

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

FINANCIAL STATEMENTS

MARCH 31, 2020

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

MARCH 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors of the Ontario Health Quality Council o/a Health Quality Ontario

Opinion

We have audited the accompanying financial statements of Ontario Health Quality Council o/a Health Quality Ontario, which comprises the statement of financial position as at March 31, 2020, and the statements of operations and surplus, change in net debt, and cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ontario Health Quality Council o/a Health Quality Ontario as at March 31, 2020, and the results of its operations and surplus, change in its net debt, and its cash flows for the year then ended in accordance with the Canadian public sector accounting standards.

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 Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Entity 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 these 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with the governance are responsible for overseeing the organizations financial reporting process.

Auditor's Responsibility 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 these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards,



Loftus Allen & Co. Professional Corporation
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT *continued*

Auditor's Responsibility for the Audit of the Financial Statements - *continued*

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 Entity'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 Entity'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 Entity 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Emphasis of a Matter

As discussed in notes 1 and 3, on December 1, 2019 the Entity was fully merged into Ontario Health. It transferred all of its assets and liabilities to this successor organization. Also indicated on note 1, the Entity was formally dissolved on March 31, 2020.

*Loftus Allen & Co
Professional Corporation*

Toronto, Ontario
June 24, 2020

Chartered Professional Accountants,
authorized to practice public accounting by
Chartered Professional Accountants of Ontario

ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

(with comparative figures for 2019)

	2020	2019
	(Note 3)	
FINANCIAL ASSETS		
Cash	\$ -	\$ 8,672,012
Recovery of transfer payment	-	142,492
Due from the Ministry of Health and Long-Term Care ("MOH"), <i>note 4</i>	-	103,602
Harmonized sales tax receivable	-	198,384
	-	9,116,490
LIABILITIES		
Accounts payable and accrued liabilities	-	3,541,787
Due to the MOH, <i>note 4</i>	-	3,620,590
Deferred capital contributions:		
Deferred revenue, <i>note 5</i>	-	1,954,113
Invested in tangible capital assets, <i>note 5</i>	-	1,066,994
	-	10,183,484
NET FINANCIAL ASSETS (DEBT), <i>note 7</i>	-	(1,066,994)
COMMITMENTS, <i>note 8</i>		
NON-FINANCIAL ASSETS		
TANGIBLE CAPITAL ASSETS, <i>note 6</i>	-	1,066,994
	-	1,066,994
ACCUMULATED SURPLUS	\$ -	\$ -

APPROVED ON BEHALF OF THE BOARD:



Director



Director

The attached notes are an integral part
of these financial statements

ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO

STATEMENT OF OPERATIONS AND SURPLUS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for 2019)

	2020	2019
REVENUE		
Ministry of Health	\$22,378,017	\$54,335,105
Decrease in capital contributions, <i>note 5</i>	308,656	396,930
One time transition funding, <i>note 5</i>	284,466	-
In-year recovery of funding by the Ministry of Health	-	(6,298,000)
Year end recovery of funding by the Ministry of Health, <i>note 4</i>	-	(3,389,867)
Interest income, <i>note 4</i>	190,888	230,723
	23,162,027	45,274,891
EXPENSES		
<i>Legislated Mandates</i>		
Evidence Development and Recommendations on Clinical Care Standards and Funding for Health Care Services and Medical Devices	6,421,761	8,728,998
Monitoring and Reporting to the People of Ontario on Health System Performance	3,142,140	5,603,059
Promoting Enhanced Patient Relations in Health Sector Organizations	377,866	704,476
Supporting Continuous Quality Improvement	6,005,541	15,594,504
<i>Office of the Patient Ombudsman</i>		
Receive, Respond, Facilitate Resolutions, and Conduct Investigations of Patient Complaints	1,921,024	3,072,915
<i>Supporting Infrastructure for Both Organizations</i>		
Governance and Operations	5,102,807	11,340,216
<i>Interest owed to the Ministry of Health, note 4</i>	190,888	230,723
	23,162,027	45,274,891
SURPLUS	\$ -	\$ -

The attached notes are an integral part
of these financial statements

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

**STATEMENT OF CHANGE IN NET DEBT
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for 2019)**

	2020	2019
ANNUAL SURPLUS	\$ -	\$ -
ACQUISITION OF TANGIBLE CAPITAL ASSETS	(94,598)	(194,564)
TRANSFER NET TANGIBLE CAPITAL ASSETS TO ONTARIO HEALTH, <i>note 3</i>	852,936	-
AMORTIZATION OF TANGIBLE CAPITAL ASSETS, <i>note 5</i>	308,656	765,553
DECREASE (INCREASE) IN NET DEBT	1,066,994	570,989
NET DEBT, BEGINNING OF YEAR	(1,066,994)	(1,637,983)
NET DEBT, END OF YEAR - <i>note 7</i>	\$ -	\$ (1,066,994)

The attached notes are an integral part
of these financial statements

ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for 2019)

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ -	\$ -
Less: items not affecting cash		
Amortization of tangible capital assets, <i>note 5</i>	308,656	765,553
Non-cash balances transferred to Ontario Health, <i>note 3</i>	(14,731,286)	-
	(14,422,630)	765,553
Changes in non-cash operating items		
Due from the MOH regarding funding	103,602	(84,610)
Harmonized sales tax receivable	88,195	260,848
Recovered (Recovery) of transfer payments	142,492	(142,492)
Prepaid expenses	(175,110)	-
Accounts payable and accrued liabilities	(1,478,887)	(3,695,288)
Due to the MOH	-	3,327,790
Due to the MOH - interest revenue	190,888	-
Deferred revenue	7,567,158	-
Cash provided by operating transactions	(7,984,292)	431,801
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(94,598)	(194,564)
FINANCING TRANSACTIONS		
(Decrease) Increase in deferred capital contributions - deferred revenue <i>note 5</i>	(379,064)	174,059
(Decrease) in deferred capital contributions - invested in tangible capital assets <i>note 5</i>	(214,058)	(570,989)
Cash applied to financing transactions	(593,122)	(396,930)
(DECREASE) INCREASE IN CASH	(8,672,012)	(159,693)
CASH, beginning of year	8,672,012	8,831,705
CASH, end of year	\$ -	\$ 8,672,012

The attached notes are an integral part
of these financial statements

ONTARIO HEALTH QUALITY COUNCIL o/a HEALTH QUALITY ONTARIO

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2020

1. THE ORGANIZATION

(a) On March 15, 2020, the Ontario Minister of Health signed an order, effective as of the last instant of March 31, 2020, which dissolved Ontario Health Quality Council o/a Health Quality Ontario under Part V of the *Connecting Care Act* (the "CCA") of 2019.

(b) On May 30, 2019, the "CCA" was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including Health Quality Ontario, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of Health Quality Ontario. The board of directors of Ontario Health will oversee the transition process of transferring multiple provincial agencies into Ontario Health.

On November 13, 2019, the Minister issued transfer orders to five provincial agencies, including Health Quality Ontario. Effective December 2, 2019, the employees, assets, liabilities, rights and obligations of Health Quality Ontario were fully transferred to Ontario Health as disclosed in Note 3.

(c) Until December 1, 2019, Health Quality Ontario has been the provincial advisor on the quality of health care, providing advice to specific health sectors, the system at-large, and the Minister of Health on how to make health care better for patients and health care providers. Created as the Ontario Health Quality Council through legislation on September 12, 2005, the Council was granted the business name Health Quality Ontario on February 15, 2011 after its mandate expanded under additional legislation. Under that legislation, the mandate was to:

- Report to the public on how the health system is performing,
- Find the best evidence of what works,
- Translate this evidence into concrete standards and tools that health care professionals and organizations can put into practice to support quality improvement.

In 2014, amendments were made to the legislation to establish a Patient Ombudsman in Ontario.

ONTARIO HEALTH QUALITY COUNCIL o/a HEALTH QUALITY ONTARIO

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020

1. THE ORGANIZATION - continued

The Patient Ombudsman office officially launched in July 2016. Legislation empowers the Patient Ombudsman to investigate, facilitate the resolution of, and report on complaints made by patients, former patients, and their caregivers that relate to the care or health care experience of the patient or former patient at a hospital, long-term care home, or home and community services coordinated by Local Health Integration Networks. The Patient Ombudsman has its own office, and Health Quality Ontario provides finance, human resources and information technology support.

On May 2, 2018, Health Quality Ontario and the Patient Ombudsman signed a Charter that effectively supported the separation of Patient Ombudsman operations with respect to physical office space, branding, and all aspects of the statutory mandate of the Patient Ombudsman and as defined in legislation.

In 2016, Health Quality Ontario's mandate expanded through legislation to include making recommendations to the Ministry of Health regarding clinical care (quality) standards. Health Quality Ontario delivers, within Ontario Health, on this expanded mandate in part through the Ontario Quality Standards Committee whose members included health care professionals and clinicians, as well as patients, caregivers and others whose lived experiences relate to the standards being addressed.

- (d) Health Quality Ontario exercised its powers only as, an agent of the crown. As an agent of the crown, Health Quality Ontario was not subject to income taxation. Limits on Health Quality Ontario's ability to undertake certain activities were set out in both the legislation and Memorandum of Understanding between Health Quality Ontario and the Ministry of Health.
- (e) These financial statements present the combined financial position and operations of Health Quality Ontario and Patient Ombudsman as they were legally one entity under the Ontario Health Quality Council, as defined in legislation. An independent audit of Patient Ombudsman confirmed appropriate due diligence of the financial statements of Patient Ombudsman.

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted by Health Quality Ontario are as follows:

(a) Basis of presentation

The financial statements of the organization have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs").

(b) Revenue recognition

The organization follows the deferral method of accounting for government funding. Income has been recognized as the funded expenditures were incurred. In accordance with the Ministry of Health guidelines, certain items had been recognized as expenses although the deliverables were not yet all received. These expenses were matched with the funding provided by the Ministry for this purpose.

(c) Government transfer payments

Government transfer payments from the Ministry of Health are recognized in the financial statements in the year in which the payment is authorized and the events giving rise to the transfer occurred, performance criteria were met, and reasonable estimates of the amount could be made. Certain amounts, including transfer payments from the Ministry, were received pursuant to legislation, regulation or agreement and could only be used in the conduct of certain programs or in the completion of specific work. Funding was only recognized as revenue in the fiscal year the related expenses were incurred or services performed.

(d) Deferred capital contributions

Any amounts received and committed to fund expenditures have been recorded as tangible capital assets, were initially recorded as deferred capital contributions and were recognized as revenue over the useful life of the asset reflective of the provision of its services. The amount recorded under

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

“revenue” in the Statement of Operations and Surplus, was in accordance with the amortization policy applied to the related capital asset recorded.

(e) Tangible capital assets

Tangible capital assets have been recorded at historic cost. Historic cost includes the costs directly related to the acquisition, design, construction, development, improvement or betterment of tangible capital assets. The cost of tangible capital assets contributed was recorded at the estimated fair value on date of contribution. Fair value of contributed tangible capital assets was estimated using the cost of the asset or, where more appropriate, using the asset's market or appraisal value. Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

Maintenance and repair costs have been recognized as an expense when incurred. Betterments or improvements that significantly increase or prolong the service life or capacity of a tangible capital asset have been capitalized. Computer software has been recognized as an expense when incurred.

Tangible capital assets have been stated at cost less accumulated amortization. Tangible capital assets have been amortized over their estimated useful lives as follows:

Office furniture and fixtures	5 years straight-line method
Computer equipment	3 years straight-line method
Leasehold improvements	Life of lease straight-line method

(f) Donated services

Value for donated services by voluntary workers have not been recorded in the financial statements. These services were not normally purchased by the organization and their fair value is difficult to determine.

**ONTARIO HEALTH QUALITY COUNCIL
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**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(g) Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the year. Estimates have been based on the best information available at the time of preparation of the financial statements and have been reviewed annually to reflect new information as it became available. Measurement uncertainty exists in these financial statements. Actual results of the successor organization (Ontario Health, notes 1 and 3) could differ from these estimates.

(h) Employee pension plans

The employees of Health Quality Ontario participate in the Public Service Pension Plan which is a defined benefit pension plan for the employees of the province and many provincial agencies. The province of Ontario, which is the sole sponsor of the Public Service Pension Plan, determines Health Quality Ontario's annual payments to the fund. Since Health Quality Ontario was not a sponsor of these funds, gains and losses arising from statutory actuarial funding valuations were not assets or obligations of Health Quality Ontario, as the sponsor is responsible for ensuring that the pension funds are financially viable. Health Quality Ontario's expense is limited to the required contributions to the Public Service Pension Plan as described in note 11.

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

3. TRANSFER TO ONTARIO HEALTH

As described in note 1 , on November 13, 2019, the Ministerial Order under the CCA transferred the employees, assets, liabilities, rights and obligations of the Organization to Ontario Health (sometimes referred to as the successor organization). This transfer took place on December 2, 2019 for no compensation. Below are the details of assets and liabilities transferred to Ontario Health based on their carrying values at December 1, 2019:

Cash	\$ 14,731,286
Harmonized sales tax receivable	110,189
<hr/>	
Financial Assets	14,841,475
<hr/>	
Prepaid expenses	175,110
Tangible Capital Assets, <i>note 6</i>	852,936
<hr/>	
Non-Financial Assets	1,028,046
<hr/>	
Total Assets	\$ 15,869,521
<hr style="border: 1px solid black;"/>	
Accounts payable and accrued liabilities	\$ 2,062,900
Due to MOH, <i>note 4</i>	3,620,590
Due to MOH, interest revenue, <i>note 4</i>	190,888
Deferred revenue, <i>note 4</i>	7,567,158
Deferred capital contributions:	
Deferred revenue, <i>note 5</i>	1,575,049
Invested in tangible capital assets, <i>note 5</i>	852,936
<hr/>	
Total Liabilities	\$ 15,869,521
<hr style="border: 1px solid black;"/>	

The non-cash balances transferred at December 2, 2019 total \$14,731,286 which represent total liabilities less non-financial assets and harmonized sales tax receivable.

ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020

4. THE MINISTRY OF HEALTH

In accordance with the Ministry of Health financial policy, surplus funds received in the form of grants, interest and other recoveries are recovered by the Ministry of Health.

	2020	2019
Unspent budgeted funds HQO	\$ -	\$2,643,006
Unspent budgeted funds PO	-	568,854
March 31, 2019 unspent budgeted funds	3,620,590	-
Recoveries from Transfer Payment Recipients	-	178,007
	3,620,590	3,389,867
Interest income	190,888	230,723
Transfer to Ontario Health, <i>note 3</i>	(3,811,478)	-
Due to the MOH	\$ -	\$3,620,590
Recovery of secondment expenses	\$ -	\$ 103,602
Due from the MOH	\$ -	\$ 103,602

5. DEFERRED CAPITAL CONTRIBUTIONS

	2020	2019
Balance, beginning of year	\$ 3,021,107	\$ 3,418,037
Add: Capital contributions received during the year	-	368,623
Less: Amortization for the period	(308,656)	(765,553)
Transfer to Ontario Health, <i>note 3</i>	(2,427,985)	-
Transfer to one time transition costs	(284,466)	-
(Decrease) Increase in capital contributions	(3,021,107)	(396,930)
Balance, end of period	\$ -	\$ 3,021,107
Composed of:		
Deferred revenue	\$ -	\$ 1,954,113
Invested in tangible capital assets	-	1,066,994
Balance, end of period	\$ -	\$ 3,021,107

Deferred revenue relates to future capital commitments approved by the Ministry of Health.

**ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO**

**NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

6. TANGIBLE CAPITAL ASSETS

	2020		2019	
	Cost	Accumulated amortization	Net Book value	Net Book value
Computer and equipment	\$ -	\$ -	\$ -	\$ 52,041
Office furniture and fixtures	-	-	-	127,543
Leasehold improvements	-	-	-	887,410
	\$ -	\$ -	\$ -	\$ 1,066,994

Net tangible capital assets of \$852,936 transferred to Ontario Health on December 2, 2019.

7. NET DEBT

The net debt position reflects the funding from the Ministry of Health that is invested in net tangible assets and prepaid expenses. The net debt position of Health Quality Ontario is calculated as the difference between all its liabilities and its financial assets which are made up of cash and receivables. The Statement of Change in Net Debt also reflects the amortization of tangible capital assets over their useful life in accordance with note 2(d).

8. COMMITMENTS

On December 2, 2019 all commitments were transferred to Ontario Health. Those commitments included the following minimum lease payments due over the remaining term of existing leases:

2020	\$ 835,105
2021	\$2,218,810
2022	\$2,046,757
2023	\$1,807,268
2024	\$ 864,014

9. ECONOMIC DEPENDENCE

During this period, Health Quality Ontario received all its funding from the Ministry of Health.

ONTARIO HEALTH QUALITY COUNCIL o/a HEALTH QUALITY ONTARIO

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2020

10. FINANCIAL INSTRUMENTS

Fair value - The carrying value of cash, prepaid expenses, accounts payable and accrued liabilities as reflected in the financial position approximated their respective fair values due to their short-term maturity or capacity for prompt liquidation. The organization held all its cash at one financial institution.

Liquidity risk - the risk that the organization will not be able to meet all cash flow obligations as they come due. The organization mitigated this risk by monitoring cash activities and expected outflows through extensive budgeting and forecasting.

11. EMPLOYEE FUTURE BENEFITS

Health Quality Ontario's employer pension contributions totaled \$1,378,812 (March 31, 2019 - \$2,245,137). Its former employees belonged to the Public Service Pension Plan (the Plan), which is a multi-employer plan sponsored by the Government of Ontario. The Plan is a contributory defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on their length of service and rates of pay. Contributions have been calculated at a rate of 7.4% of annual salary up to the year's maximum pensionable earnings (YMPE) plus 10.55% above YMPE. Health Quality Ontario matched the employee's contribution. Health Quality Ontario is and was not responsible for the cost of employee post-retirement, non-pension benefits. These costs are the responsibility of the Government of Ontario. The last actuarial valuation was completed for the Plan as of December 31, 2017. At that time, the Plan had a deficit of \$738 million.

12. GUARANTEES

Health Quality Ontario is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, Health Quality Ontario could not enter into agreements that include indemnities in favour of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

13. COMPARATIVE FIGURES

Comparative figures have been presented to reflect current year's presentation of income and expenses on the statement of operations and surplus. There has been no impact on the surplus or net asset position of current or prior years.

ONTARIO HEALTH QUALITY COUNCIL
o/a HEALTH QUALITY ONTARIO

SCHEDULE OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
REVENUE		
Ministry of Health	\$ 22,378,017	\$54,335,105
Amortization of deferred capital contributions, <i>note 5</i>	308,656	765,553
	22,686,673	55,100,658
Capital purchase funding, <i>note 5</i>	-	(368,623)
One time transition funding, <i>note 5</i>	284,466	-
In-year recovery of funding by the Ministry of Health	-	(6,298,000)
	22,971,139	48,434,035
EXPENSES		
Salaries, wages and benefits	18,925,132	33,121,067
Payments to organizations	1,087,189	5,972,848
Information technology and digital and data infrastructure to support wait times and other provincial platforms	486,136	1,330,437
Events, training and travel including Health Quality Transformation	35,745	865,204
Leases	1,421,065	1,596,488
Audit, legal, compliance, evaluation and other advisory services	150,295	770,317
Communications and publishing to support public reporting, quality standards and other programs	102,586	291,742
Analytic tools and resources	71,767	121,316
Office and administration	98,102	387,204
Computer and equipment amortization	33,491	234,058
Leasehold improvements amortization	250,552	494,575
Office furniture and fixtures amortization	24,613	36,919
One time transition costs	284,466	-
	22,971,139	45,222,175
UNSPENT BUDGETED FUNDS	-	3,211,860
RECOVERY OF TRANSFER PAYMENTS	-	178,007
INTEREST INCOME	190,888	230,723
SURPLUS FROM OPERATIONS	\$ 190,888	\$ 3,620,590