



STAFF REPORT

To: Fraser Valley Regional Hospital District Board

Date: 2026-04-23

From: Beth Klein, Controller/Deputy CFO
1880-30

File No.

Subject: 2025 Audited Fraser Valley Regional Hospital District Financial Statements

Reviewed by: Jennifer Kinneman, Chief Administrative Officer

RECOMMENDATION

THAT the Fraser Valley Regional Hospital District approve the 2025 Audited Financial Statements of the Fraser Valley Regional Hospital District.

BACKGROUND

The 2025 Financial Statements for the Fraser Valley Regional Hospital District (FVRHD) have been audited by **KPMG, the FVRHD's appointed independent auditor**. The audit process began with an interim audit in December 2025 for items recorded or completed by November 30, 2025 and resumed in March 2026 after all 2025 entries had been completed.

During the audit, staff worked with the KPMG team to review processes (manual and automated), test entries ensuring compliance with accounting standards, and review comparables to budget and prior years.

DISCUSSION

Representatives from KPMG are presenting the results of the 2025 audit for the Boards consideration, prior to approving the 2025 Financial Statements. **The FVRHD's 2025 Draft Financial Statements are attached to this report for review, and copies of the final version will be available for inspection by the public on the Regional District's website after approval by the Board.**

The 2025 Financial Statements accurately reflect the financial position of the FVRHD as at December 31, 2025 and the audit determined there were no changes to processes required or adjustments required to the staff presented financial statements.

Financial Statement Review

The FVRHD's Financial Position statement demonstrates a strong financial position with continued growth in net financial assets, being well positioned to fund capital commitments without immediate additional borrowing. Over the past few years, staff have kept the FVRHD's investment portfolio highly liquid as the expected cash outflows on previously committed projects were not yet known. Due to the requirement for liquidity, the driver of the increase from 2024 is seen in Cash and Cash Equivalents.

Overall, funds available for operational use remain consistent with 2024. As demonstrated in Restricted Assets (Note 8) and Reserve Funds (Note 9) the following is allocated for future capital projects:

Minor/Medium Equipment: \$856k

Major Capital Projects: \$71M

COST

There are no further costs associated with the report's recommendation and the costs of the annual external audit are within the budget.

CONCLUSION

The 2025 Audited Financial Statements are being presented to the Fraser Valley Regional Hospital District's Board for approval following the completion of an audit by KPMG.