

FINANCIAL STATEMENTS
For
SOUTH-EAST OTTAWA COMMUNITY SERVICES
For year ended
MARCH 31, 2020

INDEPENDENT AUDITOR'S REPORT

To the members of

SOUTH-EAST OTTAWA COMMUNITY SERVICES

Opinion

We have audited the financial statements of South-East Ottawa Community Services (the Centre), which comprise the statement of financial position as at March 31, 2020 and the statements of operations, fund balances 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 Centre, as at March 31, 2020 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of 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 Centre 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.

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 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre'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 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 Centre'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 Centre'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 Centre 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 25, 2020.

SOUTH-EAST OTTAWA COMMUNITY SERVICES


(Incorporated under the laws of Ontario)

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2020

<u>ASSETS</u>	<u>Operating Fund</u>	<u>Capital Asset Fund - Internally Restricted</u>	<u>Mar. 31, 2020</u>	<u>Mar. 31, 2019</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 4,328,750	\$ -	\$ 4,328,750	\$ 3,141,209
Accounts receivable - note 4	436,487	-	436,487	168,210
Prepaid expenses	<u>583,696</u>	<u>-</u>	<u>583,696</u>	<u>573,958</u>
	5,348,933	-	5,348,933	3,883,377
CAPITAL ASSETS - note 5				
	<u>-</u>	<u>54,495</u>	<u>54,495</u>	<u>78,463</u>
	<u>\$ 5,348,933</u>	<u>\$ 54,495</u>	<u>\$ 5,403,428</u>	<u>\$ 3,961,840</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,957,689	\$ -	\$ 1,957,689	\$ 1,043,953
Government remittances payable	79,076	-	79,076	89,015
Repayable to funders - note 6	878,908	-	878,908	420,184
Deferred contributions - note 7	<u>1,201,960</u>	<u>-</u>	<u>1,201,960</u>	<u>1,098,925</u>
	<u>4,117,633</u>	<u>-</u>	<u>4,117,633</u>	<u>2,652,077</u>
DEFERRED CAPITAL GRANTS - note 5				
	<u>-</u>	<u>54,495</u>	<u>54,495</u>	<u>78,463</u>
	<u>4,117,633</u>	<u>54,495</u>	<u>4,172,128</u>	<u>2,730,540</u>
FUND BALANCES				
Appropriated - internally restricted	490,000	-	490,000	490,000
Operating - unrestricted	<u>741,300</u>	<u>-</u>	<u>741,300</u>	<u>741,300</u>
	<u>1,231,300</u>	<u>-</u>	<u>1,231,300</u>	<u>1,231,300</u>
	<u>\$ 5,348,933</u>	<u>\$ 54,495</u>	<u>\$ 5,403,428</u>	<u>\$ 3,961,840</u>

Approved:

.....President

.....Secretary-Treasurer

(See accompanying notes)

SOUTH-EAST OTTAWA COMMUNITY SERVICES

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2020

	Operating <u>Fund</u>	Capital Asset Fund - <u>Internally Restricted</u>	<u>Mar. 31, 2020</u>	<u>Mar. 31, 2019</u>
Revenue				
Grants and contributions				
Government of Ontario - Ministry of Health and Long-Term Care, Community Health Branch	\$ 18,165,803	\$ -	\$ 18,165,803	\$ 16,616,230
Government of Ontario - Champlain Local Health Integration Network	8,136,589	-	8,136,589	8,135,829
Government of Ontario - other	44,657	-	44,657	43,925
Federal Government	107,314	-	107,314	147,859
Municipal Government	2,243,037	-	2,243,037	2,191,111
Other	248,804	-	248,804	294,335
Interest	180,910	-	180,910	117,526
Fundraising	67,889	-	67,889	66,368
Amortization of deferred grants	-	23,968	23,968	57,310
Miscellaneous	219,151	-	219,151	184,394
	<u>29,414,154</u>	<u>23,968</u>	<u>29,438,122</u>	<u>27,854,887</u>
Expenses				
Operational				
Salaries and benefits	6,094,590	-	6,094,590	6,257,851
Materials, supplies and services	2,413,870	-	2,413,870	2,388,539
Administrative				
Salaries and benefits	1,101,942	-	1,101,942	1,012,773
Materials, supplies and services	715,624	-	715,624	635,422
Occupancy	666,760	-	666,760	707,494
Midwifery program costs	17,277,627	-	17,277,627	15,798,740
Non-recurring	200,299	-	200,299	40,812
Amortization of capital assets	-	23,968	23,968	57,310
	<u>28,470,712</u>	<u>23,968</u>	<u>28,494,680</u>	<u>26,898,941</u>
Net revenue before items below	943,442	-	943,442	955,946
Transferred to deferred contributions	(205,873)	-	(205,873)	(48,640)
Administrative recoveries	48,158	-	48,158	-
Repaid to funder in year	-	-	-	(500,000)
Amount repayable to funders	<u>(785,727)</u>	<u>-</u>	<u>(785,727)</u>	<u>(406,589)</u>
Net revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 717</u>

(See accompanying notes)

SOUTH-EAST OTTAWA COMMUNITY SERVICES

STATEMENT OF FUND BALANCES

YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
APPROPRIATED - internally restricted		
Contingencies		
Balance, beginning and end of year	\$ <u>100,000</u>	\$ <u>100,000</u>
Special repairs and maintenance		
Balance, beginning and end of year	<u>100,000</u>	<u>100,000</u>
Innovative programs and services		
Balance, beginning and end of year	<u>85,000</u>	<u>85,000</u>
Supplementary funding for programs and services		
Balance, beginning and end of year	<u>115,000</u>	<u>115,000</u>
Staff and board insurance		
Balance, beginning and end of year	<u>30,000</u>	<u>30,000</u>
Electronic medical records transition		
Balance, beginning of year	60,000	-
Transferred from General Fund	<u>-</u>	<u>60,000</u>
Balance, end of year	<u>60,000</u>	<u>60,000</u>
Total, end of year	\$ <u>490,000</u>	\$ <u>490,000</u>
 OPERATING - unrestricted		
Balance, beginning of year	\$ 741,300	\$ 800,583
Net revenue	-	717
Transferred to Electronic medical records transition fund	<u>-</u>	<u>(60,000)</u>
Balance, end of year	\$ <u>741,300</u>	\$ <u>741,300</u>

(See accompanying notes)

SOUTH-EAST OTTAWA COMMUNITY SERVICES

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2020

	<u>2020</u>	<u>2019</u>
CASH PROVIDED (USED)		
Operations		
Net revenue	\$ -	\$ 717
Add items not affecting cash:		
Amortization of capital assets	23,968	57,310
Amortization of deferred grants	<u>(23,968)</u>	<u>(57,310)</u>
	-	717
Changes in non-cash operating items:		
Accounts receivable	(268,277)	1,496
Prepaid expenses	(9,738)	(681)
Accounts payable and accrued liabilities	913,736	301,645
Government remittances payable	<u>(9,939)</u>	<u>8,365</u>
	<u>625,782</u>	<u>311,542</u>
Investing activities		
Purchase of capital assets	<u>-</u>	<u>(59,073)</u>
Financing activities		
Contributions received for capital assets	-	59,073
Repayable to funders	458,724	(203,761)
Deferred contributions	<u>103,035</u>	<u>127,889</u>
	<u>561,759</u>	<u>(16,799)</u>
INCREASE IN CASH	1,187,541	235,670
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>3,141,209</u>	<u>2,905,539</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,328,750</u>	<u>\$ 3,141,209</u>
CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING		
Cash	\$ 4,256,351	\$ 3,014,128
Term deposits	<u>72,399</u>	<u>127,081</u>
	<u>\$ 4,328,750</u>	<u>\$ 3,141,209</u>

(See accompanying notes)

SOUTH-EAST OTTAWA COMMUNITY SERVICES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2020

1. PURPOSE OF THE ORGANIZATION

The 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.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and consist of the following significant accounting policies:

Fund accounting

The Operating Fund accounts for the Centre's program delivery and administrative activities. Costs of operating the Centre are financed primarily by the Province of Ontario through the Champlain Local Health Integration Network and the Ministry of Health and Long-Term Care.

The appropriated fund balance is comprised of the following funds:

Contingencies Fund - funds are available on a one-time basis, with Board approval, to address unforeseen expenditures.

Special Repairs and Maintenance Fund - funds are available on a one-time basis, with Board approval, to address maintenance and repair of owned capital assets including premises, equipment and furnishings, etc.

Innovative Programs and Services Fund - funds are available on a one-time basis, with Board approval, to "seed" new or innovative projects which otherwise have no funding stream identified or available but which would nevertheless strengthen the organization's services and/or resource. Funds may be accessed to "pilot" or otherwise demonstrate efficacy of an innovative approach to service delivery or resource development, preparatory to developing funding proposals to other potential sources.

Supplementary Funding for Programs and Services Fund - funds are available on a one-time basis, with Board approval, to enable immediate enhancement of a program or service or to sustain a program or service with the understanding that funds from other sources will be shortly forthcoming. These funds will "bridge" to sustainable funding from other sources.

Staff and Board Insurance Fund - funds are available on a one-time basis, with Board approval, to protect the staff and board members of South-East Ottawa Community Services for a period of three years after such time as the Centre ceases operations.

The Capital Asset Fund - reports the assets, liabilities, revenues and expenses related to the Centre's capital assets.

Electronic Medical Records Transition Fund - funds are available on a one-time basis, with Board approval, to address the excess costs associated with the transition to the new electronic health records software. These funds will cover expenditures not covered in the surpluses in the operating budget.

SOUTH-EAST OTTAWA COMMUNITY SERVICES

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

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. Donations and memberships are recorded when received.

The Centre receives the majority of funds from the Champlain Local Health Integrated Network (CLHIN), Ministry of Health and Long-Term Care, Community Health Branch for the Province of Ontario (MOHLTC) and the City of Ottawa. Unless specifically permitted to be used in a future period, the net revenue is subject to refund to the funders.

Financial instruments

The Centre's financial assets and liabilities are initially recognized at fair value. All financial instruments, except for cash and cash equivalents, are subsequently measured at cost or amortized cost. Cash and cash equivalents are subsequently recognized at fair value.

Cash and cash equivalents

Cash and cash equivalents include short-term investments in term deposits which are generally held for periods up to one year.

Capital assets, deferred grants and amortization

Capital assets are stated at acquisition cost. Grants and donations received specifically for the acquisition of capital assets are deferred. Amortization of both capital assets and deferred grants is provided, at the following annual rates, with one-half year amortization taken in the year of acquisition:

Leasehold improvements	- over length of lease
Furniture and equipment	- 20% straight line
Computer equipment	- 33% straight line
Telecommunication equipment	- 20% straight line
Automotive equipment	- 20% straight line

Contributed services

A large number of volunteers contribute a significant number of hours per year to assist the Centre in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Use of estimates

The preparation of financial statements in conformity 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 and disclosure of contingent 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 these estimates.

SOUTH-EAST OTTAWA COMMUNITY SERVICES
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

3. FINANCIAL INSTRUMENTS

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre's risk exposure and concentrations.

The Centre does not use derivative financial instruments to manage its risks.

The Centre's financial instruments are subject to the following risks, substantially unchanged from the prior year unless otherwise noted:

Credit risk

The Centre is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Centre's maximum exposure to credit risk is the sum of the carrying value of its cash and cash equivalents and its accounts receivable. The Centre's cash and cash equivalents are deposited with a Canadian chartered bank and as a result, management believes the risk of loss on these items to be remote. The Centre manages its credit risk by reviewing accounts receivable aging monthly and following up on outstanding amounts. Management believes that all accounts receivable at year end will be collected.

Liquidity risk

Liquidity risk is the risk that the Centre cannot meet a demand for cash or fund its obligations as they become due. The Centre meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipated investing and financing activities and holding assets that can be readily converted into cash.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Centre's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Centre is exposed to interest rate risk due to its investment in term deposits, however, this risk is not significant because it does not have any interest bearing liabilities.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of the changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Centre is not exposed to other price risk as it does not have investments in publicly traded securities.

SOUTH-EAST OTTAWA COMMUNITY SERVICES

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2020

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ 165,559	\$ 87,889
HST receivable	270,716	74,971
Employee advances receivable	<u>212</u>	<u>5,350</u>
	<u>\$ 436,487</u>	<u>\$ 168,210</u>

5. CAPITAL ASSETS

Capital assets consist of the following:

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Leasehold improvements	\$ 912,169	\$ 912,170	\$ 912,169	\$ 912,169
Furniture and equipment	47,891	20,037	61,935	29,777
Computer equipment	148,901	122,259	148,901	102,596
Telecommunication equipment	<u>116,880</u>	<u>116,880</u>	<u>116,880</u>	<u>116,880</u>
	1,225,841	<u>\$ 1,171,346</u>	1,239,885	<u>\$ 1,161,422</u>
Accumulated amortization	<u>(1,171,346)</u>		<u>(1,161,422)</u>	
	<u>\$ 54,495</u>		<u>\$ 78,463</u>	

Deferred capital grants and donations related to capital assets consist of:

Balance, beginning of year	\$ 78,463
Less:	
Amortization of deferred contributions related to capital assets	<u>(23,968)</u>
Balance, end of year	<u>\$ 54,495</u>

6. REPAYABLE TO FUNDERS

	<u>Balance beginning of year</u>	<u>Increase due to operations (recovered)</u>	<u>Balance, end of year</u>
Champlain Local Health Integration Network Health Centre			
2017-18	\$ 13,595	\$ (13,595)	\$ -
2018-19	<u>93,181</u>	<u>-</u>	<u>93,181</u>
	<u>106,776</u>	<u>(13,595)</u>	<u>93,181</u>
Ministry of Health and Long-Term Care, Community Health Branch			
Midwifery			
2018-19	278,240	(278,240)	-
2019-20	<u>-</u>	<u>695,055</u>	<u>695,055</u>
	<u>278,240</u>	<u>416,815</u>	<u>695,055</u>
City of Ottawa			
2018-19	35,168	(35,168)	-
2019-20	<u>-</u>	<u>90,672</u>	<u>90,672</u>
	<u>35,168</u>	<u>55,504</u>	<u>90,672</u>
Total repayable to funders	<u>\$ 420,184</u>	<u>\$ 458,724</u>	<u>\$ 878,908</u>

SOUTH-EAST OTTAWA COMMUNITY SERVICES
NOTES TO FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2020

7. GRANTS AND CONTRIBUTIONS

	Deferred contributions, beginning	Funds received	Funds transferred to revenue	Transfers/ repayments during year	Deferred contributions, end of year
Government of Ontario					
Ministry of Health and Long Term Care, Ontario Midwifery Program (OMP)	\$ 518,001	\$ 17,844,657	\$ (17,844,657)	\$ -	\$ 518,001
Champlain Local Health Integration network	-	8,136,589	(8,136,589)	-	-
Champlain Local Health Integration network Referred in - Jewish Family Services	-	44,657	(44,657)	-	-
Ministry of Health and Long Term Care, Health system information	-	200,000	(200,000)	200,000	200,000
Ministry of Health and Long-Term Care Transfer Payment Agency	-	121,146	(121,146)	-	-
Ministry of Health and Long-Term Care Ministry of Health and Long-Term Care Community Health Branch	<u>33,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,721</u>
	<u>551,722</u>	<u>26,347,049</u>	<u>(26,347,049)</u>	<u>200,000</u>	<u>751,722</u>
Government of Canada					
Canada Works Program	-	17,675	(17,675)	-	-
New Horizon's	<u>22,252</u>	<u>72,811</u>	<u>(89,639)</u>	<u>(5,424)</u>	<u>-</u>
	<u>22,252</u>	<u>90,486</u>	<u>(107,314)</u>	<u>(5,424)</u>	<u>-</u>
Municipal Government					
City of Ottawa	<u>121,772</u>	<u>2,125,892</u>	<u>(2,243,037)</u>	<u>5,873</u>	<u>10,500</u>
Other contributions					
Baby Cupboard (Bloodroot Fund)	8,000	-	-	-	8,000
Children's Aid Society	-	1,035	(1,035)	-	-
Christmas Toy	8,039	-	-	-	8,039
Community Foundation of Ottawa-Carleton	47,845	78,556	(23,856)	-	102,545
Odon and Yvone Panek Fund	-	10,237	-	-	10,237
CPNP Single Parents Foundation	-	13,020	(13,020)	-	-
Fidelity Investments Canada ULC	-	2,000	-	-	2,000
Fundraising and donations	-	67,889	(67,889)	-	-
Green Shield	9,468	-	-	-	9,468
Harold Crabtree	6,000	-	-	-	6,000
Harry P. Ward Foundation	3,000	-	-	-	3,000
Hydro	-	2,500	(2,500)	-	-
Interest	-	180,910	(180,910)	-	-
MBNA Canada	448	-	-	-	448
Miscellaneous revenues	-	132,248	(132,248)	-	-
Ontario Ministry of Health Promotion	4,937	-	-	-	4,937
Other - Better Beginnings, Better Futures	14,044	-	-	-	14,044
Ottawa Community Support Coalition	32,628	-	(12,228)	-	20,400
Ottawa District School Board	39,061	102,000	(105,335)	-	35,726
Resource Development	69,416	17,980	(3,619)	-	83,776
Mazon Canada	-	1,435	-	-	1,435
Benevity Community ImpactFun (RBC)	-	2,000	-	-	2,000
SENS	-	22,000	(16,134)	-	5,866
St. Mary's Home	8,254	10,026	(10,589)	-	7,691
Telus	10,000	-	(8,289)	-	1,711
Boys and Girls Club	-	15,000	(1,500)	-	13,500
United Way	<u>21,840</u>	<u>83,360</u>	<u>(77,322)</u>	<u>-</u>	<u>27,878</u>
	<u>282,980</u>	<u>742,196</u>	<u>(656,474)</u>	<u>-</u>	<u>368,701</u>
Non program related					
Family Medicines	85,437	4,068	(60,280)	-	29,225
Seniors	6,075	-	-	-	6,075
Ministry of Health and Long-Term Care	5,000	-	-	-	5,000
Dynamic Fund Foundation	1,000	-	-	-	1,000
Other funds	<u>22,687</u>	<u>7,050</u>	<u>-</u>	<u>-</u>	<u>29,737</u>
	<u>120,199</u>	<u>11,118</u>	<u>(60,280)</u>	<u>-</u>	<u>71,037</u>
	<u>\$ 1,098,925</u>	<u>\$ 29,316,741</u>	<u>\$ (29,414,154)</u>	<u>\$ 200,449</u>	<u>\$ 1,201,960</u>

SOUTH-EAST OTTAWA COMMUNITY SERVICES

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2020

8. COMMITMENTS

The Centre leases space at 1355 Bank Street until March 31, 2024 at an annual base rent of \$300,000, plus estimated operating cost and realty tax apportionments of \$378,000 annually.

The Centre has also entered into a lease for equipment with Xerox expiring May 15, 2024.

Future annual lease payments for the next five years, excluding final adjustments for operating cost and realty tax apportionments are expected to be as follows:

2020-2021	\$ 678,000
2021-2022	678,000
2022-2023	689,000
2023-2024	689,000
2024-2025	<u>12,000</u>
	<u>\$ 2,746,000</u>

9. EMPLOYEE BENEFIT PLANS

Most of the employees of the Centre are eligible to be members of the Healthcare of Ontario Pension Plan, which is a contributory defined benefit multi-employer pension plan. Employer contributions made to the Plan during the year by the Centre amounted to \$439,976 (2019 - \$420,753) and are included in salaries and benefits in the statement of operations. This was less than 0.01% of the Plan's total employer contributions. The Plan's December 31, 2019 actuarial valuation indicate that the Plan is fully funded.

The Centre also contributes to a defined contribution group retirement savings plan held with London Life. Employer contributions made to the plan amounted to \$12,780 (2019 - \$19,214) and are included in salaries and benefits in the statement of operations.

10. COVID-19

In Mid-March of 2020, the Government of Canada instituted emergency measures in response to the public health concerns originating from the spread of COVID-19.

A high degree of uncertainty persists surrounding the full economic impact of the situation. The unpredictable nature of the spread of the virus makes it difficult to determine the length of time that the Centre's operations may be impacted. Consequently, at the time of issuances of these financial statements, the effect that the abrupt decline in economic activity may have on the Centre's operations, assets, liabilities, net assets, revenues and expenses are not yet known.

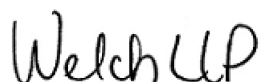
OTHER FINANCIAL INFORMATION
For
SOUTH-EAST OTTAWA COMMUNITY SERVICES
For year ended
MARCH 31, 2020

To the Directors of

SOUTH-EAST OTTAWA COMMUNITY SERVICES

We have completed our examination of the financial statements of South-East Ottawa Community Services for the year ended March 31, 2020 and have reported to the members thereon. The schedules attached, which reflect additional details not necessary to the fair presentation of the financial statements as a whole, have been drawn from the accounts for your information only.

Yours very truly,

A handwritten signature in black ink that reads "Welch LLP". The letters are cursive and slightly slanted to the right.

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 25, 2020.

SOUTH-EAST OTTAWA COMMUNITY SERVICES
SCHEDULE OF OPERATIONS - BY PROGRAM
YEAR ENDED MARCH 31, 2020

	Board Administered Funds	Corporate	Intake Counselling	Community Development	Youth Programs	Community and Home Support	EarlyON Centre	Midwifery Program	Health Centre	2020 Total	2019 Total
Revenue											
Grants and contributions											
Government of Ontario											
Ministry of Health and Long-Term Care, Community Health Branch	\$ 121,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,844,657	\$ -	\$ 17,965,803	\$ 16,616,230
Champlain Local Health Integration Network	-	-	-	-	-	367,500	-	-	7,769,089	8,136,589	8,135,829
Champlain Local Health Integration Network referred in Jewish Family Services	-	-	-	-	-	-	-	-	44,657	44,657	43,925
Ministry of Health and Long-term Care, Community Health Branch	-	-	-	-	-	-	-	-	200,000	200,000	-
	<u>121,146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>367,500</u>	<u>-</u>	<u>17,844,657</u>	<u>8,013,746</u>	<u>26,347,049</u>	<u>24,795,984</u>
Federal Government											
Canada Works Program	-	-	-	-	13,245	4,430	-	-	-	17,675	11,122
New Horizon's	-	-	-	89,639	-	-	-	-	-	89,639	136,737
	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,639</u>	<u>13,245</u>	<u>4,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,314</u>	<u>147,859</u>
Municipal Government											
City of Ottawa - Community	-	361,600	173,967	816,252	23,065	132,197	-	-	-	1,507,081	1,504,530
City of Ottawa - EarlyON	-	-	20,000	-	-	-	715,956	-	-	735,956	686,581
	<u>-</u>	<u>361,600</u>	<u>193,967</u>	<u>816,252</u>	<u>23,065</u>	<u>132,197</u>	<u>715,956</u>	<u>-</u>	<u>-</u>	<u>2,243,037</u>	<u>2,191,111</u>
Other grants and contributions											
CPNP Single Parents Foundation	-	-	-	-	-	-	13,020	-	-	13,020	4,898
Children's Aid Society	-	-	1,035	-	-	-	-	-	-	1,035	7,061
Community Foundation of Ottawa Carleton	-	-	-	21,730	-	2,000	-	-	-	23,730	63,731
Desjardins	-	-	-	-	-	-	-	-	-	-	5,247
MBNA Canada	-	-	-	-	-	-	-	-	-	-	3,686
Ottawa-Carleton District School Board	-	13,292	-	-	92,043	-	-	-	-	105,335	73,666
Ottawa Community Support Coalition	-	-	-	-	-	12,228	-	-	-	12,228	39,500
United Way	-	-	-	27,412	10,400	39,510	-	-	-	77,322	96,546
The Sens Foundation	-	-	-	16,134	-	-	-	-	-	16,134	-
	<u>-</u>	<u>13,292</u>	<u>1,035</u>	<u>65,276</u>	<u>102,443</u>	<u>53,738</u>	<u>13,020</u>	<u>-</u>	<u>-</u>	<u>248,804</u>	<u>294,335</u>
Other											
Interest	37,896	-	-	20	-	-	-	128,025	14,969	180,910	117,526
Donation	10,204	-	-	283	800	12,851	-	-	-	24,138	12,779
Fundraising events	-	-	-	-	-	43,751	-	-	-	43,751	53,589
Amortization of deferred grants	-	-	-	-	-	-	-	-	23,968	23,968	57,310
Miscellaneous revenue	-	128,805	17,306	8,770	15,785	17,642	150	-	30,693	219,151	184,394
Allocation of board administered funds	(169,246)	166,976	-	-	-	2,270	-	-	-	-	-
	<u>(121,146)</u>	<u>295,781</u>	<u>17,306</u>	<u>9,073</u>	<u>16,585</u>	<u>76,514</u>	<u>150</u>	<u>128,025</u>	<u>69,630</u>	<u>491,918</u>	<u>425,598</u>
Total revenue	<u>-</u>	<u>670,673</u>	<u>212,308</u>	<u>980,240</u>	<u>155,338</u>	<u>634,379</u>	<u>729,126</u>	<u>17,972,682</u>	<u>8,083,376</u>	<u>29,438,122</u>	<u>27,854,887</u>
Expenses											
Operational											
Salaries and benefits	-	-	180,811	571,874	147,109	435,791	322,742	-	4,436,263	6,094,590	6,257,851
Materials, supplies and services	-	24,099	30,778	383,430	6,308	50,370	96,198	-	1,822,687	2,413,870	2,388,539
Administrative											
Salaries and benefits	-	374,059	-	-	-	101,503	26,000	-	600,380	1,101,942	1,012,773
Materials, supplies and services	-	133,571	719	22,596	1,853	25,515	22,327	-	509,043	715,624	635,422
Midwifery program costs	-	-	-	-	-	-	-	17,277,627	-	17,277,627	15,798,740
Occupancy	-	187,102	-	2,340	68	21,200	1,000	-	455,050	666,760	707,494
Non-recurring	-	-	-	-	-	-	164,314	-	35,985	200,299	40,812
Amortization of capital assets	-	-	-	-	-	-	-	-	23,968	23,968	57,310
	<u>-</u>	<u>718,831</u>	<u>212,308</u>	<u>980,240</u>	<u>155,338</u>	<u>634,379</u>	<u>632,581</u>	<u>17,277,627</u>	<u>7,883,376</u>	<u>28,494,680</u>	<u>26,898,941</u>
Net revenue before items below	-	(48,158)	-	-	-	-	96,545	695,055	200,000	943,442	955,946
Transfer to deferred contributions	-	-	-	-	-	-	(5,873)	-	(200,000)	(205,873)	(48,640)
Repaid to funder in year	-	-	-	-	-	-	-	-	-	-	(500,000)
Administrative recoveries	-	48,158	-	-	-	-	-	-	-	48,158	-
Amount repayable to funders	-	-	-	-	-	-	(90,672)	(695,055)	-	(785,727)	(406,589)
Net revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 717</u>

(See accompanying letter to directors dated June 25, 2020)

**SOUTH-EAST OTTAWA COMMUNITY SERVICES
SCHEDULE OF OPERATIONS - HEALTH CENTRE
YEAR ENDED MARCH 31, 2020**

	<u>Admin</u>	<u>Clinic</u>	<u>Health Promotion</u>	<u>Early Years</u>	<u>Counselling</u>	<u>Primary Care Outreach</u>	<u>Health Links</u>	<u>Walk in Counselling</u>	<u>Capital Grant</u>	<u>2020 Total</u>	<u>2019 Total</u>
REVENUE											
Grants											
Champlain Local Health Integration Network Ministry of Health and Long-Term Care, Community Health Branch	\$ 1,419,945	\$ 2,473,419	\$ 419,280	\$ 223,883	\$ 175,629	\$ 2,198,564	\$ 858,369	\$ -	\$ 200,000	\$ 7,969,089	\$ 7,804,946
Champlain Local Health Integration Network referred in Jewish Family Services	-	-	-	-	-	-	-	-	-	-	709
	<u>1,419,945</u>	<u>2,473,419</u>	<u>419,280</u>	<u>223,883</u>	<u>175,629</u>	<u>2,198,564</u>	<u>858,369</u>	<u>44,657</u>	<u>200,000</u>	<u>8,013,746</u>	<u>7,849,580</u>
Other											
Interest revenue	14,969	-	-	-	-	-	-	-	-	14,969	12,908
Amortization of deferred grants	23,968	-	-	-	-	-	-	-	-	23,968	57,310
Miscellaneous revenue	16,408	14,285	-	-	-	-	-	-	-	30,693	24,228
	<u>1,475,290</u>	<u>2,487,704</u>	<u>419,280</u>	<u>223,883</u>	<u>175,629</u>	<u>2,198,564</u>	<u>858,369</u>	<u>44,657</u>	<u>200,000</u>	<u>8,083,376</u>	<u>7,944,026</u>
EXPENSES											
Operational											
Salaries and benefits	-	2,325,388	405,996	162,424	170,501	673,474	661,266	37,214	-	4,436,263	4,473,250
Materials, supplies and services	-	78,823	13,284	61,459	5,128	1,525,090	138,903	-	-	1,822,687	1,834,047
Administrative											
Salaries and benefits	600,380	-	-	-	-	-	-	-	-	600,380	495,420
Materials, supplies and services	400,307	83,493	-	-	-	-	17,800	7,443	-	509,043	461,776
Occupancy	414,650	-	-	-	-	-	40,400	-	-	455,050	488,230
Non-recurring	35,985	-	-	-	-	-	-	-	-	35,985	40,812
Amortization	23,968	-	-	-	-	-	-	-	-	23,968	57,310
	<u>1,475,290</u>	<u>2,487,704</u>	<u>419,280</u>	<u>223,883</u>	<u>175,629</u>	<u>2,198,564</u>	<u>858,369</u>	<u>44,657</u>	<u>-</u>	<u>7,883,376</u>	<u>7,850,845</u>
NET REVENUE BEFORE ITEM BELOW	-	-	-	-	-	-	-	-	200,000	200,000	93,181
TRANSFERRED TO DEFERRED CONTRIBUTIONS	-	-	-	-	-	-	-	-	(200,000)	(200,000)	-
AMOUNT REPAYABLE TO FUNDER	-	-	-	-	-	-	-	-	-	-	(93,181)
NET REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See accompanying letter to directors dated June 25, 2020)