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Financial statements of  
North East Local Health  
Integration Network  
O/A Home and Community Care  
Support Services North East

March 31, 2022

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## Independent Auditor's Report

To the Board of Directors of  
North East Local Health Integration Network  
O/A Home and Community Care Support Services North East

### **Audit Opinion**

We have audited the accompanying financial statements of North East Local Health Integration Network O/A Home and Community Care Support Services North East (the "LHIN"), which comprise the statement of financial position as at March 31, 2022 and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2022, and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 LHIN 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.

### **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 Canadian public sector accounting standards, 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 LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the LHIN'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 GAAS 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 GAAS, 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 LHIN'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 LHIN'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 LHIN 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.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
June 22, 2022

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Statement of financial position**  
As at March 31, 2022

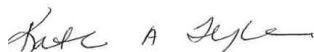
	Notes	2022 \$	2021 \$
<b>Assets</b>			
Current assets			
Cash		23,444,820	21,769,187
Due from Ministry of Health ("MOH")		2,839,577	166,325,360
Accounts receivable		1,260,631	1,371,039
Prepaid expenses		1,418,431	1,491,152
		<b>28,963,459</b>	190,956,738
Capital assets	4	57,992	309,199
		<b>29,021,451</b>	191,265,937
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities		16,844,225	14,269,733
Due to Health Service Providers ("HSPs")			166,325,360
Due to MOH	5	12,103,056	10,345,467
		<b>28,947,281</b>	190,940,560
Employee future benefits	7	4,420,002	4,549,479
Deferred capital contributions	6	57,992	309,199
		<b>33,425,275</b>	195,799,238
Commitments and contingencies	8 and 9		
<b>Net assets</b>		<b>(4,403,824)</b>	(4,533,301)
		<b>29,021,451</b>	191,265,937

The accompanying notes are an integral part of the financial statements.

Approved by the Board



Joe Parker, Board Chair



Kate Fyfe, Audit and Information Committee Chair

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Statement of operations**  
Year ended March 31, 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
Revenue from continuing operations			
MOH funding - operations and initiatives		<b>166,171,077</b>	158,527,797
Ontario Health Cancer Care Division		<b>242,887</b>	445,555
Amortization of deferred capital contributions	6	<b>251,207</b>	256,170
Other revenue		<b>669,476</b>	1,364,740
		<b>167,334,647</b>	160,594,262
Revenue from transferred operations	3		
MOH funding - transfer payments		—	1,752,190,662
MOH funding - operations and initiatives		—	5,818,225
<b>Total revenue</b>		<b>167,334,647</b>	1,918,603,149
<b>Expenses</b>			
Expenses from continuing operations			
Operations and Initiatives			
Contracted out			
In-home/clinic services		<b>76,298,329</b>	72,313,654
School services		<b>607,976</b>	374,264
Hospice services		<b>8,943,660</b>	6,289,992
Salaries and benefits		<b>62,391,220</b>	60,774,311
Medical supplies		<b>9,778,143</b>	10,782,992
Medical equipment rental		<b>3,634,812</b>	3,756,422
Supplies and sundry		<b>3,289,183</b>	3,968,917
Building and grounds		<b>2,010,640</b>	2,080,257
Amortization		<b>251,207</b>	256,170
		<b>167,205,170</b>	160,596,979
Expenses from transferred operations	3		
HSP transfer payments		—	1,752,190,662
Contracted services		—	946,159
Salaries and benefits		—	4,655,305
Supplies and sundry		—	141,346
Building and grounds		—	75,415
<b>Total expenses</b>		<b>167,205,170</b>	1,918,605,866
<b>Excess (deficiency) of revenue over expenses</b>		<b>129,477</b>	(2,717)

The accompanying notes are an integral part of the financial statements.

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Statement of changes in net assets**  
Year ended March 31, 2022

	<b>Unrestricted</b>	<b>Employee</b>	<b>Internally</b>	<b>2022</b>	2021
	<b>\$</b>	<b>benefits</b>	<b>restricted</b>	<b>Total</b>	Total
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Net assets, beginning of year</b>	—	<b>(4,549,479)</b>	<b>16,178</b>	<b>(4,533,301)</b>	(4,530,584)
Excess (deficiency) of revenue over expenses	—	<b>129,477</b>	—	<b>129,477</b>	(2,717)
<b>Net assets, end of year</b>	—	<b>(4,420,002)</b>	<b>16,178</b>	<b>(4,403,824)</b>	(4,533,301)

The accompanying notes are an integral part of the financial statements.

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Statement of cash flows**  
Year ended March 31, 2022

	Notes	2022 \$	2021 \$
<b>Operating activities</b>			
Excess (deficiency) of revenue over expenses		129,477	(2,717)
Less: amounts not affecting cash			
Amortization of capital assets	4	251,207	256,170
Amortization of deferred capital contributions	5	(251,207)	(256,170)
		<b>129,477</b>	<b>(2,717)</b>
Change in non-cash working capital items	10	1,546,156	1,942,082
		<b>1,675,633</b>	<b>1,939,365</b>
<b>Investing activities</b>			
Purchase of capital assets	4	—	(23,844)
<b>Financing activity</b>			
Increase in deferred capital contributions	5	—	23,844
Net change in cash		<b>1,675,633</b>	1,939,365
Cash, beginning of year		<b>21,769,187</b>	19,829,822
<b>Cash, end of year</b>		<b>23,444,820</b>	21,769,187

The accompanying notes are an integral part of the financial statements.



**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Notes to the financial statements**  
March 31, 2022

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**1. Description of Business**

The North East Local Health Integration Network was incorporated by letters patent on June 2, 2005 as a corporation without share capital. Following Royal Assent on March 28, 2006 to the Local Health System Integration Act, 2006, S.O. 2006, c. 4 - Bill 36, it was continued as the North East Local Health Integration Network ("LHIN") and the letters patent issued to constitute the corporation continued by this Act were extinguished.

Effective June 21, 2017, the Minister of Health and Long-Term Care issued a transfer order under section 34.2 of the Local Health System Integration Act, 2006 ("LHSIA") and ordered all assets, liabilities, rights and obligations, and all records relating thereto, and all employees of the North East Community Care Access Centre and related records, rights and obligations to be transferred from the North East Community Care Access Centre to the North East LHIN.

On March 7, 2019, the Orders in Council appointing individuals to the Board of Directors of the North East LHIN were revoked, and members of the Board of Directors of Ontario Health ("OH") were cross-appointed to the North East LHIN. The OH Board continued in this capacity until July 1, 2021 when individuals newly appointed to the North East LHIN Board of Directors took effect.

On March 17, 2021, the Ontario Minister of Health issued a transfer order under subsection 40(1) of the Connecting Care Act, 2019, in which the Minister ordered specific assets, liabilities, rights and obligations to be transferred from North East LHIN to Ontario Health. The items transferred were primarily associated with health system planning, funding, and integration of the local health system in its geographic area. In addition, certain staff positions of the North East LHIN were transferred to Ontario Health.

On July 8, 2020, the Connecting People to Home and Community Care Act, 2020 received Royal Assent. This Act made legislative amendments to the Connecting Care Act, 2019 relating to home and community care and, on May 1, 2022, O. Reg. 187/22 Home and Community Care Services under the Connecting Care Act, 2019 was proclaimed into force. On the same day, the Home Care and Community Services Act, 1994 and regulations thereunder were repealed and are no longer in force. Most provisions of O. Reg. 187/22 have come into force, and some provisions are anticipated to come into force on September 1, 2022.

The North East LHIN is a Crown agent and may exercise its powers only as an agent of the Crown. Limits on the North East LHIN's ability to undertake certain activities are set out in LHSIA. As an agent of the Crown, the North East LHIN is not subject to income taxation.

North East LHIN now operates under the business name Home and Community Care Support Services North East and is responsible for the provision of home and community care services within its geographic area.

The mandate of the North East LHIN includes the following:

*Provision of community services:*

These services include the provision of health and related services, medical supplies and equipment for the care of persons in home and community settings, and goods and services to assist caregivers in the provision of care for such persons. As well, its mandate includes managing the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and providing information to the public about, and making referrals to, health and social services.

The North East LHIN has entered into an Accountability Agreement with the Ministry of Health ("MOH"), as required under section 18 of LHSIA, and a Memorandum of Understanding, which provides the framework for North East LHIN's accountabilities and activities.

## **2. Significant accounting policies**

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series for government not-for-profit organizations, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

### *Revenue recognition*

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collected is reasonably assured.

### *Ministry of Health Funding*

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the MLAA, the LHIN is economically dependent on the MOH.

LHIN Financial Statements include LHIN operating funds included in the Ministry-LHIN Accountability Agreement.

### *Capital assets*

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvement	Over the lease term

For assets acquired or brought into use, during the year, amortization is provided for a half year.

### *Deferred capital contributions*

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

### *Financial instruments*

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of operations.

## **2. Significant accounting policies (continued)**

### *Employee future benefits*

The LHIN accrues its obligations for sick leave and post-employment benefit plans as the employees render the services necessary to earn the benefits. The actuarial determination of the accrued benefit obligations uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). Under this method, the benefit costs are recognized over the expected average service life of the employee group.

Actuarial gains and losses on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the future actuarial gains and losses will be amortized over the estimated average remaining service life of the employees (7.4 to 11.6 years). The most recent actuarial valuation of the sick leave plan and the benefit plan was as of March 31, 2021.

Substantially all of the employees of the LHIN are eligible to be members of the Health Care of Ontario Pension Plan ("HOOPP"), which is a multi-employer, defined benefit, final average earnings and contributory pension plan. Defined contribution plan accounting is applied to HOOPP as the LHIN has insufficient information to apply defined benefit accounting.

### *Use of estimates*

The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

## **3. Restructuring**

On March 17, 2021 in accordance with subsection 40 (1) of the *Connecting Care Act, 2019* the Ontario Minister of Health issued a transfer order to the LHIN which transferred certain assets, liabilities, rights and obligations of the LHIN, primarily those associated with planning, funding and integration of the local health system in its geographic area, to Ontario Health. In addition, certain staff positions of the LHIN were also transferred to Ontario Health.

The LHIN has reported and disclosed the impact of the restructuring in accordance with Public Sector Accounting Standards section 3430 Restructuring Transactions. The revenue and expenses of the prior year relating to the restructured activities have been separately disclosed in the Statement of Operations and Changes in Net Assets. The net effect of the restructuring was nil. The liabilities transferred to Ontario Health relate primarily to employee salaries and benefits for the staff positions transferred and were immaterial.

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Notes to the financial statements**  
March 31, 2022

**4. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2022 Net book value</b>	2021 Net book value
	\$	\$	\$	\$
Furniture and equipment	<b>818,729</b>	<b>787,164</b>	<b>31,565</b>	49,214
Computer equipment	<b>1,228,576</b>	<b>1,202,149</b>	<b>26,427</b>	71,864
Leasehold improvements	<b>3,222,618</b>	<b>3,222,617</b>	<b>—</b>	188,121
	<b>5,269,922</b>	<b>5,211,930</b>	<b>57,992</b>	309,199

**5. Due to MOH**

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Any funding received in excess of expenses incurred, is required to be returned to the MOH. All interest income earned by the LHIN is payable to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	<b>2022</b>	2021
	\$	\$
Due to MOH, beginning of year	<b>10,345,467</b>	3,467,422
Funding received from MOH	<b>—</b>	208,590
Funding repaid to MOH	<b>(2,152,934)</b>	—
Funding repayable to the MOH related to current year activities	<b>3,910,523</b>	6,669,455
Due to MOH, end of year	<b>12,103,056</b>	10,345,467

**6. Deferred capital contributions**

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	<b>2022</b>	2021
	\$	\$
Balance, beginning of year	<b>309,199</b>	541,525
Capital contributions received during the year	<b>—</b>	23,844
Amortization for the year	<b>(251,207)</b>	(256,170)
Balance, end of year	<b>57,992</b>	309,199

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Notes to the financial statements**  
 March 31, 2022

**7. Employee future benefits**

The North East Local Health Integration Network provides for the reimbursement of medical and some life insurance expenses to certain retired employees provided that specified conditions are met. The LHIN provides 50% of accumulated sick leave entitlement not taken by certain employees, on their departure, provided certain conditions are met. The LHIN provided for a non-vesting benefit where it accrues to employees. An actuarial calculation of the future liabilities thereof has been made and forms the basis for the liability reported in these financial statements.

The significant assumptions used are as follows (weighted-average):

	<b>Vested and non-vested sick leave</b>	<b>Post-employment benefit obligation</b>
Discount rate	<b>3.89%</b>	<b>3.89%</b>
Rate of compensation increases	<b>3%</b>	<b>3%</b>
Health care costs trend rate		<b>6% trending to 4.5% over an 8 year period</b>

Information about the LHIN's benefit plans in aggregate is as follows:

	<b>Vested and non-vested sick leave</b>	<b>Other employee future benefits</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, beginning of year	<b>2,731,290</b>	<b>1,818,189</b>	<b>4,549,479</b>
Benefit cost	<b>142,577</b>	<b>41,594</b>	<b>184,171</b>
Interest paid	<b>80,804</b>	<b>32,945</b>	<b>113,749</b>
Benefits paid	<b>(191,397)</b>	<b>(43,776)</b>	<b>(235,173)</b>
Amortization of actuarial gains	<b>(38,899)</b>	<b>(153,325)</b>	<b>(192,224)</b>
Employee future benefit liability March 31, 2021	<b>2,724,375</b>	<b>1,695,627</b>	<b>4,420,002</b>
Obligation	<b>2,454,722</b>	<b>997,631</b>	<b>3,452,353</b>
Unamortized net actuarial gains	<b>269,653</b>	<b>697,996</b>	<b>967,649</b>
Employee future benefit liability March 31, 2021	<b>2,724,375</b>	<b>1,695,627</b>	<b>4,420,002</b>

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Notes to the financial statements**  
 March 31, 2022

**7. Employee future benefits (continued)**

*Employee future benefits expense*

	<b>Vested and non-vested sick leave</b>	<b>Other employee future benefits</b>	<b>Total</b>
	\$	\$	\$
Benefit cost	<b>142,577</b>	<b>41,594</b>	<b>184,171</b>
Interest on accrued benefit obligation	<b>80,804</b>	<b>32,945</b>	<b>113,749</b>
Amortization charges	<b>(38,899)</b>	<b>(153,325)</b>	<b>(192,224)</b>
Employee future benefits expense	<b>184,482</b>	<b>(78,786)</b>	<b>105,696</b>

A total recovery (loss) of \$129,477 (2021 – (\$2,717)) is included in the statement of operations. The Ministry does not fund the full actuarial expense, but rather the actual payments made during the year. The funded portion of the overall expense is reported through the unrestricted fund. The overfunded portion is reported in the employment benefit fund as follows:

	<b>Vested and non-vested sick leave</b>	<b>Other future benefits</b>	<b>Total</b>
	\$	\$	\$
Benefit expense (recovery)	<b>184,482</b>	<b>(78,786)</b>	<b>105,696</b>
Funded portion of expense	<b>(191,397)</b>	<b>(43,776)</b>	<b>(235,173)</b>
Underfunded (overfunded) portion of expense	<b>(6,915)</b>	<b>(122,562)</b>	<b>(129,477)</b>

**8. Commitments**

The LHIN has commitments under various operating leases extending to fiscal 2024 as follows

	\$
2023	1,510,093
2024	553,155
	<u>2,063,248</u>

**9. Contingencies**

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

**North East Local Health Integration Network**  
**O/A Home and Community Care Support Services North East**  
**Notes to the financial statements**  
 March 31, 2022

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**10. Change in non-cash working capital items**

	2022 \$	2021 \$
Due from MOH	(2,839,577)	—
Accounts receivable	110,408	(529,973)
Prepaid expenses	72,721	(1,268,650)
Accounts payable and accrued liabilities	2,574,492	(3,140,057)
Due to MOH	1,757,589	6,878,045
Employee future benefits	(129,477)	2,717
Change in non-cash working capital items	<b>1,546,156</b>	<b>1,942,082</b>

**11. Pension plan**

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 738 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2022 was \$4,405,731 (\$4,753,976 in 2021) for current service costs and is included as an expense in the 2022 Statement of financial operations. The last actuarial valuation was completed for the plan as of December 31, 2021. At that time, the plan was 120% funded.

**12. Financial risk**

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

**13. Accumulated non-vesting sick pay**

The accumulated non-vesting sick pay comprises the sick pay benefits that accumulate but do not vest. These adjustments are not funded by the MOH.

**14. Guarantees**

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

**15. Comparative figures**

Certain of prior year's comparative figures have been reclassified to conform to the current year's presentation.