



Financial Statements

Entité de planification des services de santé
en français Erié St. Clair/Sud-Ouest

March 31, 2021

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Independent Auditor's Report

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To the Board of Directors of
Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest

Opinion

We have audited the financial statements of Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest, which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2021, 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 opinion

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 opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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.

Independent Auditor's Report (continued)

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Windsor, Canada
May 18, 2021

Chartered Professional Accountants
Licensed Public Accountants

**Entité de planification des services de santé en français Erié
St. Clair/Sud-Ouest
Statement of Operations and Changes in Net Assets**

Year ended March 31

2021

2020

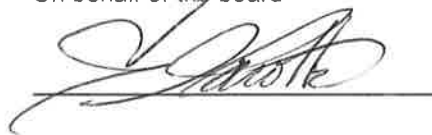
Revenues		
Contributions-LHIN	\$ 425 533	\$ 425 533
Miscellaneous	<u>1 300</u>	<u>-</u>
	426 833	425 533
Expenditures		
Salaries	207 015	234 122
Employee benefits	53 062	61 124
Subcontract and consultancy	58 829	38 853
Community outreach	27 506	11 995
Professional fees	29 025	5 750
Rent and insurance	16 251	19 375
Repairs and maintenance	11 401	272
Mail, courier and telecommunication	7 640	7 830
Board of directors	3 675	5 597
Non-refundable GST/HST portion	3 441	2 981
Office	2 338	1 125
Travel	<u>1 997</u>	<u>13 595</u>
	422 180	402 619
Excess of revenues over expenditures before other income	4 653	22 914
Other income		
Government assistance (Note 3)	<u>22 078</u>	<u>-</u>
Excess of revenues over expenditures before surplus repayable	26 731	22 914
Surplus repayable	<u>(4 653)</u>	<u>(22 914)</u>
Excess of revenues over expenditures	22 078	-
Net assets (deficiency), beginning of year	<u>(22 078)</u>	<u>(22 078)</u>
Net assets (deficiency), end of year	<u>\$ -</u>	<u>\$ (22 078)</u>

**Entité de planification des services de santé en français Erié
St. Clair/Sud-Ouest
Statement of Financial Position**

March 31	2021	2020
Assets		
Current		
Cash in bank	\$ 63 215	\$ 52 992
Harmonized sales tax recoverable	6 692	5 779
Prepaid expenses	-	168
	<u>\$ 69 907</u>	<u>\$ 58 939</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 16 169	\$ 15 314
Unearned revenue (Note 4)	35 462	35 462
Government remittances payable	13 623	7 327
Due to Local Health Integration Network	4 653	22 914
	<u>69 907</u>	<u>81 017</u>
Net Assets (deficiency)	<u>-</u>	<u>(22 078)</u>
	<u>\$ 69 907</u>	<u>\$ 58 939</u>

Commitments (Note 5)

On behalf of the board



Member



Member

**Entité de planification des services de santé en français Erié
St. Clair/Sud-Ouest
Statement of Cash Flows**

Year ended March 31	2021	2020
Increase (decrease) in cash		
Operating		
Excess of revenues over expenditures	\$ 22 078	\$ -
Change in non-cash working capital items		
HST recoverable	(913)	12 404
Prepaid expenses	168	(168)
Accounts payable and accrued liabilities	855	966
Unearned revenue	-	1 175
Government remittances payable	6 296	(4 726)
Due to Local Health Integration Network	<u>(18 261)</u>	<u>22 914</u>
Increase in cash	10 223	32 565
Cash		
Beginning of year	<u>52 992</u>	<u>20 427</u>
End of year	<u>\$ 63 215</u>	<u>\$ 52 992</u>

Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest

Notes to the Financial Statements

March 31, 2021

1. Nature of operations

Entité de Planification des Services de Santé en Français Erié St. Clair/Sud-Ouest (L'Entité) is a non-profit organization with the mandate to advise both the local health integration network (LHIN) of Erie St. Clair and of the South West on issues of access to a complete range of quality care and health services to all Francophones. The organization was incorporated September 13, 2010 under the Companies and Associations Act of the Province of Ontario as a not-for-profit organization under the Income Tax Act and as such is exempt from taxes under the Income Tax of Canada.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

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

Tangible capital assets

Tangible capital assets are not recorded on the balance sheet. During the year, tangible capital asset purchases totaling 3,389\$ (2020 - \$NIL) have been expensed.

Contributed services

Because of the difficulty of determining the fair value of volunteer services, contributed services are not recognized in the financial statements.

Use of estimates

The preparation of the 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 revenues and expenses during the reporting period. Actual results could differ from management's best estimate as additional information becomes available in the future. Areas of significant estimates include accrued liabilities.

Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest

Notes to the Financial Statements

March 31, 2021

2. Significant accounting policies (continued)

Financial assets and liabilities

Initial measurement

Upon initial measurement, the organizations's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. Transaction costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in operations in the year they are incurred.

Subsequent measurement

At each reporting date, the organization measures its financial assets and financial liabilities at amortized cost (including any impairment in the case of financial assets), with the exception of investments in equity instruments traded in an active market which are measured at fair value and bond investments which the organization has elected to measure at fair value by designating that fair value measurement shall apply.

3. Government assistance

During the year, the Ministry of Health agreed to provide a onetime funding proposal in relation to the Entity's 2019 surplus repayable. The surplus will assist the Entity to offset the past deficits for the years 2017-2018 and 2018-2019, a total amount of \$ 22,078.

4. Unearned revenue

Unearned revenue represents contributions from the LHIN received but not spent at year end. This amount will be recognized in revenue when the related expenditures are made or services are offered. The amount deferred is to be spent on the completion of projects outstanding from the current year.

5. Commitments

The organization has a lease in Windsor maturing in December 2021, for the rental of space totalling \$8,009.

Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest

Notes to the Financial Statements

March 31, 2021

6. Merger of Entité 1 and Entité 2

Encouraged by Health Ontario West, and in light of the new provincial structure and a transformation of the health system and Francophone consultation mechanisms, Entities 1 and 2 were encouraged to consider an alignment with the Health Ontario West region. A working committee was established in the fall and Borden Ladner Gervais (BLG) was retained to best support this process. Two invoices were submitted by BLG to reflect the services rendered. Subsequently, a meeting was held with the Ministry of Health who supported the project; however, they asked the two Entities to explore other options for collaboration as the Ministry, having not completed its transformation plan, could not make a decision at this time on the subject of a merger. Therefore, the project of a merger is put on hold until the end of 2022.

7. Economic dependence

During the year, all of the revenue was derived from LHIN contributions. The economic dependence results from the fact that the viability of the organization would be affected by the loss of these revenues. It is stipulated in the agreement with the LHIN that contributions are subject to a final determination. In the case that the LHIN would make an adjustment to this amount, the difference would be accounted for during the period in which the adjustment occurred.

8. COVID-19

Since March 31, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, organizations are being forced to cease or limit operations for long or indefinite, periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions of businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

L'Entité continues to receive its funding from the LHIN and continues to pursue its mandate to ensure a better access to quality healthcare for the French community. The organization has seen a slight increase in operating costs to conform with local public health measures but also a decrease in certain operating costs as a result of less travel.

While governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions, the duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the company for future periods.
