# Durham Community Health Centre
## Financial Statements
For the year ended March 31, 2026

**Contents**

Tel: 705 726 6331
Fax: 705 722 6588
www.bdo.ca

BDO Canada LLP
300 Lakeshore Drive, Suite 300
Barrie, ON, Canada, L4N 0B4

# Independent Auditor's Report

**To the Board of Directors of Durham Community Health Centre**

**Qualified Opinion**

We have audited the financial statements of Durham Community Health Centre (the "organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Durham Community Health Centre as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2026 and 2025, current assets as at March 31, 2026 and 2025, and fund balances as at April 1 and March 31 for both the 2026 and 2025 years. Our audit opinion on the financial statements for the year ended March 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Responsibility of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
June 26, 2026

# Durham Community Health Centre
## Statement of Financial Position

| March 31 | 2026 General Fund | 2026 Capital Project Fund | 2026 Total | 2025 Total |
|---|---|---|---|---|
| **Assets** | | | | |
| **Current** | | | | |
| Cash | $13,259,110 | $ - | $13,259,110 | $ 5,406,177 |
| Accounts receivable | 501,785 | - | 501,785 | 1,329,280 |
| Prepaid expenses | 591,389 | - | 591,389 | 240,842 |
| Investments (Note 2) | 1,202,860 | - | 1,202,860 | 1,109,335 |
| Inventory | 166,420 | - | 166,420 | 130,939 |
| Due from (to) other funds | 713,028 | (713,028) | - | - |
| | 16,434,592 | (713,028) | 15,721,564 | 8,216,573 |
| **Capital Assets** (Note 3 and 4) | 1,430,980 | 4,853,574 | 6,284,554 | 5,768,976 |
| | $17,865,572 | $ 4,140,546 | $22,006,118 | $ 13,985,549 |
| **Liabilities and Net Assets** | | | | |
| **Current** | | | | |
| Accounts payable and accrued liabilities | $ 3,750,788 | $ - | $ 3,750,788 | $ 2,647,117 |
| Due to government ministries (Note 6 and 9) | 3,942,127 | - | 3,942,127 | 729,941 |
| Deferred revenue (Note 7) | 4,421,040 | - | 4,421,040 | 2,408,730 |
| Current portion of deferred contributions related to capital assets (Note 8) | 243,871 | - | 243,871 | 160,361 |
| | 12,357,826 | - | 12,357,826 | 5,946,149 |
| **Deferred Contributions Related to Capital Assets** (Note 8) | 1,214,430 | - | 1,214,430 | 614,373 |
| | 13,572,256 | - | 13,572,256 | 6,560,522 |
| **Fund Balances** | 4,293,316 | 4,140,546 | 8,433,862 | 7,425,027 |
| | $17,865,572 | $ 4,140,546 | $22,006,118 | $ 13,985,549 |

On behalf of the Board:

_________________________ Director

Signed by:
Ivana Labricciosa
_________________________ Director
9E0A35633B664E4...

The accompanying notes are an integral part of these financial statements.

# Durham Community Health Centre
## Statement of Operations

| For the year ended March 31 | | | 2026 | 2025 |
|---|---|---|---|---|
| | General Fund | Capital Project Fund | Total | Total |
| **Revenues** | | | | |
| Ontario Health base funding (Note 6 and 12) | **$ 14,832,732** | **$ -** | **$ 14,832,732** | $ 12,471,885 |
| Ministry of Health | **584,562** | **-** | **584,562** | 506,653 |
| Ministry of Children, Community and Social Services | **347,336** | **-** | **347,336** | 347,336 |
| Other government grants (Note 12) | **5,497,656** | **-** | **5,497,656** | 4,736,088 |
| Other project grants | **972,158** | **-** | **972,158** | 1,339,317 |
| Program service fees | **198,360** | **-** | **198,360** | 548,560 |
| Donations and fundraising | **168,323** | **-** | **168,323** | 154,823 |
| Investment income | **290,567** | **-** | **290,567** | 240,866 |
| Amortization of deferred capital contributions related to capital assets (Note 8) | **160,361** | **-** | **160,361** | 202,707 |
| | **23,052,055** | **-** | **23,052,055** | 20,548,235 |
| **Expenses** (Schedule) | **21,620,571** | **422,650** | **22,043,221** | 19,830,339 |
| **Excess of revenues over expenses (expenses over revenues) for the year** | **$ 1,431,484** | **$ (422,650)** | **$ 1,008,834** | $ 717,896 |

The accompanying notes are an integral part of these financial statements.

# Durham Community Health Centre
## Statement of Changes in Fund Balances

| For the year ended March 31 | General Fund | Capital Project Fund | 2026 Total | 2025 Total |
|---|---|---|---|---|
| **Fund balances**, beginning of year | $ 2,861,832 | $ 4,563,196 | $ 7,425,028 | $ 6,707,131 |
| **Excess of revenues over expenses (expenses over revenues) for the year** | 1,431,484 | (422,650) | 1,008,834 | 717,896 |
| **Fund balances**, end of year | $ 4,293,316 | $ 4,140,546 | $ 8,433,862 | $ 7,425,027 |

The accompanying notes are an integral part of these financial statements.

# Durham Community Health Centre
## Statement of Cash Flows

| For the year ended March 31 | 2026 | 2025 |
|---|---|---|
| **Cash provided by (used in)** | | |
| **Operating activities** | | |
| Excess revenues over expenses for the year | **$ 1,008,834** | $ 717,896 |
| Adjustments for items not involving cash | | |
| Amortization of capital assets | **556,559** | 584,349 |
| Amortization of deferred capital contributions related to capital assets | **(160,361)** | (202,707) |
| Unrealized gain on investments | **(60,239)** | (84,982) |
| Net change in non-cash working capital balances related to | | |
| Accounts receivable | **827,495** | (489,078) |
| Prepaid expenses | **(350,547)** | (129,372) |
| Inventory | **(35,481)** | (130,939) |
| Accounts payable and accrued liabilities | **1,103,672** | 437,392 |
| Deferred revenue | **2,012,310** | 763,971 |
| Due to government ministries | **3,212,186** | 77,909 |
| | **8,114,428** | 1,544,439 |
| **Cash flows from investing activities** | | |
| Purchase of capital assets | **(1,072,137)** | (216,371) |
| Purchase of investments, net | **(33,286)** | (200,275) |
| | **(1,105,423)** | (416,646) |
| **Cash flows from financing activities** | | |
| Increase in deferred contributions related to capital assets | **843,928** | - |
| **Net increase in cash during the year** | **7,852,933** | 1,127,793 |
| **Cash**, beginning of year | **5,406,177** | 4,278,384 |
| **Cash,** end of year | **$ 13,259,110** | $ 5,406,177 |

The accompanying notes are an integral part of these financial statements.

## 1. Summary of Significant Accounting Policies

**a. Purpose of Organization**

Durham Community Health Centre (the "organization") provides integrated, accessible, and equitable community-based primary care, wellness services, and health education to Durham community members who face multiple barriers to their health and well-being.

The organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes providing certain requirements of the Income Tax Act are met.

**b. Basis of Accounting**

The organization has prepared its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”).

**c. Fund Accounting**

The financial statements are presented on a fund basis and a description of the funds are as follows:

General Fund
To pay benefits and expenses for the day-to-day activities of the organization other than those prescribed for the Capital Project Fund noted below.

Capital Project Fund
The Capital Project Fund reports restricted resources to pay for the building and maintaining facilities for specific projects.

**d. Revenue Recognition**

The organization follows the restricted fund method of accounting for contributions. Externally restricted contributions related to capital projects are recognized as revenue of the capital project fund in the year in which they are received. Contributions restricted for the purchase of capital assets of the General Fund are deferred and amortized into revenue at a rate corresponding with the amortization rate for related assets. All other restricted contributions, including government funding, are recognized as revenue of the General Fund using the deferral method whereby revenue is recognized as qualifying expenses are incurred because there is not an appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**1. Summary of Significant Accounting Policies** (continued)

**d. Revenue Recognition** (continued)

Unrestricted investment income is recognized as revenue in the General Fund when earned.

Pledges are recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

**e. Contributed Materials**

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations and Fund Balances when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased. The organization would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

**f. Capital Assets**

Capital assets are stated at cost less accumulated amortization. Amortization is provided based on the estimated useful life of the assets on a declining basis at the following rates. Construction in progress is not amortized until the tangible capital asset is substantially complete and ready for use:

| | |
|---|---|
| Building renovations | - 5% to 20% |
| Vehicle | - 25% |
| Computer equipment | - 30% |
| Equipment | - 20% |
| Furniture and fixtures | - 20% |
| Leasehold improvements | - 20% |

**g. Impairment of Long-Lived Assets**

The organization monitors its use of capital assets and when the capital asset no longer contributes to the organization’s ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its carrying amount, an impairment is recognized as an expense in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

**1. Summary of Significant Accounting Policies** (continued)

**h. Financial Instruments**

Arm's length financial instruments are recorded at fair value at initial recognition.

Related party financial instruments quoted in an active market or those with observable inputs significant to the determination of fair value are recorded at fair value at initial recognition. All other related party financial instruments are recorded at cost at initial recognition.

In subsequent periods, equities traded in an active market are reported at fair value, with any change in fair value reported in excess (deficiency) of revenue over expenses. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in excess (deficiency) of revenue over expenses. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in the statement of operations.

**i. Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The principal estimates used in the preparation of the financial statements are amounts due to government ministries and the estimated useful life of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

## 2. Investments

The fair value of investments are comprised as follows:

| | 2026 | 2025 |
|---|---|---|
| Common shares | $ 589,433 | $ 515,093 |
| Mutual funds | 613,427 | 594,242 |
| | $ 1,202,860 | $ 1,109,335 |

The cost of investments are comprised as follows:

| | 2026 | 2025 |
|---|---|---|
| Common shares | $ 477,262 | $ 472,535 |
| Mutual funds | 601,106 | 581,132 |
| | $ 1,078,368 | $ 1,053,667 |

## 3. Capital Assets - General Fund

| | 2026 | | 2025 | |
|---|---|---|---|---|
| | Cost | Accumulated Amortization | Cost | Accumulated Amortization |
| Building renovations | $ 605,043 | $ 245,675 | $ 605,043 | $ 184,427 |
| Vehicle | 646,584 | 361,497 | 524,505 | 307,161 |
| Computer equipment | 302,027 | 293,169 | 302,027 | 289,298 |
| Equipment | 314,312 | 264,032 | 314,312 | 251,006 |
| Furniture and fixtures | 28,555 | 23,017 | 28,555 | 21,588 |
| Construction in progress | 721,849 | - | 208,264 | - |
| | $ 2,618,370 | $ 1,187,390 | $ 1,982,706 | $ 1,053,480 |
| Net book value | | $ 1,430,980 | | $ 929,226 |

During the current year, the organization began construction of buses for the HART Hub & Black Health programs. The cost to date of $721,849 is included in capital assets above but no amortization has been recorded since the construction was not complete at year end. Assets under construction in the prior year totalling $208,264, and related to the outdoor recreation hub, were put into use during the year. These were reclassified to leasehold improvements of the Capital Project Fund.

## 4. Capital Assets - Capital Project Fund

| | **2026** | | 2025 | |
|---|---|---|---|---|
| | **Cost** | **Accumulated Amortization** | Cost | Accumulated Amortization |
| Building | **$ 9,430,153** | **$ 5,600,441** | $ 9,430,153 | $ 5,398,877 |
| Computer equipment | **78,219** | **78,219** | 78,219 | 78,008 |
| Furniture and fixtures | **223,022** | **198,477** | 223,022 | 191,058 |
| Leasehold improvements | **3,414,818** | **2,415,501** | 2,978,343 | 2,202,044 |
| | **$ 13,146,212** | **$ 8,292,638** | $ 12,709,737 | $ 7,869,987 |
| Net book value | | **$ 4,853,574** | | $ 4,839,750 |

## 5. Line of Credit

The organization maintains a line of credit facility with its bank to a maximum of $1,000,000 and bears interest at the bank's prime rate. The credit facility is secured by a first ranking security agreement covering all property of the organization. As at March 31, 2026, $NIL (2025 - $NIL) has been drawn down on the facility.

## 6. Due to Government Ministries

### Ontario Health East

Under the terms of the funding agreement for the Health Centre, the organization is required to repay to Ontario Health East (OHE) any excess of revenues over expenses.

| | **2026** | 2025 |
|---|---|---|
| Total OHE funding for operations | **$ 18,835,398** | $ 12,471,885 |
| Deduct: Expenses eligible for OHE funding | **(14,832,732)** | (12,471,885) |
| Deduct: Deferred capital contributions added | **(451,840)** | - |
| Deduct: Funding deferred to future periods | **(351,685)** | - |
| | **$ 3,199,141** | $ - |

### Ministry of Health

Under the terms of the funding agreement for the Hepatitis C funding, the organization is required to repay to Ministry of Health (MOH) any excess of revenues over expenses.

| | **2026** | 2025 |
|---|---|---|
| Total MOH funding for operations | **$ 607,962** | $ 584,562 |
| Deduct: Expenses eligible for MOH funding | **(584,562)** | (506,653) |
| Deduct: Funding deferred to future periods | **(23,400)** | - |
| | **$ -** | $ 77,909 |

### Ministry of Children, Community and Social Services

Under the terms of the funding agreement with the Ministry of Children, Community and Social Services (MCCSS), the organization is required to repay to MCCSS any excess of revenues over expenses.

| | **2026** | 2025 |
|---|---|---|
| Total MCCSS funding for operations | **$ 347,336** | $ 347,336 |
| Deduct: Expenses eligible for MCCSS funding | **(347,336)** | (347,336) |
| | **$ -** | $ - |

### Current year total repayable to all government ministries

| | **2026** | 2025 |
|---|---|---|
| Current year total repayable to all government ministries | **$ 3,199,141** | $ 77,909 |
| Balance not yet recovered from prior years at year end | **742,986** | 652,032 |
| Balance owing to all government ministries at year end | **$ 3,942,127** | $ 729,941 |

## 7. Deferred Revenue

Deferred contributions reported in the General Fund represent restricted operating funding received in the current period that is related to expenses of a subsequent period. Changes in deferred contributions balance are as follows:

| | 2026 | 2025 |
|---|---|---|
| Balance, beginning of year | **$ 2,408,730** | $ 1,644,759 |
| Add: amounts received related to a subsequent period | **2,430,666** | 978,141 |
| Less: amounts recognized as revenue during the year | **(95,896)** | (214,170) |
| Less: amounts reclassified to due to government ministries | **(322,460)** | - |
| Balance, end of year | **$ 4,421,040** | $ 2,408,730 |

## 8. Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred contributions related to capital assets are as follows:

| | 2026 | 2025 |
|---|---|---|
| Balance, beginning of year | **$ 774,734** | $ 977,441 |
| Amount received during the year | **843,928** | - |
| Less: amounts recognized as revenue during the year | **(160,361)** | (202,707) |
| Balance, end of year | **1,458,301** | 774,734 |
| Less: current portion | **(243,871)** | (160,361) |
| Long-term portion of deferred contributions related to capital assets | **$ 1,214,430** | $ 614,373 |

## 9. Contingencies

Upon completion of annual reviews and reconciliations of funding provided, Ontario Health East (OHE), Ministry of Health (MOH) and Ministry of Children, Community and Social Services (MCCSS), may retroactively adjust funding provided in a prior year. Annual reviews for the fiscal year ended March 31, 2026 have not been completed by Ontario Health East, MOH and MCCSS, and as a result, future adjustments may be required as a result of this review. Management has estimated the amounts payable related to current and prior years of $3,942,127 (2025 - $729,941) and has accrued this amount as payable at year end.

## 10. Commitments

The organization has entered into various lease agreements for additional premises which expire on March 31, 2026 and July 20, 2036. The following payments are required over the next 5 years and thereafter:

| Year | Amount |
|---|---|
| 2027 | $ 155,999 |
| 2028 | 161,580 |
| 2029 | 161,580 |
| 2030 | 161,580 |
| 2031 | 161,580 |
| Thereafter, to June 2036 | 861,760 |
| | $ 1,664,079 |

On July 19, 2007, the organization entered into an agreement for 60 years with the City of Oshawa to lease the land for its current Oshawa site location for a nominal fee.

## 11. Pension Plan

Healthcare of Ontario Pension Plan (HOOPP) provides pension services to more than 504,000 active and retired members and approximately 870 employers. The plan is a multi-employer plan and therefore the organization's contributions are accounted for as if the plan were a defined contribution plan with the organization's contributions being expensed in the period they come due.

Every three years, an independent actuary determines the funding status of HOOPP by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date.

The results of the most recent valuation as at December 31, 2025 disclosed a surplus of $11,103 million, with value of net assets of $272,885 million and value of pensions obligations of $261,782 million. HOOPP is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario member organizations and their employees. As a result, the organization does not recognize any share of the HOOPP surplus or deficit. Contributions made by the organization to HOOPP for 2025 were $1,086,737 (2025 - $959,661).

## 12. Economic Dependence

In common with other publicly funded agencies, the organization derives the majority of its revenue from the Province of Ontario, through Ontario Health East which represents 80% (2025 - 81%) of total revenues.

## 13. Financial Instruments Risks

The organization is subject to the following risks on its financial instruments which have not changed from the prior year:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to cash, investments and receivables. The organization manages its exposure to this risk by maintaining its cash and investment balances with a major bank. Accounting monitoring procedures are utilized to minimize risk of loss.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization's investments in publicly-traded securities and mutual funds exposes the organization to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

Interest Rate Risk

Interest rate risk arises because of the fluctuation in interest rates. The organization is subject to interest rate risk through its investments. The organization has formal policies and procedures that establish target asset mix. The organization is also subject to interest rate risk through its revolving line of credit. The organization monitors interest rate to ensure that their interest rates do not vary much from the market rate.

Liquidity Risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, due to government ministries, and commitments. The organization’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash flows to fund its operations and to meet its liabilities when due. The organization maintains a portion of its invested assets in liquid securities, and also maintains a credit facility which can be drawn upon as needed.

# Durham Community Health Centre
## Schedule - Expenses

| For the year ended March 31 | | | 2026 | 2025 |
|---|---|---|---|---|
| | General Fund | Capital Project Fund | Total | Total |
| Salaries and benefits | $ 15,942,509 | $ - | $ 15,942,509 | $ 14,581,875 |
| Program materials | 1,729,828 | - | 1,729,828 | 1,365,069 |
| Occupancy | 1,331,513 | - | 1,331,513 | 881,651 |
| Purchased services | 929,954 | - | 929,954 | 603,860 |
| Amortization of capital assets | 133,909 | 422,650 | 556,559 | 584,349 |
| Computer supplies and maintenance | 321,014 | - | 321,014 | 326,785 |
| Professional fees | 308,579 | - | 308,579 | 287,868 |
| Office and general | 248,801 | - | 248,801 | 466,577 |
| Medical supplies | 169,523 | - | 169,523 | 204,660 |
| Fees and memberships | 158,262 | - | 158,262 | 241,333 |
| Insurance | 105,601 | - | 105,601 | 74,978 |
| Telephone | 87,961 | - | 87,961 | 49,635 |
| Advertising | 77,211 | - | 77,211 | 63,710 |
| Travel and transportation | 66,790 | - | 66,790 | 55,580 |
| Bank charges and interest | 9,116 | - | 9,116 | 42,409 |
| | $ 21,620,571 | $ 422,650 | $ 22,043,221 | $ 19,830,339 |

The accompanying notes are an integral part of these financial statements.