
Schedules of revenue and expenses
The Regional Municipality of Niagara
Child Care Services

December 31, 2019

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Independent Practitioner's Review Engagement Report

To the Members of Council of the Regional Municipality of Niagara and the Ministry of Education

We have reviewed the accompanying schedules of revenue and expenses – Child Care Services of the Regional Municipality of Niagara for the year ended December 31, 2019 (the "Schedules"), which have been prepared in accordance with the financial reporting requirements in the Child Care Transfer Payment Agreement dated January 1, 2018 and the 2018-2019 Ontario Early Years Child and Family Centre Amending Agreement dated March 29, 2018, between the Ontario Ministry of Education ("the Ministry") and the Regional Municipality of Niagara (the "agreements").

Management's Responsibility for the Schedule

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying Schedules based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of the Schedules in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on the Schedules.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Schedules do not present fairly, in all material respects, the results of the operations of Child Care Services of the Regional Municipality of Niagara for the year ended December 31, 2019, in accordance with the agreements.

Basis of Accounting

Without modifying our conclusion, we draw attention to Note 1 to the Schedules, which describes the basis of accounting. The Schedules are prepared to assist the Regional Municipality of Niagara to comply with the financial reporting provisions of the above noted agreements. As a result, the Schedules may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Niagara Region
Schedule of Revenues and Expenditures – Child Care Services
For the year ended December 31, 2019
(Unaudited)

	REVENUES				
	Ministry of Education	Legislated Cost Share		Expansion Plan Year 2	Total
		%	(\$-Calculated)		(Calculated)
Core Services Delivery Operating Allocation					
Core Services Delivery (100% provincial)	7,327,912	0%	0		
Core Services Delivery - Cost Shared Requirement 80/20	15,770,414	20%	3,942,603.5	N/A	
Core Service Delivery - Cost Shared Requirement 50/50 - Administration	483,226	50%	483,226	N/A	
Total Core Services Delivery	23,581,552		4,425,830	0	23,581,552
Special Purpose Operating Allocation					
Language	711,695	0%	0		
Indigenous	190,205	0%	0		
Cost of Living	930,874	0%	0		
Rural and Remote	13,571	0%	0		
Capacity Building	183,634	0%	0		
Repairs and Maintenance	66,434	0%	0		
Utilization Adjustment	2,848,061	0%	0	N/A	
Capping Adjustment	(140,558)	0%	0	N/A	
Licenced Home Child Care (LHCC)	476,100	0%	0	N/A	
Total Special Purpose Operating Allocation	5,280,016		0	0	5,280,016
Other Allocations					
Small Water Works	791	0%	0	N/A	
TWOMO Reimbursement - Child Care	0	0%	0	N/A	
Wage Enhancement/HCCCG	4,648,461	0%	0	N/A	
Wage Enhancement Administration	250,340	0%	0	N/A	
Fee Stabilization Support	298,700	0%	0	N/A	
Indigenous-Led Child and Family Programs - Operating	372,091	0%	0	N/A	
Indigenous-Led Child and Family Programs - Capital	660,000	0%	0	N/A	
Expansion Plan Year 1	6,444,910	0%	0	N/A	
Operating Funding for Expansion Plan Capital Spaces					
ELCC Allocation	2,526,240	0%	0	N/A	
Total Other Allocations	15,201,533		0	0	15,201,533
TOTAL CHILD CARE ALLOCATION	44,063,101			0	44,063,101

Niagara Region
Schedule of Revenues and Expenditures – Child Care Services (General Funding)
For the year ended December 31, 2019
(Unaudited)

EXPENDITURES BY AGE GROUP															
	0-4 (Infant, Toddler, and Preschooler)			4-6 (Kindergarten)			6-12 (School Aged)			Unspecified Age Group			Total Expenditures		
	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / Parental full fee / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures
	Calculated			Calculated			Calculated			Calculated			Calculated	Calculated	Calculated
Full Flexibility (Schedule 2.3)															
General Operating	6,472,482	0	6,472,482	1,335,592	0	1,335,592	2,465,709	0	2,465,709				10,273,783	0	10,273,783
Fee Subsidy - Regular	12,668,850	(1,737,204)	10,931,647	2,614,207	(358,471)	2,255,737	4,826,228	(661,792)	4,164,436				20,109,286	(2,757,466)	17,351,819
Fee Subsidy - Camps and Authorized Recreation						0	1,234,755	(87,891)	1,146,865				1,234,755	(87,891)	1,146,865
Ontario Works and LEAP - Formal	1,209,708	0	1,209,708	249,622	0	249,622	460,841	0	460,841				1,920,171	0	1,920,171
Ontario Works and LEAP - Informal			0	0	0	0	0	0	0				0	0	0
Pay Equity Memorandum of Settlement										338,161		338,161	338,161	0	338,161
Special Needs Resourcing Administration	1,787,445	(882)	1,786,563	368,838	(182)	368,656	680,931	(336)	680,595	2,410,946	(5,291)	2,405,655	2,837,214	(1,400)	2,835,814
													2,410,946	(5,291)	2,405,655
Repairs and Maintenance	340,945	0	340,945	70,354	0	70,354	129,884	0	129,884				541,182	0	541,182
Play-based Material and Equipment			0	0	0	0	0	0	0				0	0	0
Transformation			0	0	0	0	0	0	0				0	0	0
Total (full flexibility)	22,479,430	(1,738,086)	20,741,344	4,638,613	(358,653)	4,279,960	9,798,349	(750,019)	9,048,330	2,749,107	(5,291)	2,743,816	39,665,498	(2,852,048)	36,813,450

Limited Flexibility (Schedule 2.3)															
Capacity Building	515,916	0	515,916	106,459	0	106,459	196,540	0				818,915	0	818,915	
Small Water Works									1,516	1,516		1,516	0	1,516	
Total (limited flexibility)	515,916	0	515,916	106,459	0	106,459	196,540	0	196,540	1,516	0	1,516	820,431	0	820,431
No Flexibility															
TWOMO Reimbursement										0		0		0	
Wage									4,583,567	4,583,567		4,583,567		4,583,567	
Wage Enhancement									250,340	250,340		250,340		250,340	
Total (no flexibility)									4,833,907	4,833,907		4,833,907		4,833,907	
TOTAL	22,995,346	(1,738,086)	21,257,260	4,745,072	(358,653)	4,386,419	9,994,889	(750,019)	9,244,870	7,584,530	(5,291)	7,579,239	45,319,836	(2,852,048)	42,467,788

EXPENDITURES BY AUSPICE					
	Non - Profit Operations	Profit Operations	Direct Operations	Other Auspice	Auspice Consolidated
Expenditures	31,682,632	4,402,275	3,977,225	2,405,655	42,467,788

EXPENDITURES BY SETTING				
	Centre Based	Home Based	Other Setting	Total
Expenditures	38,932,640	1,129,493	2,405,655	42,467,788

Niagara Region
Schedule of Revenues and Expenditures – Child Care Services - Expansion Plan Funding
For the year ended December 31, 2019
(Unaudited)

EXPENDITURES BY AGE GROUP									
	0-4 (Infant, Toddler, and Preschooler)			Unspecified Age Group			Total Expenditures		
	Gross Expenditures	Offsetting Revenues (Parent contribution/other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution/other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution/other offsetting)	Adjusted Gross Expenditures
			Calculated			Calculated	Calculated	Calculated	Calculated
Full Flexibility (Schedule 2.3A)									
General Operating	5,493,462		5,493,462				5,493,462	0	5,493,462
Fee Subsidy - Regular			0				0	0	0
Ontario Works and LEAP - Formal			0				0	0	0
Ontario Works and LEAP - Informal			0				0	0	0
Special Needs Resourcing	264,241		264,241				264,241	0	264,241
Administration				644,491		644,491	644,491	0	644,491
Repairs and Maintenance			0				0	0	0
Play-based Material and Equipment			0				0	0	0
Transformation			0				0	0	0
Total (full flexibility)	5,757,703	0	5,757,703	644,491	0	644,491	6,402,194	0	6,402,194
Limited Flexibility (Schedule 2.3A)									
Capacity Building	42,716		42,716				42,716	0	42,716
Total (limited flexibility)	42,716	0	42,716				42,716	0	42,716
TOTAL	5,800,419	0	5,800,419	644,491	0	644,491	6,444,910	0	6,444,910

EXPENDITURES BY AUSPICE					
	Non - Profit Operations	Profit Operations	Direct Operations	Other Auspice	Auspice Consolidated
Adjusted Gross Expenditures	5,104,369	696,050		644,491	6,444,910

EXPENDITURES BY SETTING				
	Centre Based	Home Based	Other Setting	Total
Adjusted Gross Expenditures	5,800,419		644,491	6,444,910

Niagara Region
Schedule of Revenues
For the year ended
(Unaudited)

EXPENDITURES BY AGE GROUP															
	0-4 (Infant, Toddler, and Preschooler)			4-6 (Kindergarten)			6-12 (School Aged)			Unspecified Age Group			Total Expenditures		
	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / Parental full fee / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures	Gross Expenditures	Offsetting Revenues (Parent contribution / other offsetting)	Adjusted Gross Expenditures
			Calculated			Calculated			Calculated			Calculated	Calculated	Calculated	Calculated
Full Flexibility (Schedule 2.3B)															
General Operating	1,378,042		1,378,042	301,447		301,447	473,702		473,702				2,153,190	0	2,153,190
Fee Subsidy - Regular			0			0			0				0	0	0
Fee Subsidy - Camps and Authorized Rec			0			0			0				0	0	0
Ontario Works and LEAP - Formal			0			0			0				0	0	0
Ontario Works and LEAP - Informal			0			0			0				0	0	0
Special Needs Resourcing	66,289		66,289	14,501		14,501	22,787		22,787				103,576	0	103,576
Administration										252,624		252,624	252,624	0	252,624
Repairs and Maintenance			0			0			0				0	0	0
Play-based Material and Equipment			0			0			0				0	0	0
Transformation			0			0			0				0	0	0
Community Based Capital Projects			0			0							0	0	0
Total (full flexibility)	1,444,330	0	1,444,330	315,947	0	315,947	496,489	0	496,489	252,624	0	252,624	2,509,390	0	2,509,390
Limited Flexibility (Schedule 2.3B)															
Capacity Building	10,784		10,784	2,359		2,359	3,707		3,707				16,850	0	16,850
Total (limited flexibility)	10,784	0	10,784	2,359	0	2,359	3,707	0	3,707				16,850	0	16,850
TOTAL	1,455,114	0	1,455,114	318,306	0	318,306	500,196	0	500,196	252,624	0	252,624	2,526,240	0	2,526,240

EXPENDITURES BY Auspice					
	Non - Profit Operations	Profit Operations	Direct Operations	Other Auspice	Auspice Consolidated
Adjusted Gross Expenditures - Community based Capital Projects					0
Adjusted Gross Expenditures - All Operating Expenditures	2,000,782	272,834		252,624	2,526,240
Expenditures	2,000,782	272,834	0	252,624	2,526,240

EXPENDITURES BY Setting				
	Centre Based	Home Based	Other	Auspice Consolidated
Expenditures	2,273,616		252,624	2,526,240

Niagara Region
Schedule of Revenues and Expenditures – Child Care Services - Fee Stabilization
For the year ended December 31, 2019
(Unaudited)

	Fee Stabilization Support
Total adjusted gross expenditures excluding administration expenditures	268,830
Total adjusted administration expenditures	29,870

Niagara Region
Schedule of Revenues and Expenditures – Child Care Services - Indigenous Led Child and Family Programs
For the year ended December 31, 2019
(Unaudited)

	Community Based Capital Project Name	Journey Together Project Type	Adjusted Operating Expenses One Time	Adjusted Operating Expenses Ongoing	Total Adjusted administration expenditures	Adjusted Community Based Capital expenditures
Indigenous-Led Child and Family Programs Project 1	FENFC Early Years Program	Joint / Conjoint	79,232			
Indigenous-Led Child and Family Programs Project 2	Niagara Indiigenous Child and Family Centre	Joint / Conjoint	292,859			
Indigenous-Led Child and Family Programs Project 3						
Indigenous-Led Child and Family Programs Project 4						
Indigenous-Led Child and Family Programs Project 5						
Indigenous-Led Child and Family Programs Project 6						
Indigenous-Led Child and Family Programs Project 7						
Indigenous-Led Child and Family Programs Project 8						
Indigenous-Led Child and Family Programs Project 9						
Indigenous-Led Child and Family Programs Project 10						
Total			372,091	0	0	0

Niagara Region
Schedule of Revenues and Expenditures – EarlyON
For the year ended December 31, 2019
(Unaudited)

	Allocation	Description	Expenditures
EarlyON Program Total Allocation	4,097,848.00		
Operating			
Salaries and Benefits - Program Staff			
Salaries and Benefits - Non Program Staff			
Lease and Utilities - Operational			17,975
Other Expenses - Operational		Transfer Payments to Agencies	3,614,308
Subtotal Operational Expenses			3,632,283
Professional Learning and Capacity Building			-
Child Care & Early Years Planning (CCYEP) and Data Analysis Services (DAS)			
Salaries and Benefits			163,671
Other Expenses			12,734
Subtotal			176,405
Administration			
Salaries and Benefits			
Other Expenses			409,785
Offsetting Revenue			
Subtotal			409,785
Offsetting Revenues			
Offsetting Revenue 1			
Offsetting Revenue 2			
Offsetting Revenue 3			
Subtotal			0
EarlyON Total Adjusted Gross Expenditures			4,218,473

Niagara Region
Schedule of Revenues and Expenditures – EarlyON Indigenous-Led Child and Family Programs
For the year ended December 31, 2019
(Unaudited)

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1. Significant accounting policies

The Schedules include the revenue and eligible expenses in relation to the Regional Municipality of Niagara's Child Care Services Program for the year ended December 31, 2019. The Schedules have been prepared in accordance with the financial reporting requirements in the Child Care Transfer Payment Agreement dated January 1, 2018 and the 2018-2019 Ontario Early Years Child and Family Centre Amending Agreement dated March 29, 2018 between Ontario Ministry of Education ("the Ministry") and the Regional Municipality of Niagara.

Revenue recognition

Revenue is reported on the accrual basis of accounting.

Government transfers are recognized in revenue in the Schedules when the transfer is authorized, any eligibility criteria are met, and a reasonable estimate of the amount can be made except when and to the extent that stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

Expenses

Expenses are recorded if they are eligible for the program and incurred in the period.

Gross expenses are reported on the Schedules in order to understand the full cost of the program. Expenses in excess of base funding, as per the funding agreements, have been removed for the purpose of determining the grant repayable.

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