

Consolidated Financial Statements of

**MIDDLESEX-LONDON
HEALTH UNIT MARCH 31ST
PROGRAMS**

And Independent Auditor's Report thereon

Year ended March 31, 2024



KPMG LLP

140 Fullarton Street, Suite 1400
London, ON N6A 5P2
Canada
Telephone 519 672 4880
Fax 519 672 5684

INDEPENDENT AUDITOR'S REPORT

To the Ministry of Children, Community and Social Services, Public Health Ontario, Public Health Agency of Canada and Chair and Members, Middlesex-London Board of Health.

Opinion

We have audited the consolidated financial statements of Middlesex-London Health Unit March 31st Programs (the "Programs"), which comprise:

- the consolidated statement of financial position as at March 31, 2024
 - the consolidated statement of operations for the year then ended
 - the consolidated statement of cash flows for the year then ended
 - and notes and schedules to the consolidated financial statements, including a summary of significant accounting policies and other explanatory schedules
- (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Programs as at March 31, 2024, and their consolidated results of operations and consolidated cash flows for the year then ended in accordance with the financial reporting framework described in Note 1 to the financial statements.

Basis for 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 auditor's report.

We are independent of the Health Unit in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements 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 Health Unit'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 Health Unit or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Health Unit'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 the 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.



Page 3

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 Health Unit'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 Health Unit'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 Health Unit 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

London, Canada

March 14, 2025

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Prepaid expenses	\$ 1,800	\$ 1,800
Due from Middlesex-London Health Unit	32,647	32,647
	\$ 34,447	\$ 34,447

Liabilities

Current liability:		
Due to funding agencies (note 3)	\$ 34,447	\$ 34,447
	\$ 34,447	\$ 34,447

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Middlesex-London Health Unit:



Matthew Newton-Reid
Chair, Board of Health



Emily Williams, BScN, RN, MBA, CHE
Chief Executive Officer

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Operations

Year ended March 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
Revenue:			
Programs revenue, funding agencies (note 4)	\$ 2,859,543	\$ 2,848,769	\$ 2,837,993
Expenditures:			
Personnel costs:			
Salaries and wages	2,122,862	2,109,615	2,152,369
Allocated benefits	530,454	538,535	493,151
Contract services	50,203	54,694	39,205
	2,703,519	2,702,844	2,684,725
Operating costs:			
Program resources	81,581	74,823	70,869
Equipment	30,000	24,090	32,120
Professional development	19,250	11,769	24,872
Travel	15,108	20,804	13,716
Telephone	5,025	5,026	3,424
Audit	5,000	8,223	8,140
Office and supplies	60	1,190	127
	156,024	145,925	153,268
Net surplus (note 2)	-	-	-
Due to funding agencies, beginning of year (note 3)	-	34,447	35,676
Repayments during the year	-	-	(1,229)
Due to funding agencies, end of year (note 3)	\$ -	\$ 34,447	\$ 34,447

The accompanying notes are an integral part of these consolidated financial statements.

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Consolidated Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Net surplus	\$ -	\$ -
Changes in non-cash operating working capital:		
Prepaid expenses	-	-
Deferred revenue	-	-
	-	-
Financing activities:		
Due from Middlesex-London Health Unit	-	1,229
Repayments to funding agencies	-	(1,229)
	-	-
Change in cash, being cash, end of year	\$ -	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Notes to Consolidated Financial Statements

Year ended March 31, 2024

The Middlesex-London Health Unit March 31st Programs (the "Programs") are 100% funded by the Province of Ontario, the Government of Canada, and Public Health Ontario and is delivered by Public Health Units in partnership with local and social service agencies.

1. Significant accounting policies:

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards, including the 4200 standards for government not-for-profit organizations.

(a) Basis of accounting:

Revenue and expenditures are reported using the accrual basis of accounting with the exception of employees' sick leave and vacation benefits which are charged against operations in the year in which they are paid.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Government transfers not received at year end are recorded as grants receivable due from the related funding organization in the consolidated balance sheet.

(b) Deferred revenue:

Funds received for expenses of future periods are deferred and recognized as income when the costs for which the revenue is received are incurred.

(c) Use of estimates:

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards 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 consolidated financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

2. Surplus repayments:

The Programs' funding agreements with funding agencies (the "Agencies"), provide for repayment of any Programs' surpluses to the Agencies. Programs' deficits are the responsibility of the Programs' and must be funded through efficiencies in future years. As such, surpluses net of any deficits from prior years are recorded on the consolidated balance sheet as accounts payable to the Agencies.

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2024

3. Due to funding agencies:

Due to funding agencies consists of the following:

	2024	2023
Ministry of Children, Community and Social Services:		
Blind-low vision	\$ -	\$ -
Preschool speech and language	-	-
Infant hearing	-	-
Healthy Babies/Healthy Children	-	-
	-	-
Public Health Ontario:		
Shared library services	31,999	31,999
Public Health Agency of Canada:		
Smart start for babies	2,448	2,448
	\$ 34,447	\$ 34,447

4. Program revenue, funding agencies:

Program revenue, funding agencies consists of the following:

	2024	2023
Ministry of Children, Community and Social Services:		
Health Babies/Healthy Children	\$ 2,483,313	\$ 2,483,313
Public Health Ontario:		
Shared Library services	110,952	108,550
Public Health Agency of Canada:		
Smart start for babies	152,430	132,029
FoodNet Canada program	102,074	114,101
	254,504	246,130
	\$ 2,848,769	\$ 2,837,993

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Schedule - Consolidated Balance Sheet

Year ended March 31, 2024

	Smart start for babies	Library Shared Services	Healthy Babies/Healthy Children	Total
<hr/>				
Balance Sheet				
Assets:				
Receivable from Middlesex-London Heath Unit	\$ 648	\$ 31,999	\$ -	\$ 32,647
Prepaid expenses	1,800	-	-	1,800
<hr/>				
Total assets	\$ 2,448	\$ 31,999	\$ -	\$ 34,447
<hr/>				
Liabilities:				
Due to funding agencies	\$ 2,448	\$ 31,999	\$ -	\$ 34,447
<hr/>				
Total liabilities	\$ 2,448	\$ 31,999	\$ -	\$ 34,447
<hr/>				

MIDDLESEX-LONDON HEALTH UNIT MARCH 31ST PROGRAMS

Schedule - Consolidated Statement of Operations

Year ended March 31, 2024

	Smart start for babies	Library Shared Services	FoodNet Canada program	Healthy Babies/Healthy Children	Total
Revenues:					
Program revenue					
Funding agencies	\$ 152,430	\$ 110,952	\$ 102,074	\$ 2,483,313	\$ 2,848,769
Expenditures:					
Personnel costs:					
Salaries and wages	43,628	74,331	77,039	1,914,617	2,109,615
Contract services	49,174	-	-	5,520	54,694
Allocated benefits	9,760	17,442	18,690	492,643	538,535
Total salaries, wages and benefits	102,562	91,773	95,729	2,412,780	2,702,844
Services and supplies:					
Office and supplies	-	5	-	1,185	1,190
Professional development	-	-	-	11,769	11,769
Travel	384	-	1,143	19,277	20,804
Program resources and supplies	45,484	19,174	4,969	5,196	74,823
Audit	4,000	-	-	4,223	8,223
Telephone	-	-	233	4,793	5,026
Equipment	-	-	-	24,090	24,090
Total services and supplies	49,868	19,179	6,345	70,533	145,925
Total expenditures	152,430	110,952	102,074	2,483,313	2,848,769
Net surplus (note 2)	-	-	-	-	-
Due to funding agencies, beginning of year (note 3)	2,448	31,999	-	-	34,447
Repayments, during the year	-	-	-	-	-
Due to funding agencies, end of year (note 3)	\$ 2,448	\$ 31,999	\$ -	\$ -	\$ 34,447