

2023 Draft Audited Financial Statements

Presented by: Brian Herman, CFO
Finance + Audit Committee
May 1, 2024

Timeline

- **October 2022:** Board approval of the 2023 budget.
- **August 2023:** Ministry of Health Funding Approval for 2023 fiscal year
- **December 31, 2023:** Fiscal year-end
- **January 26:** 2023 Q4 Financial Report Submitted to Ministry of Health
- **March 6:** Pre-audit Finance and Audit Committee
 - KPMG presents 2023 Audit Planning Report
 - 2023 Q4 Financial Report presented by WDGPH staff
- **March 4 to Early April:** Audit fieldwork and financial statement review.
- **May 1:** Finance and Audit Committee review of Financial Statements and Audit Findings Report (AFR), and referral to Board of Health for approval
- **TBD:** 2023 Annual Reconciliation Return (ARR) to be reviewed by KPMG and submitted to Ministry of Health

Audited Financial Statements



- **Independent Auditors' Report**
- **Page 1** – Statement of Financial Position
- **Page 2** – Statement of Operations and Accumulated Surplus
- **Page 3** – Statement of Changes in Net Financial Assets
- **Page 4** – Statement of Cash Flows
- **Pages 5 to 17** – Notes to the Financial Statements
- **Pages 18 to 19** – Other Schedules

Statement of Financial Position

- Snapshot in time (as of December 31st)
- Significant changes from prior year – 2023 vs. 2022

Description	Changes('000s)
Cash	- \$2,676
Accounts Receivable	- \$357
Due from / to Province of Ontario	+ \$2,234
Accounts Payable and Accrued Liabilities	- \$1,322
Employee Benefits Payable	- \$153
Long-term Debt	- \$1,226

Statement of Operations and Accumulated Surplus

- Presented with Budget, Actual and Prior Year balances
- Results of the 12-month fiscal period

	2023 Budget	2023 Actual	2022 Actual
Program revenue	\$ 29,801,799	\$ 30,009,935	\$ 33,703,632
Interest income	\$ 29,765	\$ 337,866	\$ 130,662
Total revenue	\$ 29,831,564	\$ 30,347,801	\$ 33,834,294
Total expenses	\$ 29,831,564	\$ 29,278,758	\$ 32,037,915
Surplus	\$ 0	\$ 1,069,043	\$ 1,796,379

Statement of Operations and Accumulated Surplus

Differences between “cash” and “accrual” basis of accounting in the 2023 annual reporting.

	\$	<u>(000's)</u>
Surplus (per Q4 BOH Report – March 2024)	\$	0
<u>Add:</u> Assets Capitalized under accrual basis		460
Building loan repayments to Municipalities		1,226
Transfers to Reserves (Facility, IT, Contingency)		543
Reserve Fund Interest		218
<u>Less:</u> Amortization of capital assets		<u>(1,378)</u>
 Surplus (per Audited Financial Statements)	 \$	 <u>1,069</u>

Tangible Capital Assets (Page 8)

Additions for the year totaled \$460k, including the following:

➤ IT and Communications	\$ 164k
➤ Building upgrades (including Ontario Senior Dental Care Program and Pergola)	173k
➤ Equipment (RE: Ontario Senior Dental Care Program)	52k
➤ Other additions (including EV Charging Stations)	<u>70k</u>
Total	\$ 460k

Next Steps

- **Finance + Audit Committee**
 - Recommendation to Board of Health for approval of Audited Financial Statements
- **Board of Health**
 - Approve Audited Financial Statements
- **Directors Sign**
 - Board Chair and Secretary-Treasurer sign the Financial Statements
- **Letter of Representation**
 - MOH/CEO and the Director of Administration/CAO sign the Letter of Representation
- **Auditor's Work**
 - Sign and date Auditor's Report
- **Board-approved Audited Financial Statements Forwarded to Municipal Funders**
- **Annual Reconciliation Return**
 - WDGPH completes template and forms
 - KPMG reviews
 - Submitted to Ministry of Health

Thank You!

Questions?

