

Financial Statements

The Credit Valley Hospital
March 31, 2007

AUDITORS' REPORT

To the Members of
The Credit Valley Hospital

We have audited the balance sheet of **The Credit Valley Hospital** as at March 31, 2007 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 Hospital'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 Hospital as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Corporations Act (Ontario), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Toronto, Canada,
May 4, 2007.

Ernst + Young LLP

Chartered Accountants
Licensed Public Accountants

The Credit Valley Hospital

BALANCE SHEET

As at March 31

	2007 \$	2006 \$
ASSETS		
Current		
Cash and cash equivalents	15,062,870	4,107,217
Receivable from Ontario Ministry of Health and Long-Term Care	1,600,651	9,466,494
Patient accounts receivable	4,702,803	4,347,869
Other accounts receivable	1,581,025	1,342,330
Receivable from The Credit Valley Hospital Foundation <i>[note 12]</i>	1,266,635	1,207,431
Inventories	1,982,359	1,479,594
Prepaid expenses and deposits	1,710,245	833,682
Total current assets	27,906,588	22,784,617
Other assets	1,421,261	2,238,314
Investments <i>[note 4]</i>	7,143,260	7,844,188
Capital assets, net <i>[note 5]</i>	199,088,940	203,687,497
	235,560,049	236,554,616
LIABILITIES AND NET ASSETS		
Current		
Due to Ontario Ministry of Health and Long-Term Care	7,903,337	1,167,127
Accounts payable and accrued liabilities	22,973,011	21,908,356
Deferred contributions <i>[note 6]</i>	2,104,375	2,495,302
Current portion of obligations under capital leases <i>[note 7]</i>	1,599,996	1,717,236
Current portion of long-term debt <i>[note 8]</i>	817,420	775,537
Total current liabilities	35,398,139	28,063,558
Long-term debt <i>[note 8]</i>	10,262,572	11,057,868
Obligations under capital leases <i>[note 7]</i>	2,367,745	3,985,719
Accrued non-pension post-employment benefits <i>[note 9(ii)]</i>	6,227,502	5,509,700
Deferred capital contributions <i>[note 10]</i>	154,615,002	158,779,467
Total liabilities	208,870,960	207,396,312
Commitments and contingencies <i>[note 13]</i>		
Net assets		
Invested in capital assets <i>[note 11]</i>	36,569,465	35,215,858
Unrestricted	(9,880,376)	(6,057,554)
Total net assets	26,689,089	29,158,304
	235,560,049	236,554,616

See accompanying notes

On behalf of the Board:



Director



Director



The Credit Valley Hospital

STATEMENT OF OPERATIONS

Year ended March 31

	2007	2006
	\$	\$
REVENUE		
Ontario Ministry of Health and Long-Term Care grants	228,488,827	212,143,058
Patient care	24,843,465	23,389,930
Preferred accommodation and other <i>[note 12]</i>	20,286,108	18,599,716
Investment income	295,567	214,854
Amortization of deferred capital contributions <i>[note 10]</i>	8,161,016	8,711,777
	282,074,983	263,059,335
EXPENSES		
Salaries, wages and employee benefits <i>[note 9]</i>	194,248,653	176,905,111
Supplies and other	37,906,105	35,768,360
Medical and surgical supplies	18,446,483	16,702,901
Drugs	16,149,722	14,026,314
Depreciation	17,126,048	18,211,088
Interest on long-term debt	667,187	317,466
	284,544,198	261,931,240
Excess (deficiency) of revenue over expenses for the year	(2,469,215)	1,128,095

See accompanying notes

The Credit Valley Hospital

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	<u>2007</u>			<u>2006</u>
	<u>Invested in capital assets \$</u>	<u>Unrestricted \$</u>	<u>Total \$</u>	<u>Total \$</u>
	<i>[note 11]</i>			
Net assets, beginning of year	35,215,858	(6,057,554)	29,158,304	28,030,209
Excess (deficiency) of revenue over expenses for the year	—	(2,469,215)	(2,469,215)	1,128,095
Net change in net assets invested in capital assets <i>[note 11[b]]</i>	1,353,607	(1,353,607)	—	—
Net assets, end of year	36,569,465	(9,880,376)	26,689,089	29,158,304

See accompanying notes



The Credit Valley Hospital

STATEMENT OF CASH FLOWS

Year ended March 31

	2007	2006
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	(2,469,215)	1,128,095
Add (deduct) non-cash items		
Depreciation	17,126,048	18,211,088
Amortization of deferred capital contributions	(8,161,016)	(8,711,777)
Non-pension post-employment benefit expense	894,156	1,102,064
	<u>7,389,973</u>	<u>11,729,470</u>
Net change in non-cash working capital balances related to operations <i>[note 14]</i>	13,243,620	(12,664,002)
Employer non-pension benefit contributions	(176,354)	(115,764)
Cash provided by (used in) operating activities	<u>20,457,239</u>	<u>(1,050,296)</u>
INVESTING AND FINANCING ACTIVITIES		
Decrease (increase) in other assets	817,054	(2,238,314)
Purchase of capital assets	(12,527,491)	(27,388,130)
Decrease in investments	700,927	1,841,245
Proceeds from long-term debt	—	7,500,000
Repayment of long-term debt	(753,413)	(184,663)
Increase (decrease) in obligations under capital leases	(1,735,214)	4,427,982
Decrease in other long-term liabilities	—	(1,615,805)
Contributions received for capital purposes	3,996,551	14,460,821
Non-cash working capital related to construction in progress <i>[note 14]</i>	—	(3,236,213)
Cash used in investing and financing activities	<u>(9,501,586)</u>	<u>(6,433,077)</u>
Net increase (decrease) in cash during the year	<u>10,955,653</u>	<u>(7,483,373)</u>
Cash and cash equivalents, beginning of year	4,107,217	11,590,590
Cash and cash equivalents, end of year	<u>15,062,870</u>	<u>4,107,217</u>

See accompanying notes

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

1. INCORPORATION AND OPERATIONS

The Credit Valley Hospital [the "Hospital"] is a community hospital located in Mississauga, Ontario with specialized regional programs in nephrology, genetics, oncology and maternal child. The Hospital was incorporated as a corporation without share capital under the Corporations Act (Ontario) in May 1979. The Hospital is also a charitable organization registered under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

The Hospital has entered into an agreement with the Ontario Ministry of Health and Long-Term Care [the "Ministry"], the Hospital Accountability Agreement [the "HAA"], that sets out the rights and obligations of the two parties to the HAA in respect of funding provided to the Hospital by the Ministry for fiscal 2006 and 2007. The HAA sets out the funding provided to the Hospital together with the performance standards and obligations of the Hospital that establish acceptable results for the Hospital's performance in a number of areas.

If the Hospital does not meet its performance standards or obligations, the Ministry has the right to adjust funding received by the Hospital. The Ministry is not required to communicate certain funding adjustments until after the submission of year-end data. Since this data is not submitted until after the completion of the financial statements, the amount of Ministry funding received by the Hospital during the year may be increased or decreased subsequent to year end.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The significant accounting policies are as follows:

Basis of presentation

These financial statements include the assets, liabilities and activities of the Hospital. These financial statements do not include the activities of the following non-controlled not-for-profit entities [note 12]:

- The Credit Valley Hospital Foundation [the "Foundation"]
- The Credit Valley Volunteer Partners [the "Volunteer Partners"]

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term highly liquid money market investments that have a maturity date of three months or less at the date of purchase.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

Revenue recognition

The Hospital follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized.

Inventories

Inventories are stated at the lower of average cost and replacement cost.

Long-term investments

Long-term investments are recorded at amortized cost. Write-downs are recorded when the market value of the total portfolio is below cost. Gains and losses on disposal are recognized on an average cost basis.

Other assets

Other assets, which consist of the Hospital's interest in cancer equipment, are being amortized on a straight-line basis over eight years, the estimated life of the equipment.

Capital assets

Capital assets are recorded at historical cost less accumulated depreciation. Contributed capital assets are recorded at fair value at the date of contribution. Depreciation is provided on a straight-line basis at rates based on the estimated useful lives of the assets as follows:

Building	2% to 10%
Building service equipment	5% to 10%
Equipment	5% to 33%
Parking garage	5%

Construction in progress comprises direct construction, development costs and net capitalized interest. Interest costs, net of related interest income, are capitalized during the construction period. No depreciation is recorded until construction is substantially completed and the assets are ready for productive use.



The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

Equipment under capital lease

Equipment under leases that effectively transfer substantially all of the benefits and risks of ownership to the Hospital as lessee are recorded as capital assets at the present value of the minimum payments under the lease with a corresponding liability for the related lease obligations. Charges to expenses are made for depreciation on the equipment and interest on the lease obligations.

Deferred capital contributions

Capital contributions received for the purpose of acquiring capital assets are deferred and amortized on the same basis, and over the same periods, as the related capital assets.

Financial instruments

The fair value of the Hospital's financial instruments is not significantly different from their carrying value at March 31, 2007 unless otherwise noted. The Hospital is subject to credit risk with respect to its accounts receivable and the investments are primarily exposed to interest rate, market and credit risks.

Employee benefit plans

The Hospital accrues its obligations under employee benefit plans and the related costs. The Hospital has adopted the following policies:

[i] Multi-employer plan

Substantially all of the employees of the Hospital are eligible to be members of the Hospitals of Ontario Pension Plan ["HOOPP"], which is a multi-employer, defined benefit, final average earnings, contributory pension plan. Defined contribution plan accounting is applied to HOOPP, whereby contributions are expensed when due, as the Hospital has insufficient information to apply defined benefit plan accounting.

[ii] Other post-employment benefit plans

The Hospital accrues its obligations under non-pension employee benefit plans as employees render services. The Hospital has adopted the following policies:

- [a] The cost of non-pension post-employment benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimates of various actuarial factors, including expected annual increases in health care costs.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

- [b] Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.
- [c] The excess of the cumulative unamortized balance of the net actuarial gain (loss) over 10% of the benefit obligations is amortized over the average remaining service period of active employees. The average remaining service period of the active employees is 14 years.
- [d] Liabilities are discounted using current interest rates on long-term bonds.

Contributed services

The Volunteer Partners volunteer numerous valuable hours to assist the Hospital in carrying out certain charitable aspects of its service delivery activities. The fair value of these contributed services is not readily determinable and, as such, is not reflected in these financial statements. Contributed materials are also not recognized in these financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Management believes that the estimates utilized in preparing the financial statements are reasonable and prudent; however, actual results could differ from those estimates.

Derivative financial instruments

Derivative financial instruments are contracts that require or provide the opportunity to exchange cash flows or payments determined by applying certain rates, indices or changes to notional contract amounts. The Hospital uses an interest rate swap ["IRS"] as an interest rate risk management solution. In effect, the IRS is used to hedge interest rate exposure inherent in floating rate loan facilities. This derivative financial instrument is used for hedging an on-balance sheet liability and has been designated as a hedge.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

Hedges are documented at inception detailing the particular risk management objective and the strategy for undertaking the hedge transaction. The documentation identifies the liability being hedged, the type of derivative used and how effectiveness is measured. The derivative must be highly effective in accomplishing the objective of offsetting changes in cash flows attributable to the risk being hedged both at inception and over the life of the hedge. If it is determined that the derivative is not highly effective as a hedge, hedge accounting is discontinued. Derivative transactions that do not qualify for hedge accounting are carried at fair value, with changes in value during the year recorded as non-interest income.

3. BANK INDEBTEDNESS

The Hospital has a \$10,000,000 to \$15,000,000 demand operating line of credit, depending on the level of investments, which bears interest based on the bank's prime rate. As at March 31, 2007, the maximum amount available to the Hospital was \$15,000,000.

4. INVESTMENTS

Investments, invested in cash and cash equivalents bearing interest at rates between 3.69% and 4.15%, of \$7,143,260 [2006 - \$7,844,188] will be used exclusively for capital additions over the next five years [note 10].

The continuity of the investments balance is as follows:

	2007	2006
	\$	\$
Balance, beginning of year	7,844,188	9,685,433
Investment income	287,284	102,278
Ontario Ministry of Health and Long-Term Care funds received	—	9,192,937
Draw-downs to fund capital purchases	(988,212)	(11,136,460)
Balance, end of year	7,143,260	7,844,188

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

5. CAPITAL ASSETS

Capital assets consist of the following:

	2007		
	Cost \$	Accumulated depreciation \$	Net book value \$
Land and other non-depreciable assets	2,670,185	—	2,670,185
Building and building service equipment	182,734,370	42,319,940	140,414,430
Equipment	98,047,210	64,915,990	33,131,220
Parking garage	18,475,976	8,344,194	10,131,782
Construction in progress	12,741,323	—	12,741,323
	314,669,064	115,580,124	199,088,940

	2006		
	Cost \$	Accumulated depreciation \$	Net book value \$
Land and other non-depreciable assets	2,670,185	—	2,670,185
Building and building service equipment	179,097,598	37,980,527	141,117,071
Equipment	97,346,419	59,778,201	37,568,218
Parking garage	18,466,167	7,419,879	11,046,288
Construction in progress	11,285,735	—	11,285,735
	308,866,104	105,178,607	203,687,497

During 2007, assets with a cost of \$6,724,532 and a net book value of \$36,653 were written off.

Included in equipment are assets under capital leases at a cost of \$8,399,956 [2006 - \$8,399,956] and accumulated depreciation of \$6,725,338 [2006 - \$4,600,212].

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources externally restricted from the Ministry for specific Hospital operating programs primarily relating to the Cancer Centre. Changes in the deferred contributions balance are as follows:

	2007 \$	2006 \$
Balance, beginning of year	2,495,302	3,607,894
Add amounts received during the year	582,548	902,226
Less amounts recognized as revenue during the year	(973,475)	(2,014,818)
Balance, end of year	2,104,375	2,495,302

7. LEASE COMMITMENTS

The future minimum annual lease payments under capital and operating leases are as follows:

	Capital leases \$	Operating leases \$
2008	1,733,630	213,634
2009	1,581,496	118,940
2010	870,313	19,823
Total minimum lease payments	4,185,439	352,397
Less amount representing interest	(217,698)	
Total obligations under capital leases	3,967,741	
Less current portion	(1,599,996)	
	2,367,745	

The Hospital has entered into various arrangements for the leasing of computer and medical equipment. The effective average rate of the capital leases is 4.09% with an average term to maturity of four years.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

8. LONG-TERM DEBT

In July 2000, the Hospital entered into a long-term borrowing agreement during the constructing of a parking garage expansion that bears a fixed rate of interest at 7.25% per annum for a period of 20 years, with an option for early repayment. Security on the loan consists of a first charge on parking revenue. The balance of the loan as at March 31, 2007 is \$4,180,992 [2006 - \$4,333,407].

On March 31, 2006, the Hospital entered into a long-term borrowing agreement for additional parking expansion that bears interest at prime for a period of 10 years. Security on the loan is a second charge on parking revenue. Effective March 31, 2006, the Hospital also entered into an IRS which has fixed the effective interest rate at 5.02% for a period of 10 years. The balance of the loan as at March 31, 2007 is \$6,899,000 [2006 - \$7,500,000].

Principal repayments on long-term debt are as follows:

	\$
2008	817,420
2009	861,254
2010	908,109
2011	958,061
2012	1,011,191
Thereafter	6,523,957
	<hr/> 11,079,992 <hr/>

9. EMPLOYEE BENEFIT PLANS

[i] Multi-employer plan

Substantially all of the employees of the Hospital are eligible to be members of HOOPP, which is a multi-employer, defined benefit, final average earnings, contributory pension plan. The Plan is accounted for as a defined contribution pension plan. The Hospital's contributions to the Plan during the year amounted to \$11,195,523 [2006 - \$10,418,991] and are included in salaries, wages and employee benefits expense in the statement of operations. The most recent regulatory funding valuation conducted as at December 31, 2005 disclosed actuarial assets of \$22,853,000,000 with accrued pension liabilities of \$23,419,000,000 resulting in a deficit of \$566,000,000. This funding valuation also confirmed that the Plan is fully funded on a solvency basis.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

[ii] Accrued non-pension post-employment benefit plans

The Hospital's non-pension post-employment benefit plans comprise medical, dental and life insurance coverage for certain groups of employees who have retired from the Hospital and are between the ages of 55 and 65. The related expense for the year is \$894,156 [2006 - \$1,102,064]. Employer contributions for non-pension post-employment benefit plans totalled \$176,354 for the year ended March 31, 2007 [2006 - \$115,764].

The accrued benefit liability is measured at March 31. The most recent actuarial valuation for the Hospital's non-pension post-employment benefit plans was April 1, 2005.

	2007 \$	2006 \$
Accrued benefit obligation, beginning of year	7,721,600	7,056,400
Unamortized losses Experience	(1,494,098)	(1,546,700)
Accrued benefit liability, end of year	<u>6,227,502</u>	<u>5,509,700</u>

The significant actuarial assumptions adopted in measuring the Hospital's accrued benefit obligation for the non-pension post-employment benefit plans are as follows:

	2007 %	2006 %
Discount rate	5.00	5.75
Expected annual increase in health care costs	<u>4.00</u>	<u>4.50</u>

The significant actuarial assumptions adopted in measuring the Hospital's expense for the non-pension post-employment benefit plans are as follows:

	2007 %	2006 %
Discount rate	5.75	5.75
Expected annual increase in health care costs *	<u>4.50</u>	<u>4.50</u>

* The current rate is 10.5%. The rate is presumed to decline by 1.0% increments per annum to an ultimate rate of 4.5%.

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

10. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the following:

	2007 \$	2006 \$
Balance, beginning of year	158,779,467	153,030,423
Contributions received during the year	3,996,551	14,460,821
Less amortization	(8,161,016)	(8,711,777)
Balance, end of year	154,615,002	158,779,467
Represented by		
Amounts used to fund capital purchases	147,471,742	150,935,279
Unspent capital contributions <i>[note 4]</i>	7,143,260	7,844,188
Balance, end of year	154,615,002	158,779,467

11. NET ASSETS INVESTED IN CAPITAL ASSETS

[a] Net assets invested in capital assets are calculated as follows:

	2007 \$	2006 \$
Capital assets, net	199,088,940	203,687,497
Less amounts funded by		
Deferred capital contributions <i>[note 10]</i>	(147,471,742)	(150,935,279)
Long-term debt <i>[note 8]</i>	(11,079,992)	(11,833,405)
Obligations under capital leases <i>[note 7]</i>	(3,967,741)	(5,702,955)
	36,569,465	35,215,858

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

[b] The change in net assets invested in capital assets is calculated as follows:

	2007 \$	2006 \$
Purchase of capital assets	12,527,491	27,388,130
Amounts funded by deferred capital contributions	(4,697,479)	(16,302,066)
Amounts funded by accounts payable and accrued liabilities	—	447,912
Depreciation of capital assets	(17,126,048)	(18,211,088)
Decrease (increase) in obligations under capital leases	1,735,214	(4,427,982)
Repayment of (proceeds from) long-term debt	753,413	(7,315,337)
Amortization of deferred capital contributions	8,161,016	8,711,777
	<u>1,353,607</u>	<u>(9,708,654)</u>

12. AFFILIATED ENTITIES

The Foundation, an independent organization, raises funds and holds resources solely for the benefit of the Hospital. All amounts received from the Foundation are externally restricted for capital purposes and, accordingly, have been deferred as capital contributions and are amortized on the same basis, and over the same periods, as the related capital assets that were acquired. The Foundation granted \$4,834,732 [2006 - \$4,426,362] during the year in connection with the funding of capital assets, of which \$1,266,635 is recorded as a receivable at year-end. In addition, an amount of \$88,657 due from the Foundation is included in other accounts receivable. The net assets of the Foundation as at March 31, 2007 totalled \$11,586,814 [2006 - \$10,191,622].

On May 1, 2003, the Hospital leased its parking facilities to the Foundation. The term of the lease is 21 years with lease payments of \$85,000 per month in the first three years and an amount to be negotiated thereafter. In the event that the parties fail to negotiate and determine a new lease amount, the agreement is renewed at the previous amount. Since the parties did not negotiate a new lease amount, lease payments for three years beginning May 1, 2006 continue at \$85,000 per month. In addition, the Hospital entered into a management agreement with the Foundation whereby the Hospital was appointed manager of the parking facility. Included in preferred accommodation and other revenue on the statement of operations are \$4,054,506 [2006 - \$3,391,453] of management fee revenue and \$1,020,000 [2006 - \$1,020,000] of rental revenue related to these two agreements with the Foundation. Net parking revenue of \$327,766 [2006 - \$268,460] was retained by the Foundation.

The Volunteer Partners, an independent organization, engages in fundraising activities to generate funds solely for the benefit of the Hospital. All amounts received from the Volunteer Partners are externally restricted for capital purposes and, accordingly, have been deferred as capital contributions and are recognized when the related capital asset is depreciated. The net assets of the Volunteer Partners as at March 31, 2007 totalled \$239,918 [2006 - \$135,902].

The Credit Valley Hospital

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

13. COMMITMENTS AND CONTINGENCIES

- [a] The nature of the Hospital's activities is such that there is usually litigation pending or in progress at any one time. With respect to claims as at March 31, 2007, it is management's position that the Hospital has valid defenses and appropriate insurance coverage in place. In the unlikely event any claims are successful, such claims are not expected to have a material effect on the Hospital's financial position.
- [b] The Hospital participates in the Healthcare Insurance Reciprocal of Canada ["HIROC"]. HIROC is a pooling of the public liability insurance risks of its hospital members. All members of the HIROC pool pay actuarially determined annual premiums. All members are subject to assessment for losses, if any, experienced by the pool for the years in which they were members. No assessments have been made for the year ended March 31, 2007.

14. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2007 \$	2006 \$
Receivable from Ontario Ministry of Health and Long-Term Care	7,865,843	(208,630)
Patient accounts receivable	(354,934)	(429,606)
Other accounts receivable	(238,695)	759,277
Receivable from The Credit Valley Hospital Foundation	(59,204)	(1,207,431)
Inventories	(502,765)	(166,386)
Prepaid expenses and deposits	(876,563)	(296,262)
Due to Ontario Ministry of Health and Long-Term Care	6,736,210	338,547
Accounts payable and accrued liabilities	1,064,655	(13,577,132)
Deferred contributions	(390,927)	(1,112,592)
	13,243,620	(15,900,215)
Less non-cash working capital related to construction in progress	—	(3,236,213)
	13,243,620	(12,664,002)

15. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2007 financial statements.

