

Schedule of revenue and expenses

The Regional Municipality of Niagara
Public Health Department
Healthy Babies, Healthy Children Program

March 31, 2021

The Regional Municipality of Niagara Public Health Department

Healthy Babies, Healthy Children Program

March 31, 2021

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Draft

Independent Auditor's Report

To the Members of Council of the Regional Municipality of Niagara and Ontario Ministry of Children, Community and Social Services

Opinion

We have audited the accompanying schedule of revenue and expenses of the Regional Municipality of Niagara Public Health Department – Healthy Babies, Healthy Children Program (the “Program”) for the year ended March 31, 2021, and notes to the schedule (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule of the Program for the year ended March 31, 2021 is prepared, in all material respects, in accordance with the financial reporting provisions of the Ontario Transfer Payment Agreement effective April 1, 2020, between the Her Majesty the Queen in right of Ontario as represented by the Minister of Children, Community and Social Services and the Regional Municipality of Niagara (the “Guidelines”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Schedule* section of our report. We are independent of the Region in accordance with the ethical requirements that are relevant to our audit of the schedule 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Program in complying with the financial reporting provisions of the Guidelines. As a result, the schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the schedule in accordance with the Guidelines, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Region’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is 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 GAAS 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 this schedule.

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

- Identify and assess the risks of material misstatement of the schedule, 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 Region's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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.

Chartered Professional Accountants
Licensed Public Accountants
_____, 2021

The Regional Municipality of Niagara

Public Health Department

Healthy Babies, Healthy Children Program

Schedule of revenue and expenses

year ended March 31, 2021

	2020-21 Budget (12 months)	2020-21 Actual (12 months)	2019-20 Actual (15 months)
	\$	\$	\$
Revenue			
Ministry of Children, Community and Social Services Funding	2,362,755	2,362,755	3,084,194
Province of Ontario one-time grants	-	1,159	-
Other revenue	-	157	2,296
	2,362,755	2,364,071	3,086,490
Expenses			
Salaries and wages: unionized			
Public health nurses	1,115,928	1,125,821	1,454,834
Employee benefits	350,721	336,179	463,795
Lay home visitors	327,797	361,695	402,972
Clerical	105,602	101,011	129,588
WSIB	-	-	56
Salaries and wages: non-unionized			
Management	239,923	239,286	284,428
Administration ISCIS	71,788	63,965	85,348
Employee benefits	80,266	77,634	83,059
	2,292,025	2,305,591	2,904,080
Operating costs			
Administration costs (Note 3)	124,392	88,604	141,693
Travel - mileage	51,000	26,688	66,222
Professional development	4,000	6,392	100,213
Program supplies/resources	1,500	8,213	8,738
Telephone and communications	7,000	8,015	10,132
Office supplies	1,156	2,995	5,982
Audit fees	5,574	5,829	7,149
Cleaning allowance	500	350	760
	195,122	147,086	340,889
Total expenses	2,487,147	2,452,677	3,244,969
Deficiency of revenue over expenses	(124,392)	(88,606)	(158,479)

The accompanying notes to the financial statements are an integral part of this financial statement.

The Regional Municipality of Niagara

Public Health Department

Healthy Babies, Healthy Children Program

Notes to the schedule of revenue and expenses

March 31, 2021

1. Summary of significant accounting policies

Basis of accounting

This schedule has been prepared for the Ontario Ministry of Children, Community and Social Services. The agreement requires the schedule to be prepared in a manner consistent with generally accepted accounting principles ("GAAP"). Management of the Regional Municipality of Niagara has interpreted GAAP to be recognition and measurement principles in accordance with Canadian Public Sector Accounting Standards, except that it does not provide for employee future benefits and does not capitalize and amortize tangible capital assets. Management has further interpreted that GAAP does not include the presentation principles or the presentation of all financial statements and note disclosures required by GAAP for a complete set of financial statements.

Revenue and expenses

Revenue is reported on the accrual basis of accounting.

Expenses are recorded if they are eligible for the program and incurred in the period except for employee future benefits.

Capital assets

Tangible capital assets acquired are reported as expenses and amortization is not recorded.

Employee future benefits

Employee future benefits are provided which will require funding in future periods. These benefits include sick leave, benefits under the Workplace Safety and Insurance Board ("WSIB") Act, and life insurance, extended health and dental benefits for early retirees. These benefits are recorded on a cash basis.

Use of estimates

Since precise determination of many assets and liabilities is dependent upon future events, the preparation of a periodic schedule involves the use of estimates and approximations. These have been made using careful judgments.

Certain administrative expenses are allocated to the program based on usage drivers specific to each type of expenditure.

2. Grant receivable/repayable

The grant receivable/repayable to the Province of Ontario is subject to audit verification by the Ontario Ministry of Children, Community and Social Services. The grant receivable/repayable is non-interest bearing and is normally recovered/repaid in the subsequent year. The surplus repayable to the Province of Ontario for the year ended March 31, 2021 is \$nil (2019-20 - \$nil).

	2020-21	2019-20
	\$	\$
Grant receivable (repayable), beginning of period	-	-
Excess of expenditures over revenue	(88,606)	(158,479)
Expenditures in excess of the budget	88,606	158,479
Grant receivable (repayable), end of period	-	-

The Regional Municipality of Niagara

Public Health Department

Healthy Babies, Healthy Children Program

Notes to the schedule of revenue and expenses

March 31, 2021

3. Administration costs

	2020-21 Budget (12 months) \$	2020-21 Actual (12 months) \$	2019-20 Actual (15 months) \$
Accounting services	3,230	2,140	2,506
Payroll services	38,132	14,740	36,908
Human resources services	23,729	21,169	30,290
IT program support services	46,807	37,704	55,696
Insurance costs	1,156	1,400	933
Printing costs	4,662	3,118	1,808
Capital financing allocation	6,676	8,333	13,552
	124,392	88,604	141,693

4. Budget data

The budget data presented in the schedule is based on the budget data submitted to the Ontario Ministry of Children, Community and Social Services.