

Southlake Regional Health Centre
2015-16 Annual General Meeting
Treasurer's Report
June 22, 2016

I am pleased to present the Treasurer's Report for Southlake Regional Health Centre Board of Directors.

Southlake has once again successfully met the balanced budget requirements of the Hospital Service Accountability Agreement (H-SAA), achieving an excess of revenues over expenses of \$16 million for 2015/16. After accounting for other capital items, such as building depreciation and deferred grants, interest expense, an excess of revenue over expenses of \$10.7 million for the year was reported. The Current Ratio for the hospital also improved to 0.58 from an opening position of 0.51. This is a noticeable accomplishment given the challenges faced by the healthcare sector and is crucial to improving the working capital position of the Hospital. Thank you to the entire team of skilled healthcare professionals across the organization for this positive result.

As an organization, Southlake is continually striving to restore its working capital position, improve cash flow and current ratio, and to optimize its financial health overall. New changes to the Funding Reform methodology will present additional challenges to the hospital during the 2016/17 fiscal year, but the strategic direction of Operating Within Our Means will continue to guide management and the Board of Directors.

Your package includes copies of the audited financial statements for the year ending March 31, 2016. I would like to express thanks to our auditors, Deloitte LLP, and members of the Southlake Audit Committee for their services and feedback. I commend the Southlake Finance team who worked hard preparing for the audit, and who consistently prepared monthly information required by the Board throughout the year.

The Board of Directors acknowledges the support of the Ministry of Health and Long-Term Care and the Central Local Health Integration Network (LHIN), our Regional and Municipal Governments, the Southlake Foundation, and generous people from our community, all of whom contributed greatly to the financial success of the hospital.

Respectfully submitted,



Paul Roberts