



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2013 September 5

MIDDLESEX-LONDON HEALTH UNIT – MARCH 31ST DRAFT FINANCIAL STATEMENTS

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health approve the audited Consolidated Financial Statements for the Middlesex-London Health Unit, March 31st, 2013 as appended to Report No. 009-13C.

Key Points

- Attached as [Appendix A](#) are the draft Consolidated Financial Statements for the Middlesex-London Health Unit relating to the programs with an operating year from April 1st, 2012 to March 31st, 2013.

Background

A requirement of the Board of Health is to provide audited financial reports to various funding agencies for programs that are funded from April 1st – March 31st each year. The purpose of this audited report is to provide the agencies with assurance that the funds were expended for the intended purpose. The agencies use this information for confirmation and as a part of their settlement process with funders.

The following 100% funded programs are included in the audited consolidated financial statements attached as [Appendix A](#):

Ministry of Children & Youth Services:

- Blind-Low Vision
- Preschool Speech and Language (tykeTALK)
- Infant Hearing Screening

Ministry of Health & Long-Term Care:

- Healthy Communities Partnership Fund
- Bed Bug Initiative
- Panorama Implementation Project
- Smoke Free Ontario – Demonstration Project

Public Health Ontario:

- Shared Library Services

Government of Canada:

- Smart Start for Babies Programs

The above programs represent approximately \$3.3 million of the Health Unit's total operating budget of \$32.6 million.

These programs are also reported in the main audited financial statements of the Middlesex-London Health Unit which was approved by the Board of Health this past June, however this report included program revenues and expenditures of these programs during the period of January 1st 2012 to December 31st, 2012 which does not coincide with the reporting requirements of the funding agencies. Therefore, a separate audited statement is required.

Financial Review

The consolidated balance sheet can be found on page 3. Its purpose to provide the current value of assets (cash and prepaid expenses) which are balanced with current liabilities (deferred revenue which is bring brought forward into the next operating year and accumulated amount that must be repaid to the funding agencies).

The consolidated statement of operation can be found on page 4. Its purpose is to provide information regarding how programs are funded and how these revenues are used in fulfilling the requirements of the programs. The following are key points that can be taken from this statement:

- 1) Revenue – the majority of the revenue (98%) is comprised of grants from the funding agencies (Province of Ontario, Government of Canada, and Public Health Ontario).
- 2) Expenditures – the majority of program costs, \$2,722,663 (82.8%) relate to personnel costs. Program resources and public awareness account for \$166,322 (5.1%), and equipment of \$142,421 (4.3%). The majority of the equipment is highly specialized equipment to perform hearing tests in the Infant Hearing Screening program.

The programs completed the operating year with a combined surplus of \$139,856 which primarily consisted of personnel costs associated with the Panorama implementation project. This is a provincial initiative that has been delayed for various reasons.

A breakdown by program can be found on pages 9 and 10 of Appendix A.

Mr. John Millson, Director of Finance & Operations, will be in attendance at the September 5th meeting to answer any questions the Committee members may have.

This report was prepared by Mr. John Millson, Director of Finance & Operations.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health