

FINANCIAL STATEMENTS
For
**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**
For year ended
MARCH 31, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

We have audited the accompanying financial statements of Ottawa Children's Treatment Centre/Centre de traitement pour enfants d'Ottawa, which comprise the balance sheet as at March 31, 2016 and the statements of revenue and expenses and fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ottawa Children's Treatment Centre/Centre de traitement pour enfants d'Ottawa as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Emphasis of Matter

We draw attention to Note 2 to the financial statements which describes the uncertainty related to the outcome of possible future settlements for employee related liabilities. Our opinion is not qualified in respect of this matter.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 1, 2016.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

(Incorporated under the laws of Ontario)

BALANCE SHEET

MARCH 31, 2016

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2016</u>	<u>Total 2015</u>
CURRENT ASSETS				
Cash	\$ 2,280,941	\$ 109,425	\$ 2,390,366	\$ 1,148,535
Investments - note 4	918,537	-	918,537	1,562,376
Estimated amount receivable from:				
City of Ottawa - Regional Preschool	17,198	-	17,198	-
HST rebate receivable	72,013	-	72,013	81,726
Other receivables	277,685	-	277,685	66,218
Prepaid expenses	<u>22,905</u>	<u>-</u>	<u>22,905</u>	<u>20,824</u>
	<u>3,589,279</u>	<u>109,425</u>	<u>3,698,704</u>	<u>2,879,679</u>
INVESTMENTS - note 4	966,283	-	966,283	991,729
PROPERTY AND EQUIPMENT - note 5	-	1,953,469	1,953,469	1,393,382
INTERFUND BALANCES	<u>(1,450,899)</u>	<u>1,450,899</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,104,663</u>	<u>\$ 3,513,793</u>	<u>\$ 6,618,456</u>	<u>\$ 5,264,790</u>
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 2,512,584	\$ 622,389	\$ 3,134,973	\$ 2,070,769
Government remittances payable	159,185	-	159,185	163,530
Estimated amounts payable to:				
Ministry of Education	19,765	-	19,765	102,612
Ministry of Children and Youth Services				
- Developmental Services	46,886	-	46,886	46,886
- DS Professional and specialized services	2,838	-	2,838	2,838
- Physical Rehabilitation	6,377	-	6,377	6,377
City of Ottawa - Preschool	33,503	-	33,503	46,854
CHEO - Applied Behaviour Analysis	-	-	-	40,201
City of Ottawa - Regional preschool	-	-	-	21,955
Deferred contributions - note 6	<u>323,757</u>	<u>522,445</u>	<u>846,202</u>	<u>828,492</u>
	<u>3,104,895</u>	<u>1,144,834</u>	<u>4,249,729</u>	<u>3,330,514</u>
DEFERRED GRANTS - note 7	<u>-</u>	<u>1,738,357</u>	<u>1,738,357</u>	<u>1,294,034</u>
FUND BALANCES	<u>(232)</u>	<u>630,602</u>	<u>630,370</u>	<u>640,242</u>
	<u>\$ 3,104,663</u>	<u>\$ 3,513,793</u>	<u>\$ 6,618,456</u>	<u>\$ 5,264,790</u>

Approved by the Board:

 Director
 Director

(See accompanying notes)

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**
STATEMENT OF REVENUE AND EXPENSES AND FUND BALANCES
YEAR ENDED MARCH 31, 2016

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2016</u>	<u>Total 2015</u>
Revenue				
Ministry of Children and Youth Services/ Ministry of Community and Social Services				
- Physical Rehabilitation	\$ 9,922,652	\$ -	\$ 9,922,652	\$ 9,944,447
- Developmental Services	4,771,354	-	4,771,354	4,757,334
Ministry of Education	2,004,810	-	2,004,810	1,899,933
City of Ottawa - Preschool	471,299	-	471,299	428,004
Preschool fees	2,640	-	2,640	3,000
City of Ottawa - Regional Preschool	569,700	-	569,700	503,888
Preschool Speech & Language Program	193,248	-	193,248	193,248
Blind/Low Vision Program	133,000	-	133,000	133,000
Applied Behaviour Analysis Program	497,757	-	497,757	478,539
CHEO (expenses recovered)	-	-	-	6,561
Other programs	170,235	46,942	217,177	217,957
Donations - general	-	100	100	120
Foundation donations - note 8				
- Physical rehabilitation	65,126	-	65,126	38,349
- Other programs	-	144,473	144,473	137,204
Amortization of deferred grants				
- equipment	-	145,538	145,538	136,426
- building	-	20,343	20,343	14,093
- leasehold improvements	-	35,985	35,985	41,293
Other				
- Physical Rehabilitation	216,460	-	216,460	203,943
- Developmental Services	9,848	-	9,848	15,670
- Ministry of Education	26,173	-	26,173	16,181
- Other programs	-	902	902	33,588
	<u>19,054,302</u>	<u>394,283</u>	<u>19,448,585</u>	<u>19,202,778</u>
Expenses (see attached schedule)				
Direct salaries and benefits	14,434,890	-	14,434,890	14,134,751
Administrative	3,800,954	-	3,800,954	3,840,037
Other operating	818,458	404,155	1,222,613	1,219,496
	<u>19,054,302</u>	<u>404,155</u>	<u>19,458,457</u>	<u>19,194,284</u>
Excess of revenue over expenses (expenses over revenue)	-	(9,872)	(9,872)	8,494
Fund balances at beginning of year	<u>(232)</u>	<u>640,474</u>	<u>640,242</u>	<u>631,748</u>
Fund balances at end of year	<u>\$ (232)</u>	<u>\$ 630,602</u>	<u>\$ 630,370</u>	<u>\$ 640,242</u>

(See accompanying notes)

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA
SCHEDULE OF EXPENSES
YEAR ENDED MARCH 31, 2016**

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2016</u>	<u>Total 2015</u>
Direct salaries and benefits				
Ministry of Children and Youth Services/ Ministry of Community and Social Services				
- Physical rehabilitation	\$ 7,225,980	\$ -	\$ 7,225,980	\$ 7,148,220
- Developmental services	3,858,942	-	3,858,942	3,835,864
Ministry of Education	1,538,163	-	1,538,163	1,454,365
Preschool Speech & Language Program	189,224	-	189,224	188,426
Blind/Low Vision Program	127,162	-	127,162	125,391
Applied Behaviour Analysis Program	491,148	-	491,148	472,031
CHEO	-	-	-	6,561
City of Ottawa				
- Preschool	405,708	-	405,708	365,820
- Regional Preschool	525,033	-	525,033	458,495
Other programs	<u>73,530</u>	<u>-</u>	<u>73,530</u>	<u>79,578</u>
	<u>\$ 14,434,890</u>	<u>\$ -</u>	<u>\$ 14,434,890</u>	<u>\$ 14,134,751</u>
Administrative				
Ministry of Children and Youth Services/ Ministry of Community and Social Services				
- Physical rehabilitation	\$ 2,786,474	\$ -	\$ 2,786,474	\$ 2,829,155
- Developmental services	576,020	-	576,020	576,020
Ministry of Education	348,693	-	348,693	345,095
City of Ottawa				
- Preschool	60,871	-	60,871	60,871
- Regional Preschool	<u>28,896</u>	<u>-</u>	<u>28,896</u>	<u>28,896</u>
	<u>\$ 3,800,954</u>	<u>\$ -</u>	<u>\$ 3,800,954</u>	<u>\$ 3,840,037</u>
Other operating				
Ministry of Children and Youth Services/ Ministry of Community and Social Services				
- Physical rehabilitation	\$ 191,784	\$ -	\$ 191,784	\$ 209,364
- Developmental services	346,240	-	346,240	361,120
Ministry of Education	144,127	-	144,127	116,654
Preschool Speech & Language Program	4,024	-	4,024	4,822
Blind/Low Vision Program	5,838	-	5,838	7,609
Applied Behaviour Analysis Program	6,609	-	6,609	6,508
City of Ottawa				
- Preschool	7,360	-	7,360	4,313
- Regional Preschool	15,771	-	15,771	16,497
Other programs	96,705	184,767	281,472	246,119
Amortization				
- equipment	-	146,243	146,243	138,027
- building	-	28,971	28,971	22,721
- leasehold improvements	-	44,174	44,174	46,628
Ottawa Health Science Centre				
- shared capital expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,114</u>
	<u>\$ 818,458</u>	<u>\$ 404,155</u>	<u>\$ 1,222,613</u>	<u>\$ 1,219,496</u>

(See accompanying notes)

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
CASH PROVIDED (USED)		
Operations activities		
Excess of revenue over expenses (expenses over revenue)	\$ (9,872)	\$ 8,494
Charge against operations which did not require a current outlay of cash:		
Amortization - net of amortization of deferred grants	<u>17,522</u>	<u>15,564</u>
	7,650	24,058
Changes in non-cash operating items:		
Receivable from OCTC Foundation	-	365
HST rebate receivable	9,713	(15,369)
Other receivables	(211,467)	44,008
Prepaid expenses	(2,081)	687
Accounts payable and accrued liabilities	1,064,204	(149,805)
Government remittances payable	(4,345)	15,778
Owing to Ministry of Children and Youth Services		
- DS Professional and specialized services	-	2,838
- Repairs and maintenance	-	(2,947)
Owing to Ministry of Education	(82,847)	(17,696)
Owing to City of Ottawa - Preschool	(13,351)	23,567
- Regional Preschool	(39,153)	19,046
Owing to CHEO - Applied Behaviour Analysis	(40,201)	40,201
Deferred contributions	<u>17,710</u>	<u>28,900</u>
	<u>705,832</u>	<u>13,631</u>
Investing activities		
Purchase of investments	(1,226,838)	(1,921,123)
Investments matured	1,896,123	1,780,756
Purchase of property and equipment	<u>(779,475)</u>	<u>(292,759)</u>
	<u>(110,190)</u>	<u>(433,126)</u>
Financing activities		
Grants received for purchase of property and equipment	<u>646,189</u>	<u>120,793</u>
INCREASE (DECREASE) IN CASH	1,241,831	(298,702)
CASH, BEGINNING OF YEAR	<u>1,148,535</u>	<u>1,447,237</u>
CASH, END OF YEAR	<u>\$ 2,390,366</u>	<u>\$ 1,148,535</u>

(See accompanying notes)

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

1. STATEMENT OF PURPOSE

The Ottawa Children's Treatment Centre Incorporated/Centre de traitement pour enfants d'Ottawa is a non-profit organization which provides accessible and integrated rehabilitation and developmental services and supports for children and youth and some specific adults who require support with physical, developmental and/or communication needs in partnership with families and the broader children's services system. Clients reside in Eastern Ontario including Ottawa, Renfrew County, Eastern Counties and North Lanark.

The Centre is a registered charity and is, under section 149 of the Income Tax Act, exempt from the payment of income taxes.

2. ACCOUNTING POLICIES

Basis of accounting and presentation

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:

Revenue recognition

The financial statements have been prepared using the deferral method of revenue recognition for restricted contributions. Such contributions are recognized as revenue in the year which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The Centre initially measures its financial assets and liabilities at fair value adjusted by transaction costs. The Centre subsequently measures all its non-cash financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

Property and equipment, deferred grants and amortization

Property and equipment are stated on the balance sheet at acquisition cost net of accumulated amortization. Amortization is provided on: major equipment using the straight-line method applied on the estimated useful life of the equipment with a range of 5 to 15 years, leasehold improvements over the term of the lease (including renewal options) and on the buildings using the straight-line method applied over 40 years. Grants received specifically for acquisition of property and equipment are deferred and amortized using the same basis as the respective asset.

Legislative grants

The legislative grants calculations are prepared annually by the Centre and submitted to the different Ministries and the City of Ottawa for final approval. Adjustments, if any, are recorded in the year they are made by the grantor.

Operating Fund

The Operating Fund accounts for the Centre's program and administered programs including administrative activities funded by the various Ministries and the City of Ottawa.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2016

2. ACCOUNTING POLICIES - Cont'd.

Capital Fund

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Centre's property and equipment. It also includes all donations received from the Foundation and the public as well as expenses for programs not funded by any of the various ministries or the City of Ottawa.

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 the Centre's 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.

Measurement uncertainty

The financial statements include a provision for employee related liabilities with respect to an estimate of future settlements. Management's best estimate of the amounts that will be owing to employees has been reflected in these statements. Any differences between the amount accrued and actual results will be charged or credited to operations in the year of settlement.

3. FINANCIAL INSTRUMENTS

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre risk exposures and concentrations. The Centre does not use derivative financial instruments to manage risks.

Credit risk

The Centre is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the organization could incur a financial loss.

The maximum exposures of the Centre to credit risk are only to the extent of its carrying value of cash, amounts receivable, and investments.

Credit risk associated with cash and investments is minimized substantially by ensuring that these assets are invested in financial obligations of: governments; major financial institutions that have been accorded investment grade ratings by a primary rating agency; and/or other credit-worthy parties. An ongoing review is performed to evaluate changes in the status of the issuers of securities authorized for investment under the investment policy of the organization.

Management believes concentration of credit risk with respect to amounts receivable is limited due to credit quality of the parties extended credit.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2016

3. FINANCIAL INSTRUMENTS - Cont'd.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet a demand for cash or fund its obligations as they become due. Liquidity risk also includes risk of the organization not being able to liquidate assets in a timely manner at a reasonable price.

The Centre meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipating 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) 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 primary objective of the Centre with respect to its investments in fixed income investments is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory investment return.

The Centre manages the interest rate risk exposure of its fixed income securities and term deposits by using a portfolio with varying terms to maturity.

ii) Currency risk

Currency 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 the value of the Canadian dollar with respect to other currencies.

The Centre's investments 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.

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 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.

Changes in risk

There have been no substantial changes in the Centre's risk exposures from the prior year.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2016

4. INVESTMENTS

Investments consist of:

	<u>2016</u>	<u>2015</u>
GICs		
B2B Bank - 2.10%, due January 9, 2017	\$ 102,580	\$ 100,446
General Bank of Canada - 2.01%, due January 9, 2017	102,469	100,446
Equitable Bank - 1.60%, due February 6, 2017	101,840	100,232
Vancity Savings - 1.45%, due February 6, 2017	152,501	150,316
Advisor's Advantage - 1.40%, due February 23, 2017	100,142	-
HSBC Bank - 1.40%, due February 23, 2017	100,142	-
National Bank of Canada - 1.40%, due February 23, 2017	57,081	-
Mcan Mortgage Corp - 1.80%, due March 23, 2017	100,035	100,039
Pacific & Western Bank of Canada - 1.71%, due March 23, 2017	101,747	100,037
Effort Trust - 2.05%, due June 12, 2017	101,652	-
Laurentian Bank - 1.90%, due June 12, 2017	101,531	-
Scotiabank - 1.60%, due September 28, 2017	60,487	-
ICICI Bank - 1.72%, due September 28, 2017	100,872	-
Tangerine Bank - 1.75%, due September 28, 2017	100,887	-
Equity Financial Trust - 1.83%, due January 15, 2018	100,390	-
Home Trust Company - 1.75%, due January 15, 2018	100,373	-
CFF Bank - 1.55%, due March 21, 2018	100,042	-
Community Trust - 1.75%, due March 21, 2018	100,048	-
Manulife Bank - variable interest, due March 21, 2018	100,001	-
Matured in year	<u>-</u>	<u>1,902,589</u>
Less: current portion	<u>1,884,820</u>	<u>2,554,105</u>
	<u>918,537</u>	<u>1,562,376</u>
	<u>\$ 966,283</u>	<u>\$ 991,729</u>

Other revenue includes interest income of \$51,662 (2015 - \$57,837).

5. PROPERTY AND EQUIPMENT

	<u>2016</u>		<u>2015</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Building	\$ 2,566,186	\$ 1,287,092	\$ 1,716,186	\$ 1,258,121
Equipment	1,705,057	1,347,671	1,664,744	1,201,428
Leasehold improvements	802,576	485,587	739,620	441,413
Site development costs	-	-	173,794	-
	<u>5,073,819</u>	<u>\$ 3,120,350</u>	<u>4,294,344</u>	<u>\$ 2,900,962</u>
Accumulated amortization	<u>3,120,350</u>		<u>2,900,962</u>	
	<u>\$ 1,953,469</u>		<u>\$ 1,393,382</u>	

Under the terms of the lease with the Children's Hospital of Eastern Ontario for the Centre's rental space in the Max Keeping Building, a portion of the costs of leasehold improvements may be recovered should the lease be terminated by them prior to 2022. The Centre has the option of terminating the lease. The portion of refund available at March 31, 2016 is \$187,657 and is reduced on a straight line basis until 2022.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2016

6. DEFERRED CONTRIBUTIONS

Deferred contributions represents the following:

	<u>Unexpended grants from previous year</u>	<u>Grants received in year</u>	<u>Amount expended in year</u>	<u>Unexpended balance</u>
Clinic for Augmentative Communications	\$ 70,914	\$ -	\$ -	\$ 70,914
Caution Parent Learning	50,936	56,504	56,504	50,936
Preschool	90,166	-	184	89,982
Other programs	<u>107,795</u>	<u>118,473</u>	<u>114,343</u>	<u>111,925</u>
	319,811	174,977	171,031	323,757
Capital programs	<u>508,681</u>	<u>252,276</u>	<u>238,512</u>	<u>522,445</u>
	<u>\$ 828,492</u>	<u>\$ 427,253</u>	<u>\$ 409,543</u>	<u>\$ 846,202</u>

7. DEFERRED GRANTS

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 1,294,034	\$ 1,365,053
Add:		
Contributions deferred in year for property and equipment asset purchases	646,189	120,793
Less:		
Amortization of deferred contributions related to property and equipment	<u>(201,866)</u>	<u>(191,812)</u>
Balance, end of year	<u>\$ 1,738,357</u>	<u>\$ 1,294,034</u>

8. OTTAWA CHILDREN'S TREATMENT CENTRE FOUNDATION

The Ottawa Children's Treatment Centre Foundation is a not-for-profit charitable organization that was established to raise funds for capital expansion, equipment needs, expanded client programs, research, publications and education for the Centre. As a result, the Centre has an economic interest in the Foundation. However, each organization is separately managed and reports to separate Boards of Directors. These financial statements do not include the assets, liabilities or operations of the Foundation.

The Foundation distributed \$244,032 (2015 - \$168,000) of funds to the Centre. Combined with unexpended grants from prior years, \$238,512 was spent in the year, \$65,126 of which was used to support programs in the operating fund. The Foundation had net assets of approximately \$652,000 at March 31, 2016.

9. PENSION PLAN

All full-time employees of the Centre, except those seconded from outside school boards, are required to be members of the Hospitals of Ontario Pension Plan which is a multi-employer final average pay contributory pension plan. Eligible part-time employees may also be voluntary members of the plan. Employer contributions made to the Plan during the year by the Centre amounted to \$1,073,761 (2015 - \$1,021,087). These amounts are included with applicable salaries in the statement of revenue and expenses and fund balances. The most recent actuarial valuation of the plan at December 31, 2015 indicates the plan is fully funded with no increases to contribution rates until at least the end of 2016.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2016

10. COMMITMENTS

The Centre has entered into a contract for information technology support until March 2018. The annual payments under this contract, exclusive of any applicable taxes, are as follows:

2017	\$ 376,971
2018	<u>384,327</u>
	<u>\$ 761,298</u>

The Centre has entered into lease agreements for satellite locations with ending in various fiscal years until 2021. The aggregate amount of minimum annual lease payments, exclusive of the applicable taxes, for the next five years are as follows:

2017	\$ 315,186
2018	278,026
2019	242,445
2020	55,449
2021	<u>36,966</u>
	<u>\$ 928,072</u>

It is currently management's intention to renew the leases. The above figures do not reflect the future costs of leases that have not yet been renewed.

The Centre has leased land at 395 Smyth Road from the Children's Hospital of Eastern Ontario for \$1 per year until 2017.

11. SUBSEQUENT EVENT

Subsequent to the year-end, the Ottawa Children's Treatment Centre and the Children's Hospital of Eastern Ontario (CHEO) announced plans to amalgamate both organizations with the date of the amalgamation targeted for the fall of 2016. Transition plans will ensue with full amalgamation expected by April 2018.

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

SCHEDULE A - REVENUE AND EXPENSES FOR CITY OF OTTAWA PRESCHOOL PROGRAM

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
Revenue		
City of Ottawa	\$ 471,299	\$ 428,004
Preschool fees	<u>2,640</u>	<u>3,000</u>
	<u>473,939</u>	<u>431,004</u>
Expenses		
Direct salaries and benefits	405,708	365,820
Administrative	60,871	60,871
Other operating	<u>7,360</u>	<u>4,313</u>
	<u>473,939</u>	<u>431,004</u>
Excess of revenue over expenses for the year	<u>\$ -</u>	<u>\$ -</u>

OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA

SCHEDULE B - REVENUE AND EXPENSES FOR CITY OF OTTAWA REGIONAL PRESCHOOL PROGRAM
YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
Revenue		
City of Ottawa	\$ <u>569,700</u>	\$ <u>503,888</u>
Expenses		
Direct salaries and benefits	525,033	458,495
Administrative	28,896	28,896
Other operating	<u>15,771</u>	<u>16,497</u>
	<u>569,700</u>	<u>503,888</u>
Excess of revenue over expenses for the year	\$ <u>-</u>	\$ <u>-</u>

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**

SCHEDULE C - REVENUE AND EXPENSES FOR APPLIED BEHAVIOUR ANALYSIS PROGRAM

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
Revenue		
Applied Behaviour Analysis Program	<u>\$ 497,757</u>	<u>\$ 478,539</u>
Expenses		
Direct salaries and benefits	491,148	472,031
Other operating	<u>6,609</u>	<u>6,508</u>
	<u>497,757</u>	<u>478,539</u>
Excess of revenue over expenses for the year	<u>\$ -</u>	<u>\$ -</u>

**OTTAWA CHILDREN'S TREATMENT CENTRE/
CENTRE DE TRAITEMENT POUR ENFANTS D'OTTAWA**
SCHEDULE OF REVENUE AND EXPENSES BY MINISTRY DETAIL CODE
YEAR ENDED MARCH 31, 2016

	9132 DS - Prof and Specialized Services	9253 SCS-Children Behaviour Intervention	9256 SCS - Children Assessment & Counselling	A476 SCS - Children Infant Development	A510 Out-of-Home Respite Services	A596 Other ASD Supports	A597 ASD Respite Services	Non-MCSS amounts	Total per audited financial statements
Revenue									
Ministry of Children and Youth Services/ Ministry of Community and Social Services/ - Physical Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Developmental Services	487,377	1,040,064	1,815,089	911,690	392,526	27,408	97,200	\$ 9,922,652	\$ 9,922,652
Ministry of Education	-	-	-	-	-	-	-	2,004,810	4,771,354
City of Ottawa - Preschool	-	-	-	-	-	-	-	471,299	2,004,810
Preschool fees	-	-	-	-	-	-	-	2,640	471,299
City of Ottawa - Regional Preschool	-	-	-	-	-	-	-	569,700	2,640
Preschool Speech & Language Program	-	-	-	-	-	-	-	193,248	569,700
Blind/Low Vision Program	-	-	-	-	-	-	-	133,000	193,248
Applied Behaviour Analysis Program	-	-	-	-	-	-	-	497,757	133,000
Other programs	-	-	-	-	-	-	-	217,177	497,757
Donations - general	-	-	-	-	-	-	-	100	217,177
Foundation donations	-	-	-	-	-	-	-	65,126	100
- Physical rehabilitation	-	-	-	-	-	-	-	144,473	65,126
- Other programs	-	-	-	-	-	-	-	146,288	144,473
Amortization of deferred grants	-	490	908	610	1,082	-	-	20,343	146,288
- equipment	-	-	-	-	-	-	-	35,985	20,343
- building	-	-	-	-	-	-	-	216,460	35,985
- leasehold improvements	-	-	-	720	-	-	-	26,173	216,460
Other	-	-	-	-	-	-	-	9,098	26,173
- Physical Rehabilitation	-	-	-	-	-	-	-	216,460	9,098
- Development Services	-	-	-	-	-	-	-	26,173	216,460
- Ministry of Education	-	781	-	-	-	-	-	902	26,173
- Other programs	-	-	-	-	-	-	-	19,448,585	902
Expenses									
Direct salaries and benefits	487,377	1,041,335	1,815,997	913,020	393,608	27,408	104,797	14,665,043	19,448,585
Administrative	440,518	743,641	1,662,304	728,835	161,505	26,991	95,148	10,575,948	14,434,890
Less allocated to operating	-	219,337	191,573	146,885	18,225	-	-	3,224,934	3,800,954
	-	(90,001)	(44,901)	(58,976)	-	-	-	(193,878)	(193,878)
	-	129,336	146,672	87,909	18,225	-	-	3,224,934	3,607,076
Other operating	9,377	37,637	40,322	37,300	213,878	417	9,649	874,033	1,222,613
Allocated from administrative	-	90,001	44,901	58,976	-	-	-	-	193,878
	9,377	127,638	85,223	96,276	213,878	417	9,649	874,033	1,416,491
	449,895	1,000,615	1,894,199	913,020	393,608	27,408	104,797	14,674,915	19,458,457
Excess of revenue over expenses (expenses over revenue)	\$ 37,482	\$ 40,720	\$ (78,202)	\$ -	\$ -	\$ -	\$ -	\$ (9,872)	\$ (9,872)