

**FINANCIAL STATEMENTS**  
**For**  
**SOUTH-EAST OTTAWA COMMUNITY SERVICES - MIDWIFERY PROGRAM**  
**For year ended**  
**MARCH 31, 2021**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of

**SOUTH-EAST OTTAWA COMMUNITY SERVICES - MIDWIFERY PROGRAM**

*Opinion*

We have audited the statement of financial position of South-East Ottawa Community Services - Midwifery Program ("Midwifery Program") as at March 31, 2021 and the schedule of operations for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Midwifery Program as at March 31, 2021 and the results of its operations for the year then ended in accordance with the reporting requirements set out by the Ministry of Health and Long-Term Care funding agreements.

*Basis for Opinion*

We conducted our audit in accordance with the Ministry of Health and Long-Term Care reporting requirements. 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 Midwifery Program in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 and Restriction on Distribution*

We draw attention to note 1 to the financial statements which describes the basis of accounting. These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Board of Directors of South-East Ottawa Community Services and the Ministry of Health and Long-Term Care to comply with reporting requirements set out in funding agreements. The financial statements are not intended to be and should not be used by anyone other than the specified users for any other purpose.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Ministry of Health and Long-Term Care reporting requirements, 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.

Those charged with governance are responsible for overseeing the Midwifery Program's financial reporting process.

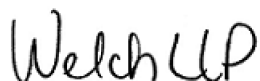
### *Auditor's Responsibilities for the Audit of the Financial Statements*

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 the Ministry of Health and Long-Term Care reporting requirements 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 the Ministry of Health and Long-Term Care reporting requirements, 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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.



Chartered Professional Accountants  
Licensed Public Accountants

Ottawa, Ontario  
June 24, 2021.

**SOUTH-EAST OTTAWA COMMUNITY SERVICES - MIDWIFERY PROGRAM**

**STATEMENT OF FINANCIAL POSITION**

**MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,394,269	\$ 1,878,021
Accounts receivable	<u>717,366</u>	<u>-</u>
	<u>\$ 2,111,635</u>	<u>\$ 1,878,021</u>
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ -	\$ 1,182,965
Amount due to the Ministry of Health and Long-Term Care (MOHLTC), Ontario Midwifery Program (OMP), Primary Health Care Branch (note 2)	<u>2,111,635</u>	<u>695,056</u>
	<u>\$ 2,111,635</u>	<u>\$ 1,878,021</u>

Approved by the Board:

CHARLES NG  
.....President

BRIAN WADE  
.....Secretary-Treasurer

(See accompanying notes)

**SOUTH-EAST OTTAWA COMMUNITY SERVICES - MIDWIFERY PROGRAM**

**SCHEDULE OF OPERATIONS**

**YEAR ENDED MARCH 31, 2021**

	<u>Total 2020-2021</u>	<u>Total 2019-2020</u>
<b>Ontario Midwifery Program - Revenues:</b>		
Ministry of Health and Long Term Care (MOHLTC), Ontario Midwifery (OMP), Primary Health Care Branch payments	\$ 20,957,088	\$ 17,844,658
Schedule Q Funding from Unison Health and Community Services	-	-
Interest income	<u>17,541</u>	<u>128,024</u>
<b>Total OMP revenues</b>	<u>20,974,629</u>	<u>17,972,682</u>
<b>Midwifery Program Expenses</b>		
Base fees	11,290,081	9,908,848
New registrant fees	<u>1,256,054</u>	<u>782,230</u>
<b>Sub-total base fees</b>	<u>12,546,135</u>	<u>10,691,078</u>
<b>General Registrants</b>		
Base travel	369,660	378,600
Base liability insurance	2,354,562	2,587,228
Base benefits	1,809,463	1,533,917
Clinical equipment midwives	62,004	60,372
Home birth kit	<u>71,253</u>	<u>60,723</u>
	<u>4,666,942</u>	<u>4,620,840</u>
<b>New Registrants</b>		
New registrant travel	50,340	32,979
Liability insurance	703,997	482,642
Benefits	195,061	110,740
Clinical equipment for midwives	<u>69,300</u>	<u>83,359</u>
	<u>1,018,698</u>	<u>709,720</u>
<b>Practice Group</b>		
Clinical equipment practice group	61,479	60,373
Administrative support	10,000	10,000
Second attendant	<u>34,962</u>	<u>27,000</u>
	<u>106,441</u>	<u>97,373</u>
<b>Sub-total base disbursements</b>	<u>5,792,081</u>	<u>5,427,933</u>
<b>Special Schedules</b>		
"O" Midwifery Services for Physician Clients	3,804	997
"Q" services to address community need	84,892	79,076
"Q" Disability Accommodation	<u>42,750</u>	<u>-</u>
<b>Total Special Schedules</b>	<u>131,446</u>	<u>80,073</u>
<b>One-Time Funding</b>		
Special equipment and furniture	10,333	-
IT Equipment Replacement	18,064	7,417
New Practice Group IT Software	3,672	18,406
Leasehold improvements	<u>16,307</u>	<u>-</u>
<b>Total One-Time</b>	<u>48,376</u>	<u>25,823</u>
<b>Other</b>		
TPA operations fees	118,185	117,898
TPA - 5% Support for uninsured clients	3,014	3,248
Uninsured clients third party payment	60,289	64,934
Other applicable expenses	<u>858,523</u>	<u>866,640</u>
<b>Total other expenses</b>	<u>1,040,011</u>	<u>1,052,720</u>
<b>Total Midwifery Program Expenses</b>	<u>19,558,049</u>	<u>17,277,627</u>
<b>Excess of Revenues over Midwifery Program Expenses</b>	1,416,580	695,057
<b>Accumulated Surplus - Beginning of Fiscal Year</b>	<u>695,055</u>	<u>-</u>
<b>Accumulated Surplus - End of Fiscal Year</b>	<u>\$ 2,111,635</u>	<u>\$ 695,057</u>
<b>Courses of Care</b>		
Number of base courses of care	2,868	2,934
Number of new registrant (new and ongoing) courses of care	<u>400</u>	<u>270</u>
<b>Total courses of care</b>	<u>3,268</u>	<u>3,204</u>

(See accompanying notes)

**Welch LLP<sup>®</sup>**

An Independent Member of BKR International

**SOUTH-EAST OTTAWA COMMUNITY SERVICES - MIDWIFERY PROGRAM**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of business*

South-East Ottawa Community Services operates under the name South-East Ottawa Community Health Centre. The Centre works with community members to meet the challenge of change, to be sensitive to community needs when addressing social and health issues and to promote the holistic well-being of individuals by providing opportunities for people to empower themselves and reach their full potential as community members.

The Centre was incorporated by Letters Patent on March 8, 1985 under the laws of the Province of Ontario as a non-profit charitable organization without share capital.

The Midwifery Program operates as a division of the Centre and is being funded by the Ministry of Health and Long-Term Care, Ontario Midwifery Program, Primary Health Care Branch.

*Basis of accounting*

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with Ministry of Health and Long-Term Care - Community Health Unit reporting requirements. The basis of accounting used in these financial statements materially differs from Canadian accounting standards for not-for-profit organizations as insurance costs are charged to operations in the year the expenditure is incurred rather than being recorded in the year to which it relates.

These financial statements have been prepared for the specific purpose identified above and may not be appropriate for other users. General purpose financial statements of the organization for the year ended have been issued to the members.

*Revenue recognition*

The Centre follows the deferral method of accounting for grant revenues. Grants are recognized as revenue in the year in which the related expenses are incurred. Interest is recorded when received.

**2. AMOUNT DUE TO THE MINISTRY OF HEALTH AND LONG-TERM CARE (MOHLTC), ONTARIO MIDWIFERY PROGRAM (OMP), PRIMARY HEALTH CARE BRANCH**

	<u>Balance at beginning of year</u>	<u>Repaid during year</u>	<u>Increase (decrease) due to operations</u>	<u>Balance at end of year</u>
2019-20	\$ 695,055	\$ -	\$ -	\$ 695,055
2020-21	<u>-</u>	<u>-</u>	<u>1,416,580</u>	<u>1,416,580</u>
	<u>\$ 695,055</u>	<u>\$ -</u>	<u>\$1,416,580</u>	<u>\$2,111,635</u>

**3. RELATED PARTY TRANSACTIONS**

The South-East Ottawa Community Services - Midwifery Program has been charged a fee of \$121,199 (2020 - \$121,146) by the Administration Program of South-East Ottawa Community Services for services rendered throughout the year.