

Financial Statements

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

March 31, 2019

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Independent Auditor's Report

Grant Thornton LLP
Suite 203
2510 Ouellette Avenue
Windsor, ON
N8X 1L4

T +1 519 966 4626
F +1 519 966 9206
www.GrantThornton.ca

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, 2019, 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, 2019, 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 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

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.

Grant Thornton LLP

Windsor, Canada
May 22, 2019

Chartered Professional Accountants
Licensed Public Accountants

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

Statements of Operations and Changes in Net Assets

Year ended March 31

2019

2018

Revenues		
Contributions-LHIN	\$ 425,533	\$ 437,009
Miscellaneous	<u>-</u>	<u>1,047</u>
	<u>425,533</u>	<u>438,056</u>
Expenditures		
Employee benefits	50,903	47,195
Office	3,734	4,270
Miscellaneous	13,565	15,432
Board of directors	4,444	1,660
Public relations	18,071	26,886
Non-refundable portion of HST	3,451	4,450
IT, software and licences	6,843	25,182
Rent and insurance	21,391	21,121
Subcontract	44,119	66,161
Mail, courier and telecommunication	4,122	3,698
Salaries	<u>269,506</u>	<u>229,463</u>
	<u>440,149</u>	<u>445,518</u>
Deficiency of revenues over expenditures	<u>\$ (14,616)</u>	<u>\$ (7,462)</u>
Deficiency, beginning of year	\$ (7,462)	\$ -
Deficiency of revenues over expenditures	<u>(14,616)</u>	<u>(7,462)</u>
Deficiency, end of year	<u>\$ (22,078)</u>	<u>\$ (7,462)</u>

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

March 31

2019

2018

Assets

Current

Cash in bank	\$ 20,427	\$ 13,108
Harmonized sales tax recoverable	<u>18,183</u>	<u>21,005</u>
	<u>\$ 38,610</u>	<u>\$ 34,113</u>

Liabilities

Current

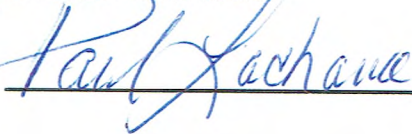
Accounts payable and accrued liabilities	\$ 14,348	\$ 25,425
Unearned revenue (Note 3)	<u>34,287</u>	-
Government remittances payable	<u>12,053</u>	<u>16,150</u>
	60,688	41,575

Net Assets

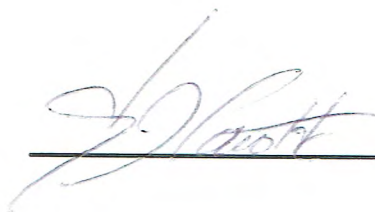
Unrestricted net assets	<u>(22,078)</u>	<u>(7,462)</u>
	<u>\$ 38,610</u>	<u>\$ 34,113</u>

Commitments (Note 4)

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

2019

2018

Increase (decrease) in cash

Operating

Deficiency of revenues over expenditures	\$ (14,616)	\$ (7,462)
Change in non-cash working capital items		
Accounts receivable	2,822	26,673
Accounts payable and accrued liabilities	(11,077)	(7,233)
Unearned revenue	34,287	(11,023)
Harmonized sales tax	(4,097)	8,299

Increase in cash	7,319	9,254
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Cash

Beginning of year	<u>13,108</u>	<u>3,854</u>
End of year	<u>\$ 20,427</u>	<u>\$ 13,108</u>

Cash consists of:

Cash in bank	<u>\$ 20,427</u>	<u>\$ 13,108</u>
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Entité de planification des services de santé en français Erié St. Clair/Sud-Ouest

Notes to the Financial Statements

March 31, 2019

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 provide French access to a complete range of quality care and health services to all Francophones in the area of the local health integration network (LHIN) Erié St. Clair and South West. 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 (ASNFPPO).

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 \$Nil (2018 - \$17,532) have been expensed. Tangible capital assets with a total historical cost of \$56,988 have not been presented on the statement of financial position.

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, 2019

2. Significant accounting policies (continued)

Financial assets & 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 respect to financial assets measured at amortized cost, the organization assesses whether there are any indications of impairment. When there is an indication of impairment, and if the organization determines that during the year there was a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

3. 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.

4. Commitments

The organization has a lease in Windsor, maturing in 2021, for the rental of space at the rate of \$9,535 per year. They also have second lease in London, maturing in 2019, for the rental of space at the rate of \$9,300 per year.

5. 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.

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

Notes to the Financial Statements

March 31, 2019

6. Financial instruments

The organization feels it is not exposed to any significant risks or concentrations of risk.
