>

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**Background:**

The financial statements have been prepared and audited in accordance with PSAB Standards by BDO Dunwoody, and a clean audit opinion has been received.

Once the Board has approved the Financial Statements, the Auditors will finalize the audit report and the Final Financial Statements signed copies will be available in the Reader File.

According to the Canadian Audit Standard 560, the date of BDO's audit report is required to be the date that those charged with governance (the Board) formally approve the draft financial statements as presented. The auditors must receive the approval and perform "subsequent events" work up to this date (procedures relating to subsequent events while financial statements are being presented for approval if audit staff have left the premises prior to the date of the report), prior to releasing the final financial statements.

**Financial Considerations:**

The accumulated deficit decreased by \$9,225,243 to \$76,868,064 (vs. \$86,093,307 in 2017 – see pages 6 & 7 of financial statements). New projects were funded by the 2018 tax requisitions and, long term debt was paid down. No new debt was added. The deficit is due to the fact that CORHD does not have any assets and pays for its share (40%) of capital contributions through taxation and debt financing.

**Attachment(s):**

- Financial Services Report – Guide to Understanding the Financial Statements
- CORHD 2018 Financial Statements