

Financial Statements of

WINNIPEG REGIONAL HEALTH AUTHORITY

March 31, 2003

WINNIPEG REGIONAL HEALTH AUTHORITY

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
FINANCIAL STATEMENTS
MARCH 31, 2003**

The accompanying financial statements are the responsibility of management and have been approved by the Authority. The financial statements were prepared in accordance with Canadian generally accepted accounting principles and of necessity include some amounts that are based on estimates and judgements.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards and procedures, a formal authorization structure, and satisfactory processes for reviewing internal controls. This system is designed to provide management with reasonable assurance that transactions are in accordance with governing legislation, are properly authorized, reliable financial records are maintained, and assets are adequately accounted for and safeguarded.

Deloitte & Touche LLP provides an independent audit of the financial statements. Their examination is conducted in accordance with Canadian generally accepted auditing standards and includes tests and other procedures, which allow them to report on the fairness of the financial statements prepared by management.

Dr. Brian D. Postl
President & Chief Executive Officer

Paul A. Kochan, FCA
Vice-President Finance & Corporate
Services and Chief Financial Officer

Original Signed by Dr. Brian Postl & Paul A. Kochan

AUDITORS' REPORT

To the Directors of
Winnipeg Regional Health Authority

We have audited the statement of financial position of Winnipeg Regional Health Authority (the "Authority") as at March 31, 2003 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Winnipeg, Manitoba
June 16, 2003

Original Signed by Deloitte & Touche LLP.

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WINNIPEG REGIONAL HEALTH AUTHORITY

Statement of Operations

For the 12 months ended March 31, 2003

(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
		(Restated - Note 20)
REVENUE		
Manitoba Health operating income	\$ 1,308,023	\$ 1,177,069
Other income (Schedule 1)	35,054	30,305
Amortization of deferred contributions		
Capital assets	19,024	21,020
Future expenses	4,265	1,140
	<u>1,366,366</u>	<u>1,229,534</u>
EXPENSES		
Direct operations (Schedule 2)	630,279	597,389
Amortization of capital assets	19,095	21,047
Interest - long term	17,629	17,457
Increase in future employee benefits	20,326	13,654
	<u>687,329</u>	<u>649,547</u>
FACILITY FUNDING		
Acute care facility funding (Schedule 3)	472,194	449,596
Long term care facility funding (Schedule 4)	166,013	91,874
Community health agency funding (Schedule 5)	21,366	20,779
Adult day care facility funding (Schedule 6)	2,345	2,320
Long term care community therapy services	863	628
GRANT FUNDED		
Grants to facilities and agencies (Schedule 7)	16,210	14,291
	<u>1,366,320</u>	<u>1,229,035</u>
OPERATING SURPLUS	<u>46</u>	<u>499</u>
Add		
Non-insured services net revenue	2,196	1,971
NET SURPLUS	<u>\$ 2,242</u>	<u>\$ 2,470</u>

APPROVED BY THE BOARD

..... Director

..... Director

Original Signed by Patti Sullivan & Jean Paul Gobeil

WINNIPEG REGIONAL HEALTH AUTHORITY
Statement of Financial Position
As at March 31, 2003
(in thousands of dollars)

	2003	2002
ASSETS		(Restated - Note 20)
CURRENT		
Cash and marketable securities	\$ 72,716	\$ 64,298
Accounts receivable (Note 3)	55,151	44,858
Inventory	7,064	6,725
Prepaid expenses	2,544	4,356
Employee benefits recoverable from Manitoba Health	68,134	53,245
	205,609	173,482
CAPITAL ASSETS, net (Note 4)	292,313	283,151
OTHER ASSETS		
Future employee benefits recoverable from Manitoba Health	68,214	62,778
Cash held in trust for debt service by Manitoba Health	4,300	4,314
Sinking fund reserve (Note 6)	51,333	48,375
Specific purposes funds (Note 7)	31,322	26,911
Nurse recruitment and retention fund (Note 9)	7,106	6,635
Unamortized debenture issue costs	4	211
	\$ 660,201	\$ 605,857
LIABILITIES, DEFERRED CONTRIBUTIONS AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 89,814	\$ 82,585
Employee benefits payable	68,779	53,245
Current portion of long term debt (Note 6)	14,471	12,135
	173,064	147,965
LONG TERM DEBT AND DEFERRED CONTRIBUTIONS		
Long term debt (Note 6)	224,767	224,059
Future employee benefits payable	68,388	62,778
Specific purpose funds (Note 7)	31,322	26,911
Deferred contributions (Note 8)	135,542	119,739
Nurse recruitment and retention fund (Note 9)	7,106	6,635
	640,189	588,087
NET ASSETS	20,012	17,770
COMMITMENTS AND CONTINGENCIES (Note 11)		
	\$ 660,201	\$ 605,857

WINNIPEG REGIONAL HEALTH AUTHORITY

Statement of Changes in Net Assets

For the 12 months ended March 31, 2003

(in thousands of dollars)

	2003						2002
	Investment in Capital Assets (Note 10)	Unrestricted	Internally Restricted			Total	Restated (Note 20)
			Labour Relations Secretariat	Physician Recruitment	Total Internally Restricted		
Balance, beginning of year	\$ 21,868	\$ (5,441)	\$ 139	\$ 1,204	\$ 1,343	\$ 17,770	\$ 15,580
Prior period adjustment: Manitoba Health recovery	-	-	-	-	-	-	(3,532)
Adjusted balance, beginning of year	21,868	(5,441)	139	1,204	1,343	17,770	12,048
Net surplus (deficit)	(1,590)	3,889	-	(57)	(57)	2,242	2,470
Purchase of capital assets	2,711	(2,711)	-	-	-	-	-
Transfer of Selkirk net assets (Note 19)	-	-	-	-	-	-	3,252
Balance, end of year	\$ 22,989	\$ (4,263)	\$ 139	\$ 1,147	\$ 1,286	\$ 20,012	\$ 17,770

WINNIPEG REGIONAL HEALTH AUTHORITY

Statement of Cash Flows

For the 12 months ended March 31, 2003

(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
		(Restated - Note 20)
OPERATING ACTIVITIES		
Net surplus	\$ 2,242	\$ 2,470
Items not affecting cash		
Amortization of capital assets	23,225	24,929
Amortization of deferred contributions related to capital assets	(21,635)	(21,086)
Recognition of deferred contributions related to future expenses	(4,265)	(1,140)
Increase in future employee benefits revenue	(20,326)	(13,654)
Increase in future employee benefits expense	20,326	13,654
Amortization of debenture issue costs	207	15
	<u>(226)</u>	5,188
Changes in non-cash operating working capital items	(758)	14,594
Deferred contributions received - future expenses	11,954	4,841
	<u>10,970</u>	<u>24,623</u>
FINANCING ACTIVITIES		
Net change in sinking fund reserve	(2,958)	10,436
Deferred contributions received - capital assets	29,749	35,812
Increase (decrease) in long term debt	3,044	(16,613)
	<u>29,835</u>	<u>29,635</u>
INVESTING ACTIVITIES		
Acquisition of capital assets	(32,387)	(34,118)
	<u>(32,387)</u>	<u>(34,118)</u>
INCREASE	8,418	20,140
CASH AND MARKETABLE SECURITIES, BEGINNING OF YEAR	64,298	44,158
CASH AND MARKETABLE SECURITIES, END OF YEAR	\$ 72,716	\$ 64,298
Comprised of:		
Cash	\$ 29,370	\$ 18,408
Marketable securities	43,346	45,890
Total	<u>\$ 72,716</u>	<u>\$ 64,298</u>

WINNIPEG REGIONAL HEALTH AUTHORITY

Notes to the Financial Statements

As at March 31, 2003

(amounts in thousands of dollars)

1. NATURE OF BUSINESS

The Winnipeg Regional Health Authority (“the Authority”) was established on December 1, 1999. The Authority provides community health services directly through its operations of Home Care, Mental Health and Public Health and provides acute care services through its Health Sciences Centre (HSC) and Deer Lodge Centre (DLC) sites. Acute care services are also provided by seven other urban hospitals (Concordia Hospital, Misericordia Health Centre, Riverview Health Centre, Inc., St. Boniface General Hospital, The Salvation Army Grace Hospital, Seven Oaks General Hospital, and Victoria General Hospital) (“the Hospitals”). Long term care, community health and other health services are delivered in the region through non-proprietary and proprietary personal care homes and community health agencies as well as through a number of non-profit organizations.

Effective April 1, 2002, the delivery of long term care services in the region was expanded to include proprietary personal care homes. In addition, the Authority assumed responsibility for funding the proprietary personal care homes outside of the region. Programming responsibility for these personal care homes remains with the appropriate rural regional health authorities.

Effective August 1, 2002, the assets and liabilities of the Deer Lodge Centre (DLC) were transferred to the Authority. The Board of Directors of DLC was dissolved and the net assets of DLC were integrated into the Authority. The financial statements of the Authority reflect the operations and financial position of the DLC for the years ended March 31, 2002 and 2003.

The Authority is a not-for-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

a) *The reporting entity*

The scope of the Authority’s operations are classified into these four distinct segments:

- i. Direct Operations – Home Care services, Mental Health services, Public Health services, Primary Care services, Acute Care services (HSC & DLC sites).
- ii. Acute Care services – provided through the seven other hospitals by means of operating agreements.
- iii. Long Term Care and Community Health services – provided through non-proprietary and proprietary personal care homes and community health agencies by means of service purchase agreements.
- iv. Other Health services – provided through various agencies by means of grant funding mechanisms.

The seven Acute Care hospitals in (ii) are non-consolidated controlled entities. A financial summary of these non-consolidated controlled entities is provided in Note 14.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Definition of controlled entity

Effective April 1, 1998, the Authority became the majority funder of the Hospitals. The Hospitals act as the Authority's agents in providing health care services mandated by the Province of Manitoba. These health care services are delivered under the control of the Authority from an accounting perspective. This determination of control is based largely on the fact that the Hospitals' purpose is integrated with that of the WRHA such that the Hospitals and the WRHA have common and complementary objectives. Moreover, due to the existence of operating agreements between the Authority and the Hospitals, the WRHA has the power to determine the strategic operating, investing and financing policies of the Hospitals. As permitted by Canadian generally accepted accounting principles, Hospitals have not been consolidated into the Authority's financial statements. Note 14 provides a financial summary of these controlled non-consolidated entities.

c) Revenue recognition

The Authority follows the deferral method of accounting for contributions:

- i. Operating contributions – recorded as revenue in the period to which they relate.
- ii. Unrestricted contributions – recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- iii. Externally restricted contributions – recognized as revenue in the year in which the related expenses are recognized.
- iv. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.
- v. Contributions approved but not received at the end of an accounting period are accrued. Where a portion of a contribution relates to a future period, it is deferred and recognized in that subsequent period.

The Authority is funded by the Province of Manitoba using Manitoba Health funding mechanisms. These financial statements use funding mechanisms approved by Manitoba Health for the year ended March 31, 2003.

d) Investments

Investments in marketable securities are recorded at cost. Market value of the investments at March 31, 2003 is \$43,501 (cost - \$43,346), March 31, 2002 - \$46,043 (cost \$45,890).

e) Medical, drugs and other supplies

Medical, drugs and other supplies are valued at cost.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Linen and bedding inventory

Linen and bedding inventory is recorded at cost and expensed when put into usage.

g) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Capital assets are amortized on a straight-line basis using an annual rate of:

Buildings	2.5%
Improvements to land & buildings	4-20%
Equipment	10-33%
Computer hardware/software	20%
Furniture	10%
Leasehold improvements	over the life of the lease
Facility upgrades	5%
Start-up costs	33 1/3%

h) Debenture issue costs

Debenture issue costs are amortized over the term of the debentures.

i) Financial instruments

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Authority's accounts receivable are comprised mostly of amounts due from the Government of Manitoba, which minimizes credit risk.

Interest rate risk

Interest rate risk is the risk arising from fluctuations in short term interest rates and the volatility of those rates. The Authority mitigates this risk by retaining the option to convert all floating rate borrowings to fixed rate borrowings.

Fair value

The carrying amounts of short-term financial assets and liabilities are a reasonable estimate of the fair values because of the short maturity of those instruments. Short-term financial assets are comprised of cash and marketable securities, accounts receivable and employee benefits recoverable from Manitoba Health. Short-term financial liabilities are comprised of accounts payable and accrued liabilities, employee benefits payable and current portion of long term debt.

The fair value of the long term asset Future employee benefits recoverable from Manitoba Health and the long term liability Future employee benefits payable could not be determined because there are no specific terms of repayment.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Retirement entitlement obligations

The Authority applies the accounting recommendations for employee future benefits contained in Section 3461 of the Canadian Institute of Chartered Accountants' Handbook.

The Authority's contractual commitment, based on an actuarial valuation, for the pre-retirement entitlement for members of the Healthcare Employees Pension Plan is to pay out four days of salary per year of service upon retirement if the employee complies with one of the following conditions:

- i) have ten years service and have reached the age 55 or
- ii) qualify for the "eighty" rule which is calculated by adding the number of years of service to the age of the employee
- iii) retire at or after age 65
- iv) terminate employment at any time due to permanent disability

The Authority's contractual commitment based on an actuarial valuation, for the pre-retirement entitlement for members of the Civil Service Superannuation plan is to pay out, at retirement to employees who have reached the age of 55 and have nine or more years of service, the following severance pay:

- one week of severance pay for each year of service up to 15 years of service.
- 2 weeks of additional severance pay for each increment of five years past the 15 years of service up to 35 years of service.

Funding for the retirement obligation is recoverable from Manitoba Health on an out of globe basis in the year of payment.

k) Employee benefits

The Authority records a provision for employee benefits including accrued vacation and accrued overtime entitlements.

Funding for employee benefits is recoverable from Manitoba Health as a component of salary costs in the period in which the expenditures are made. Accordingly, the cost of the estimated accrued vacation pay overtime entitlement obligations at year-end is deferred to enable an appropriate matching of expenses with the funding secured in subsequent years.

l) Surplus retention and use policy – Acute care operations and controlled entities

50% of the insured services operating surplus for the current fiscal year is recorded on the Statement of Financial Position as Deferred Contributions. The Authority will confirm the approved amount of the retainable surplus when the Authority reviews the audited financial statements of its Controlled Entities.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Due to/from Manitoba Health

Any operating surplus related to Out of Globe funding arrangements or operating surpluses greater than 2% of budget related to In Globe funding arrangements for the year is carried on the statement of financial position as a payable due to Manitoba Health until such time as Manitoba Health reviews the financial statements. At that time Manitoba Health determines what portion of the approved surplus may be retained by the WRHA or repaid to Manitoba Health.

Conversely, any operating deficit related to Out of Globe funding arrangements is carried on the statement of financial position as a receivable from Manitoba Health until Manitoba Health reviews the financial statements. At that time Manitoba Health submits their final funding approvals which indicate the portion of the deficit that will be paid to the WRHA. Any unapproved costs not paid by Manitoba Health are paid by the WRHA.

3. ACCOUNTS RECEIVABLE

	<u>2003</u>	<u>2002</u>
Manitoba Health		
Operating and Capital	\$ 26,631	\$ 29,603
Nurse Recruitment and Retention Fund	848	1,282
	<u>27,479</u>	<u>30,885</u>
Other	27,672	13,973
	<u>\$ 55,151</u>	<u>\$ 44,858</u>

4. CAPITAL ASSETS

	<u>2003</u>			<u>2002</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 4,650	\$ -	\$ 4,650	\$ 4,650
Buildings	306,184	112,294	193,890	191,229
Improvements to land & buildings	4,882	2,347	2,535	2,430
Equipment	257,371	205,391	51,980	48,925
Computer hardware	6,050	2,870	3,180	2,313
Computer software	1,172	579	593	681
Furniture	2,840	1,048	1,792	1,389
Leasehold improvements	2,901	662	2,239	3,141
Facility upgrades	5,085	833	4,252	4,328
Construction in progress	27,191	-	27,191	24,053
Start-up costs	2,837	2,826	11	12
	<u>\$ 621,163</u>	<u>\$ 328,850</u>	<u>\$ 292,313</u>	<u>\$ 283,151</u>

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2003</u>	<u>2002</u> (Restated – Note 20)
Accounts payable and accrued liabilities	\$ 62,272	\$ 57,841
Accrued salaries	23,715	20,750
Accrued interest on long term debt	3,457	3,462
Holdbacks on construction contracts	370	532
	<u>\$ 89,814</u>	<u>\$ 82,585</u>

6. LONG-TERM DEBT

	<u>2003</u>	<u>2002</u>
a) Bank loans payable consist of the following:		
Demand bank loans for capital projects in anticipation of the future issuance of long-term debt by Manitoba Health, 2.69% revolving 60 days.	\$ 15,681	\$ 18,051
Bank loan, prime less 0.8%	3,645	3,300
Banker's acceptances, supported by specific borrowing resolution incorporating an assignment of monies payable by the Governments of Canada or Manitoba:		
Interest at 2.67%, maturing April 16, 2002	-	1,800
Interest at 3.06%, maturing April 23, 2003	1,500	-
Operating credit line demand instalment loans:		
Interest at prime less 0.8%, maturing January 17, 2008	69	-
Interest at prime less 0.8%, maturing January 17, 2008	464	-
Bank loan, prime less 0.5%	-	304
Bank loan, interest as determined annually by Manitoba Health	48	67
Bank loan, prime less 0.5%	-	555
Bank loan, prime less 0.5%	-	34
Bank loan, interest as determined annually by Manitoba Health	-	8
	<u>\$ 21,407</u>	<u>\$ 24,119</u>

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

6. LONG-TERM DEBT (continued)

	<u>2003</u>	<u>2002</u>
b) Debentures payable consist of the following:		
13 5/8% Debenture dated November 15, 1984 maturing 2004, annual payments of \$42 (fair value \$74)	\$ 55	\$ 97
13.40% Sinking fund debenture maturing 2004, annual payments of \$1,100	50,000	50,000
10.00% Sinking fund debenture maturing 2011, annual payments of \$625	25,000	25,000
Floating rate debenture maturing 2013, annual payments of \$1,430 (fair value \$15,256)	15,256	-
Floating rate debenture maturing 2013, annual payments of \$69 (fair value \$744)	744	-
6.40% Debenture maturing 2016, annual payments of \$5,333 (fair value \$76,137)	71,111	76,444
6.50% Debenture maturing 2014, annual payments of \$2,143 (fair value \$26,632)	25,000	27,143
	\$ 187,166	\$ 178,684
c) Mortgages payable consist of the following:		
8.25% Mortgage, maturing 2017 Emily Street Parkade (fair value \$10,965)	\$ 10,593	\$ 11,111
6.88% Mortgage maturing 2020, Harry Medovy House (paid out early)	-	524
6.47% Mortgage, maturing 2004, William Avenue Parkade (fair value \$425)	402	743
7.38% Mortgage payable, maturing 2018 Nutrition & Food Services (fair value \$19,353)	17,347	17,933

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

6. LONG-TERM DEBT (continued)

c) Mortgages payable (continued)

	<u>2003</u>	<u>2002</u>
7.04% Mortgage payable, maturing 2006 Nutrition & Food Services (fair value \$2,231)	2,178	2,697
6.86% Mortgage payable, maturing 2003 Nutrition & Food Services (fair value \$146)	145	383
	\$ 30,665	\$ 33,391
<hr/>		
Less amounts due within one year, included in current liabilities	(14,471)	(12,135)
	\$ 224,767	\$ 224,059
<hr/>		

At March 31, 2003 the carrying value of the sinking fund reserves and accumulated interest aggregated \$51,333 (March 31, 2002 - \$48,375). Annual payments are made by the Authority/Manitoba Health from cash held in trust. The aggregate balance in the sinking fund reserves for all debentures will be sufficient to retire the associated sinking fund debentures at maturity.

The fair value of long term debt at March 31, 2003 has been calculated using discounted cash flow analysis based on incremental borrowing rates currently available for similar terms and maturities.

The fair value of the bank loans payable could not be determined because there are no specific terms of repayment.

Certain of the long-term debt instruments contain various restrictive covenants.

d) The principal repayments over the next five years are as follows:

2004	\$ 14,471
2005	61,536
2006	11,561
2007	11,411
2008	11,118

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

7. SPECIFIC PURPOSE FUNDS

Cash and investments held for specific purposes include the following:

	<u>2003</u>	<u>2002</u>
Cash and marketable securities, at cost	\$ 31,322	\$ 26,911

The Authority maintains numerous research, trust and clearing accounts designated for specific purposes. An analysis of the changes in funds designated for specific purposes is as follows:

	<u>2003</u>	<u>2002</u>
Balance, beginning of year	\$ 26,911	\$ 23,758
Grants, bequests and donations	17,509	16,179
Investment income	1,935	1,581
Disbursements	(15,033)	(14,607)
Balance, end of year	\$ 31,322	\$ 26,911

Certain of the funds designated for specific purposes are subject to externally imposed restrictions stipulating that the principal be maintained intact, or that the principal be used for specifically stated purposes.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

8. DEFERRED CONTRIBUTIONS

	<u>2003</u>	<u>2002</u>
Deferred contributions, future expenses	\$ 28,116	\$ 20,427
Deferred contributions, capital	107,426	99,312
Deferred contributions, total	\$ 135,542	\$ 119,739

a) Deferred contributions, future expenses

Deferred contributions related to future expenses represent the unspent amount of funding received for the Authority's operating expenses. The amortization of deferred contributions, future expenses is recorded as revenue in the statement of operations.

	<u>2003</u>	<u>2002</u>
Balance, beginning of year	\$ 20,427	\$ 16,919
Amount received during the year	11,954	4,841
Less amount recognized as revenue in the year	(4,265)	(1,140)
Less: reclassification	-	(193)
Balance, end of year	\$ 28,116	\$ 20,427

b) Deferred contributions, capital

Deferred contributions related to capital assets represent the unamortized amount and unspent amount of funding received for the purchase of the Authority's capital assets. The amortization of deferred contributions, capital is recorded as revenue in the statement of operations.

	<u>2003</u>	<u>2002</u>
Balance, beginning of year	\$ 99,312	\$ 80,826
Contributions received	29,749	35,812
Amounts amortized to revenue – Programs	(19,024)	(21,020)
Amounts amortized to revenue – Ancillary operations	(2,611)	(66)
Add: reclassification	-	193
Add: prior year reclassification (Note 20)	-	3,567
Balance, end of year	\$ 107,426	\$ 99,312

WINNIPEG REGIONAL HEALTH AUTHORITY

Notes to the Financial Statements

As at March 31, 2003

(amounts in thousands of dollars)

9. NURSE RECRUITMENT AND RETENTION FUND

In 2000, Manitoba Health had established a \$7 million Nurse Recruitment and Retention Fund in order to assist with the implementation of recruitment and retention strategies for nurses throughout Manitoba. The Authority holds, invests and disburses funds on behalf of the Nurse Recruitment and Retention Committee. The Fund is administered by a tri-partite committee comprised of the Regional Health Authorities of Manitoba, Manitoba Health, and the Manitoba Nurses Union. The Authority can only disburse funds authorized by the Committee.

	<u>2003</u>	<u>2002</u>
Balance, beginning of year	\$ 6,635	\$ 6,022
Additions to fund	2,175	2,469
Interest earned on investment	194	248
Fund expenditures	<u>(1,898)</u>	<u>(2,104)</u>
Balance, end of year	\$ 7,106	\$ 6,635

10. INVESTMENT IN CAPITAL ASSETS

Investment in capital assets is calculated as follows:

	<u>2003</u>	<u>2002</u>
Capital assets	\$ 265,111	\$ 255,650
Startup costs	11	12
Construction and other projects in progress	<u>27,191</u>	<u>27,489</u>
	<u>292,313</u>	<u>283,151</u>
Amounts financed by:		
Sinking fund	51,333	48,375
Cash held in trust by Manitoba Health for debt service	4,300	4,314
Deferred contributions	<u>(107,426)</u>	<u>(99,312)</u>
Loans and accounts payable	<u>(217,531)</u>	<u>(214,660)</u>
Investment in Capital Assets	\$ 22,989	\$ 21,868

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

10. INVESTMENT IN CAPITAL ASSETS (continued)

Change in net assets invested in capital assets is calculated as follows:

	<u>2003</u>	<u>2002</u>
a) Excess of expenses over revenues		
Amortization of capital assets included in programs	\$ (19,095)	\$ (21,047)
Amortization of capital assets included in ancillary operations	(4,130)	(3,882)
Amortization of deferred contributions related to capital assets included in programs	19,024	21,020
Amortization of deferred contributions related to capital assets included in ancillary operations	2,611	66
	<u>\$ (1,590)</u>	<u>\$ (3,843)</u>
b) Purchase of capital assets	\$ 32,387	\$ 34,118
Transferring of capital assets	-	3,567
Amounts funded by:		
Increase/(decrease)		
Increase in capital contributions receivable	73	2,524
Capital contributions received	(29,749)	(34,270)
	<u>\$ 2,711</u>	<u>\$ 5,939</u>
Change in net assets	\$ 1,121	\$ 2,096

WINNIPEG REGIONAL HEALTH AUTHORITY

Notes to the Financial Statements

As at March 31, 2003

(amounts in thousands of dollars)

11. COMMITMENTS AND CONTINGENCIES

- a) The Authority is subject to legal actions arising in the normal course of business. It is not expected that these legal actions will have a material adverse affect on the financial position of the Authority.
- b) At March 31, 2003, minimum annual lease payments of the Authority under the operating lease for the premises at 155 Carlton Street expiring May 31, 2009 are \$508 and aggregate \$3,133.
- c) At March 31, 2003, the Authority had capital commitments of approximately \$87,222 (Mar 31, 2002 - \$2,316) and equipment purchase commitments of approximately \$12,657 (Mar 31, 2002 - \$4,776).
- d) Acute Care Operations has entered into various operating lease commitments. The minimum amounts payable over the next five years are as follows:

2004	\$ 2,732
2005	1,992
2006	1,321
2007	787
2008	446

12. HIROC

On July 1, 1987, a group of health care organizations (“subscribers”), formed Healthcare Insurance Reciprocal of Canada (“HIROC”). HIROC is registered as a Reciprocal under provincial Insurance Acts, which permit persons to exchange with other persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces of Ontario, Manitoba, Saskatchewan and Newfoundland. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to March 31, 2003.

13. ECONOMIC DEPENDENCE

The Authority received approximately 98% of its total revenue from Manitoba Health and is economically dependent on Manitoba Health for continued operations.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

14. CONTROLLED ENTITIES INFORMATION

A financial summary of the seven urban hospitals, which have not been consolidated, with the accounts of the Authority is as follows:

Financial Position:

	<u>2003</u>	<u>2002</u>
Assets	\$ 538,693	\$ 532,542
Liabilities	497,886	483,158
Total Net Assets	\$ 40,807	\$ 49,384

Results of operations:

Total Revenues	\$ 531,755	\$ 493,329
Total Expenses	533,119	492,126
(Deficit) Surplus from Operations	\$ (1,364)	\$ 1,203

Ancillary operations:

Total Revenues	\$ 26,941	\$ 28,650
Total Expenses	24,748	26,749
Surplus from ancillary operations	\$ 2,193	\$ 1,901

Other:

Surplus refundable to WRHA	(622)	(749)
Prior years' deficit/(funding recovery) support	1,572	231
Total other	\$ 950	\$ (518)

Net surplus	\$ 1,779	\$ 2,586
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Cash flows:

From operating activities	\$ 4,089	\$ 18,426
Cash used for financing & investing	(9,440)	(11,962)
(Decrease) Increase in cash	\$ (5,351)	\$ 6,464

WINNIPEG REGIONAL HEALTH AUTHORITY

Notes to the Financial Statements

As at March 31, 2003

(amounts in thousands of dollars)

15. RELATED PARTY TRANSACTIONS

The Authority is responsible for the overall management of health care services provided in the Winnipeg Health Region. Programs are delivered in the region by the Authority through its direct service operations, by Hospitals through operating agreements, by proprietary and non-proprietary personal care homes and community health agencies through service purchase agreements as well as through a number of non-profit organizations through grant funding mechanisms. The Authority transacts business on a regular basis with the organizations and agencies described in Notes 1 and 2b.

16. RELATED ENTITIES

The Authority has an economic interest in the Health Sciences Centre Foundation Inc. (HSCF), the Children's Hospital Foundation of Manitoba Inc. (CHFM), and the Deer Lodge Centre Foundation Inc. (DLCF). The financial statements of the foundations have not been included in these statements.

These foundations are incorporated under the Corporations Act of Manitoba and are registered charities for the purposes of the Income Tax Act and accordingly exempt from income taxes. The foundations' aims and objectives are to raise, invest and allocate funds for research projects through a number of institutions.

During the year \$196 (2002 - \$45) in funds were distributed through Health Sciences Centre. HSCF also administers payments to medical researchers that work at Health Sciences Centre on a fee for service basis. The fees paid to HSCF during the year by Health Sciences Centre for this service amounted to \$19 (2002 - \$9).

During the year, CHFM contributed \$613 (2002 - \$459) to Health Sciences Centre to assist with activities at the Children's Hospital.

During the year, DLCF contributed \$280 (2002 - \$508) to Deer Lodge Centre to assist with the library, operating activities, and research at Deer Lodge Centre.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

17. EMPLOYEE FUTURE BENEFITS

a) Accrued retirement entitlement

The Authority undertook an actuarial valuation of the accrued retirement entitlements. The significant actuarial assumptions adopted in measuring the Authority's accrued retirement entitlements include mortality and withdrawal rates, a discount rate of 6.5% and a rate of salary increase of 4.0% plus age related merit/promotion scale with no provision for disability.

b) Pension plan

Most of the employees of the Authority are members of the Healthcare Employees Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees. Plan members will receive benefits based on the length of service and on the average annualized earnings calculated on the best five of the eleven consecutive years prior to retirement, termination or death, that provide the highest earnings. The costs of the benefit plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Institute of Chartered Accountants' Handbook section 3461.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan by placing plan assets in trust and through the Plan investment policy. Pension expense is based on Plan management's best estimates, in consultation with its actuaries, of the amount, together with the 5% of basic annual earnings up to the Canada Pension Plan ceiling contributed by employees, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for employer contributions to the Plan to remain a constant percentage of employee's contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent actuarial valuation of the plan as at December 31, 2002, indicates that the plan is fully funded. Actual contributions to the plan made during the year by the Authority on behalf of its employees amounted to \$14,136 (2002 - \$12,664) and are included in the statement of operations.

Some of the employees of the Authority are eligible for membership in the provincially operated Civil Service Superannuation Plan. The pension liability for Authority employees is included in the Province of Manitoba's liability for Civil Service Superannuation Fund. Accordingly, no provision is required in the financial statements relating to the effects of participating in the plan by the Authority and its employees.

18. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.

WINNIPEG REGIONAL HEALTH AUTHORITY
Notes to the Financial Statements
As at March 31, 2003
(amounts in thousands of dollars)

19. ACQUISITIONS

a) Selkirk Laundry & Linen

On April 30, 2001, the Authority acquired 100% of the assets of Selkirk Laundry & Linen from the Interlake Regional Health Authority. No purchase price was paid for this entity.

Net assets acquired

Current assets	\$ 1,240
Capital assets	3,567
Current liabilities	(478)
Long term liabilities	(1,077)
Total net assets	\$ 3,252

The acquisition was accounted for as an increase in Net Assets. The results of operations are included in the financial statements from the effective date of the acquisition of April 30, 2001.

b) Pan Am Clinic

On September 14, 2001, the Authority acquired substantially all of the assets of Poseidon Enterprises Ltd. and the Pan Am Surgical Centre.

Net assets acquired, at fair value

Current assets	\$ 62
Capital assets	3,374
Total net assets	\$ 3,436

Consideration given

Cash	\$ 3,436
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The acquisition was accounted for by the purchase method. The results of operations are included in the financial statements from the effective date of the acquisition of September 14, 2001. One contingent future payment in the amount of \$200 remains for 2003/04.

WINNIPEG REGIONAL HEALTH AUTHORITY

Notes to the Financial Statements

As at March 31, 2003

(amounts in thousands of dollars)

20. RESTATEMENT OF PRIOR PERIODS

During the year, the Authority modified its method of accounting for accrued retirement obligations, accrued vacation obligations, and accrued overtime obligations at the request of Manitoba Health. The prior year comparative numbers have been retroactively restated to account for the change. The net effect of the restatement for the year ended March 31, 2002 is to increase Manitoba Health income by \$13,654 and to increase future employee benefits expense by \$ 13,654.

In addition, unrestricted net assets was reduced and accounts payable was increased by \$3,532 to reflect a recent decision by Manitoba Health to hold back current year funding in order to recover the 1998/99 Winnipeg Hospital Authority surplus. This amount had been previously received from Manitoba Health and had been accounted for as retainable operating surplus.

Internally restricted net assets related to regional shared services and acute care operations were reclassified as unrestricted as no board resolutions support their restriction.

The prior year financial statements were corrected to reflect a reclassification between net assets and deferred contributions in the amount of \$3,567.

WINNIPEG REGIONAL HEALTH AUTHORITY

Schedule 1 - Other Income

For the 12 months ended March 31, 2003

(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
Separately funded primary health programs	\$ 4,769	\$ 4,892
Other income (patient income, external recoveries, etc.)	30,285	25,413
Total	<u>\$ 35,054</u>	<u>\$ 30,305</u>

WINNIPEG REGIONAL HEALTH AUTHORITY

Schedule 2 - Direct Operations Expenses

For the 12 months ended March 31, 2003

(in thousands of dollars)

	<u>2003</u>	<u>%</u>	<u>2002</u>	<u>%</u>
Regional Health Authority undistributed expenses	\$ 16,652	2.6%	\$ 13,964	2.3%
Acute care operations	373,310	59.4%	359,625	60.3%
Acute care medical remuneration	88,314	14.0%	84,206	14.1%
Community based home care services	113,751	18.0%	109,754	18.4%
Community based mental health services	6,431	1.0%	5,459	0.9%
Community based long term care services	10,896	1.7%	5,747	1.0%
Community based primary health services	12,300	2.0%	12,214	2.0%
Separately funded primary health programs	5,215	0.8%	3,825	0.6%
Adult day care	154	0.0%	156	0.0%
Aboriginal services and strategies	1,377	0.2%	1,029	0.2%
Special initiatives and other one-time costs	1,879	0.3%	1,410	0.2%
Total	\$ 630,279	100.0%	\$ 597,389	100.0%

WINNIPEG REGIONAL HEALTH AUTHORITY

Schedule 3 - Acute Care Facility Funding

For the 12 months ended March 31, 2003

(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
Concordia Hospital	\$ 38,717	\$ 35,906
Grace General Hospital	58,055	55,714
Manitoba Adolescent Treatment Centre	7,491	7,327
Misericordia Health Centre	29,002	27,222
Riverview Health Centre	34,074	32,742
Seven Oaks General Hospital	57,435	51,925
St. Boniface General Hospital	196,899	191,350
Victoria General Hospital	50,521	47,410
Total	\$ 472,194	\$ 449,596

WINNIPEG REGIONAL HEALTH AUTHORITY
Schedule 4 - Long Term Care Facility Funding

For the 12 months ended March 31, 2003

(in thousands of dollars)

	2003	2002
Non-Proprietary Personal Care Homes		
Bethania	\$ 5,272	\$ 5,095
Calvary Place	4,108	4,119
Concordia	5,407	5,327
Convalescent Home	2,162	2,087
Donwood Manor	4,021	3,647
Foyer Valade	3,515	3,436
Fred Douglas	4,117	3,900
Golden Links	2,600	2,580
Golden West	3,186	3,074
Holy Family	8,658	8,509
Lions Manor	3,543	3,574
Luther Home	2,513	2,295
Meadowood	2,373	2,279
Middlechurch	6,218	5,892
Misericordia Place	3,389	3,405
Park Manor	3,006	3,001
Pembina Place (formerly Deaf Centre)	1,983	2,000
Sharon Home	7,803	7,216
St. Joseph's	2,978	2,890
Tache	12,007	11,257
West Park	3,755	3,656
Supportive Housing	2,376	2,297
Miscellaneous Funding Adjustments	399	338
Total	\$ 95,389	\$ 91,874
Proprietary Personal Care Homes		
Beacon Hill	\$ 5,815	\$ -
CPL Parkview	9,046	-
CPL Poseiden	6,754	-
Charleswood Care Centre	4,804	-
Fort Gary Care Centre	2,016	-
Golden Door	2,552	-
Heritage Lodge	2,741	-
Kildonan	4,512	-
Maples	6,848	-
Oakview Place	7,444	-
River East	4,453	-
St. Norbert	2,903	-
Tuxedo Villa	6,002	-
Vista Park Lodge	3,379	-
Miscellaneous Funding Adjustments	429	-
Total	\$ 69,698	\$ -
Rural Proprietary Personal Care Homes		
CPL Brandon	\$ 176	\$ -
Hillcrest Place	169	-
Red River Place	270	-
St. Adolphe	115	-
Tudor House	196	-
Total	\$ 926	\$ -
Total	\$ 166,013	\$ 91,874

The facility funding reported on the schedule reflects approximately 70% of the personal care homes total annual budget. The remainder of the budget is funded directly by the facility through Residential Charges.

WINNIPEG REGIONAL HEALTH AUTHORITY
Schedule 5 - Community Health Agency Funding

For the 12 months ended March 31, 2003
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
Health Action Centre	\$ 2,397	\$ 2,344
Hope Centre	670	733
Klinic	3,276	3,167
Main Street Project	1,270	1,264
MFL Occupational Health	527	617
Mount Carmel Clinic	5,309	4,752
Nor'West Co-op	856	835
Rehab Centre	1,977	1,823
Village Clinic	1,460	1,413
Women's Health Centre	1,273	1,162
Youville Clinic	1,800	1,782
Sexuality Education Resource Centre	500	485
Miscellaneous Funding Adjustments	51	402
Total	\$ 21,366	\$ 20,779

WINNIPEG REGIONAL HEALTH AUTHORITY
Schedule 6 - Adult Day Care Facility Funding

For the 12 months ended March 31, 2003
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
Convalescent Home	\$ 31	\$ 31
Fred Douglas	138	138
Golden Links	43	43
Golden West	122	121
Holy Family	141	141
Independent Living Resource Centre	88	88
Lions Manor	137	137
Lions Place - Charleswood	241	233
Lions Place - Concordia	164	164
Lions Place - 610 Portage	197	190
Luther Home	70	70
Middlechurch	144	144
Oakview Place	118	110
Park Manor	89	89
Riverview Health Centre	148	148
Sharon Home	49	49
South YM/YWCA	131	131
Tache	294	293
Total	\$ 2,345	\$ 2,320

WINNIPEG REGIONAL HEALTH AUTHORITY
Schedule 7 - Grants to Facilities and Agencies

For the 12 months ended March 31, 2003

(in thousands of dollars)

	2003	2002
Age & Opportunity Centre Inc.	\$ 527	\$ 571
AGR Health Services to Seniors	176	176
Bethel Place	34	30
Bluebird Service Clut	10	7
Bonivital Council for Seniors	35	29
Broadway Seniors Resource Council Inc	35	30
Brooklands/Weston Community Resource	35	29
Canadian Mental Health Associator	913	864
Charleswood Senior Centre	3	5
Chez Nous Inc.	17	11
City of Winnipeg - Emergency Services	4,479	4,479
Clubhouse of Winnipeg Inc.	357	357
Columbus Manor	17	11
Community Therapy Services	178	178
Creative Retirement Manitobæ	32	27
Fort Garry Services Inc.	17	11
Foyer Vincent Inc.	17	12
Friendly Neighbour Council	35	29
Friends Housing Inc.	71	70
Good Neighbours Senior Centre Inc	32	32
Gwen Sectar Creative Living Centre	42	39
Jewish Child and Family	29	29
Jocelyn House	70	70
Kingsford Haus Co-op Ltd.	10	7
L'Accueil Colombien Inc.	16	13
Lions Club	33	27
Manitoba Association of Multipurpose Senior Centres	2	2
Manitoba Cardiac Institute (Reh-fit)	630	630
Manitoba Eastern Star Chalei	10	7
Manitoba Housing Authority	293	237
MacDonald Youth Services	329	422
Meals on Wheels of Winnipeg Inc.	141	141
Metropolitan Kiwanis Courts	17	11
Middlechurch Home of Winnipeg	41	31
North Winnipeg Community Council	35	32
Pembina Place (formerly Deaf Centre Manitoba Inc.)	33	25
River East Council for Seniors	45	36
Rose & Max Rady Jewish Community Centre	16	16
Ruperts Land Caregiver Services	35	29
S.S.C.O.P.E. Incorporated	101	91
Salvation Army	1,893	1,856
Sara Riel Inc.	1,515	1,500
Seniors Home Help Inc.	64	48
Seneca House	314	260
Serena Manitoba Inc.	11	11
Seven Oaks Wellness Centre	462	319
Society for Manitobans with Disabilities	1,147	-
South Winnipeg Senior Resource Council Inc.	35	33
St. Amant Centre	13	13
St. James/Assiniboia Senior Centre Inc.	82	116
Stay Young Centre	16	16
Ten Ten Sinclair Housing Inc.	892	892
Transcona Council for Seniors	39	31
University of Manitoba	30	30
University of Manitoba - Library Services	400	-
Villa Cabrini Inc.	33	22
Villa Nova	10	7
Villa Tache	27	20
Villa Vita Inc.	39	25
Wolseley Family Centre	86	87
YW/YMCA of Winnipeg	154	152
Total	\$ 16,210	\$ 14,291

WINNIPEG REGIONAL HEALTH AUTHORITY
Supplementary Information
WRHA Statement of Operations including all Acute Care Operations
By Nature of Expense
For the 12 months ended March 31, 2003
(unaudited)
(in thousands of dollars)

	2003	2002
REVENUE		
Manitoba Health operating income	\$ 1,318,145	\$ 1,177,069
Other government revenue	2,049	1,989
Radiology fee for service	6,419	3,606
Patient services (includes patient and resident income)	14,486	15,346
Amortization of deferred contributions	43,448	45,960
Other Revenue	51,493	33,541
Total Revenue	1,436,040	1,277,511
EXPENSES		
Salaries & Wages	753,297	699,422
Medical remuneration	89,964	86,485
Printing, Stationery & Office Supplies	7,932	7,198
Housekeeping, laundry and linen	8,666	8,241
Utilities, insurance and taxes	21,241	20,674
Food and dietary supplies	9,680	9,338
Medical and surgical supplies	66,483	59,022
Pharmaceutical supplies	50,866	43,328
Diagnostic, chemical, and lab supplies	15,611	14,647
Miscellaneous and other	38,851	38,305
Repairs and maintenance	24,425	24,222
Referred out services	40,900	38,894
Radiology fee for service costs	6,020	4,594
Interest	31,511	32,421
Amortization of capital assets	43,687	45,053
Change in Future Employee Benefits	20,326	13,654
Non-acute care facility and grant funding	206,798	130,048
Total Operating Costs	1,436,258	1,275,546
(DEFICIT) SURPLUS FROM OPERATIONS	(218)	1,965
ANCILLARY AND OTHER RESTRICTED OPERATIONS		
Ancillary operations income	78,669	75,246
Ancillary operations expenses	74,281	71,483
Surplus from Ancillary Operations	4,388	3,763
PRIOR YEAR DEFICIT SUPPORT	1,572	306
SURPLUS REFUNDABLE TO WRHA	(2,553)	(1,013)
SURPLUS FOR THE YEAR	\$ 3,189	\$ 5,021

Note: The amounts reported on this schedule reflect the consolidated financial results of the Authority and the other acute care facilities funded by the Authority through operating agreements.

WINNIPEG REGIONAL HEALTH AUTHORITY
Supplementary Information
WRHA Statement of Operations including all Acute Care Operations
By Program
For the 12 months ended March 31, 2003
(unaudited)
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
REVENUE		
Manitoba Health operating income	\$ 1,318,145	\$ 1,177,069
Other government revenue	2,049	1,989
Radiology fee for service	6,419	3,606
Patient services (includes patient and resident income)	14,486	15,346
Amortization of deferred contributions	43,448	45,960
Other Revenue	51,493	33,541
Total Revenue	1,436,040	1,277,511
EXPENSES		
Program costs		
Anaesthesia	6,024	5,726
Child Health	60,051	54,436
Child Adolescent & Mental Health	4,405	-
Critical care	37,753	36,552
Diagnostic imaging	42,038	39,973
Diagnostic imaging - Radiology Fee for Service	2,529	-
Emergency	40,206	36,863
Family medicine	38,457	35,974
Health Links	985	-
Laboratories	47,596	45,624
Medicine	70,451	62,378
Dialysis	35,441	31,985
Mental Health	25,259	24,029
Oncology	11,077	10,741
Psychogeriatrics	3,315	3,157
Psychology	2,543	2,381
Rehab/Geriatrics	46,649	43,881
Surgery	135,983	129,135
Women's health	39,390	38,111
Long term care	36,412	29,572
Residents and interns	16,069	17,413
Other diagnostic & therapeutic services	20,950	24,085
Pharmacy	26,435	20,341
Community based home care services	107,693	110,279
Community based mental health services	6,191	5,485
Community based primary health services	19,170	13,032
Separately funded primary health programs	4,920	2,402
	\$ 887,992	\$ 823,555

WINNIPEG REGIONAL HEALTH AUTHORITY
Supplementary Information
WRHA Statement of Operations including all Acute Care Operations
By Program (continued)
For the 12 months ended March 31, 2003
(unaudited)
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>
Indirect service costs		
Administrative and support services	\$ 34,111	\$ 34,117
Clinical and non-clinical support services	62,318	55,796
Information services	11,831	12,498
Facility services	101,863	100,391
Research and education services	4,946	4,716
	215,069	207,518
Other costs		
Regional Health Authority costs	16,652	14,642
Non-acute care facility and grant funding	206,798	130,048
Aboriginal Services & Strategies	1,377	1,029
Special services	678	1,410
Other costs	8,255	2,498
Pre-retirement	3,913	3,718
Interest	31,511	32,421
Amortization of capital assets	43,687	45,053
Change in Future Employee Benefits	20,326	13,654
	333,197	244,473
Total operating expenses	1,436,258	1,275,546
(DEFICIT) SURPLUS FROM OPERATIONS	(218)	1,965
ANCILLARY AND OTHER RESTRICTED OPERATIONS		
Ancillary operations income	78,669	75,246
Ancillary operations expenses	74,281	71,483
Surplus from Ancillary Operations	4,388	3,763
PRIOR YEAR DEFICIT SUPPORT	1,572	306
SURPLUS REFUNDABLE TO WRHA	(2,553)	(1,013)
SURPLUS FOR THE YEAR	\$ 3,189	\$ 5,021

Note: The amounts reported on this schedule reflect the consolidated financial results of the Authority, (including HSC) and the other acute care facilities funded by the Authority through an operating agreement.