# SOUTHEAST PERSONAL CARE HOME INC.

## Financial Statements

**For the year ended March 31, 2020**

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**For the year ended March 31, 2020**

**Contents**

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# Independent Auditor's Report

**To the Members of SOUTHEAST PERSONAL CARE HOME INC.**

**Opinion**

We have audited the financial statements of **SOUTHEAST PERSONAL CARE HOME INC.** (the "Home"), which comprise the statement of financial position as at March 31, 2020, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Home as at March 31, 2020, and the results of its operations 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. 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 Home 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 Home'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 Home or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Home's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. 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 Home'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 Home'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 Home 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.

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
May 20, 2020

## SOUTHEAST PERSONAL CARE HOME INC.
## Statement of Financial Position

| **As at March 31** | **2020** | 2019 |
|---|---|---|
| **Assets** | | |
| **Current Assets** | | |
| Cash and bank | **$ 1,053,380** | $ 862,246 |
| Investments (Note 3) | **3,338,686** | 1,739,240 |
| Accounts receivable (Note 4) | **177,048** | 157,974 |
| Prepaid expenses | **9,193** | 13,938 |
| | **4,578,307** | 2,773,398 |
| **Investments** (Note 3) | **3,744,238** | 4,488,416 |
| **Retirement obligations receivable** (Note 8) | **211,357** | 197,068 |
| **Capital assets** (Note 5) | **17,665,456** | 18,143,997 |
| | **$ 26,199,358** | $ 25,602,879 |
| **Liabilities and Net Assets** | | |
| **Current Liabilities** | | |
| Accounts payable and accrued charges (Note 6) | **$ 334,115** | $ 404,694 |
| Due to Winnipeg Regional Health Authority (Note 7) | **4,012,481** | 5,982,389 |
| Resident deposits | **39,373** | 28,041 |
| Accrued vacation entitlements | **266,480** | 257,399 |
| | **4,652,449** | 6,672,523 |
| **Accrued retirement obligations** (Note 8) | **211,357** | 197,068 |
| **Deferred Contributions** (Note 9) | | |
| Expenses of future periods | **31,979** | 32,875 |
| Capital assets | **15,530,075** | 16,008,616 |
| | **20,425,860** | 22,911,082 |
| **Contingency** (Note 10) | | |
| **Net Assets** | | |
| Invested in capital assets | **2,135,381** | 2,135,381 |
| Unrestricted | **3,638,117** | 556,416 |
| | **5,773,498** | 2,691,797 |
| | **$ 26,199,358** | $ 25,602,879 |

Approved on behalf of the Board of Directors:

Original Document Signed ______________ Director

Original Document Signed ______________ Director

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

# SOUTHEAST PERSONAL CARE HOME INC.
## Statement of Operations

| For the year ended March 31 | 2020 | 2019 |
|---|---|---|
| **Revenue** | | |
| Winnipeg Regional Health Authority | $ 4,913,121 | $ 4,786,427 |
| Residential charges | 1,238,475 | 1,196,284 |
| Indigenous Service Canada | 1,217,475 | 1,244,225 |
| Deferred contributions (Note 9) | 504,258 | 500,575 |
| Other | 19,582 | 18,424 |
| Interest | 158,816 | 119,347 |
| | 8,051,727 | 7,865,282 |
| **Expenses** | | |
| Administration | 527,568 | 449,162 |
| Amortization | 504,258 | 500,575 |
| Bad debt | 23,933 | 9,090 |
| Housekeeping | 209,343 | 223,216 |
| Laundry and linen | 129,859 | 133,011 |
| Nursing | 3,889,317 | 3,943,482 |
| Nutrition and food services | 849,706 | 821,690 |
| Plant operation | 118,411 | 131,486 |
| Pre-retirement obligations | 14,289 | 31,320 |
| Recreation | 120,965 | 122,048 |
| Social work | 49,510 | 40,705 |
| Staff development | 26,151 | 25,308 |
| Utilities, property taxes and insurance | 345,315 | 344,814 |
| | 6,808,625 | 6,775,907 |
| **Excess of revenue over expenses before other items** | 1,243,102 | 1,089,375 |
| **Other Items** | | |
| WRHA surplus for the current year | (619,840) | (544,688) |
| WRHA funding adjustment for 2012 to 2019 | 2,458,439 | - |
| | 1,838,599 | (544,688) |
| **Excess of revenue over expenses for the year** | $ 3,081,701 | $ 544,687 |

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

## SOUTHEAST PERSONAL CARE HOME INC.
## Statement of Changes in Net Assets

**For the year ended March 31, 2020**

| | Invested in Capital Assets | Unrestricted | 2020 Total | 2019 Total |
|---|---|---|---|---|
| **Balance**, beginning of year | **$ 2,135,381** | **$ 556,416** | **$ 2,691,797** | $ 2,147,110 |
| **Excess of revenue over expenses for the year** | **-** | **3,081,701** | **3,081,701** | 544,687 |
| **Balance**, end of year | **$ 2,135,381** | **$ 3,638,117** | **$ 5,773,498** | $ 2,691,797 |

# SOUTHEAST PERSONAL CARE HOME INC.
## Statement of Cash Flows

| For the year ended March 31 | 2020 | 2019 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Excess of revenue over expenses for the year | **$ 3,081,701** | $ 544,687 |
| Items not involving cash | | |
| Amortization of capital assets | **504,258** | 500,575 |
| Amortization of deferred contributions related to capital assets | **(504,258)** | (500,575) |
| | **3,081,701** | 544,687 |
| Changes in non-cash working capital: | | |
| Accounts receivable | **(19,074)** | 31,064 |
| Due to WRHA | **(1,969,908)** | 544,688 |
| Prepaid expenses | **4,745** | (6,306) |
| Retirement obligations receivable | **(14,289)** | (31,320) |
| Accounts payable and accrued liabilities | **(70,579)** | (2,569) |
| Resident deposits | **11,332** | (3,538) |
| Accrued vacation entitlements | **9,081** | 16,104 |
| Accrued retirement obligations | **14,289** | 31,320 |
| | **(2,034,403)** | 579,443 |
| | **1,047,298** | 1,124,130 |
| **Cash Flows from Financing Activities** | | |
| Contributions received related to capital assets | **25,717** | - |
| Contributions related to expenses of future periods | **(896)** | 9,396 |
| | **24,821** | 9,396 |
| **Cash Flows from Investing Activities** | | |
| Acquisition of capital assets | **(25,717)** | (19,002) |
| Increase in investments | **(855,268)** | (702,655) |
| | **(880,985)** | (721,657) |
| **Net increase in cash and bank** | **191,134** | 411,869 |
| **Cash and bank**, beginning of year | **862,246** | 450,377 |
| **Cash and bank**, end of year | **$ 1,053,380** | $ 862,246 |

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

**For the year ended March 31, 2020**

## 1. Organization

The Southeast Personal Care Home Inc. (the "Home") provides long-term care and related services to Aboriginal people and is located in Winnipeg, Manitoba.

The Home was incorporated under the Manitoba Corporations Act as a not-for-profit organization without share capital, and is exempt from income taxes under the Income Taxes Act.

## 2. Summary of Significant Accounting Policies

a) Management's Responsibility for the Financial Statements

The financial statements of the Home are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations as established by the Public Sector Accounting Board.

b) Basis of Accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

c) Revenue Recognition

The Home follows the deferral method of accounting for contributions.

The Home is funded primarily by the Province of Manitoba, through the Winnipeg Regional Health Authority ("WRHA"). Operating grants are recorded as revenue in the year to which they relate. Grants approved but not received at the end of the year are accrued. Where a portion of a grant is related to a future period, it is deferred and recognized as revenue in that subsequent year. These financial statements reflect agreed arrangements approved by WRHA with respect to the year ended March 31, 2020.

With respect to actual operating results, certain adjustments to funding will be made by WRHA after completion of their review of the Home's accounts. Any adjustments will be reflected in the year the final statement of approved costs is received from the WRHA.

**For the year ended March 31, 2020**

**2. Summary of Significant Accounting Policies (continued)**

c) Revenue Recognition (continued)

Funding from the WRHA is recognized as revenue based on the funding approved for the fiscal year and in the year in which the related expenses are recognized. Funding approved but not received at the end of an accounting period is accrued. The Home records on an annual basis, an estimate of the amount that may be recoverable from, or payable to, the WRHA relating to its annual excess (deficiency) of revenue over expenses in accordance with the WRHA funding guidelines. The Home is entitled to retain any excess arising from the excess of revenue over expenses for activities funded by WRHA for each fiscal year up to the greater of: a) 50% of the operating surplus and b) 2% of net in-globe costs. Any amount in excess of the maximum is repayable to the WRHA. Any deficiency will normally be the responsibility of the Home. After the WRHA reviews the financial statements and makes final approvals, the differences, if any, from the initial estimate are reflected as an adjustment of the prior year's fund balances in the current year's net income.

Residential charges are recognized as revenue in the period services are rendered.

Contributions restricted for the purchase of capital assets are deferred and recognized as revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

d) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated useful life of an asset are capitalized. When a capital asset no longer contributes to the Home's ability to provide services, its carrying amount is written down to its residual value.

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

| | |
|---|---|
| Buildings | 40 years |
| Land improvements | 10 years |
| Equipment | 5 years |
| Computers | 3 years |

e) Employee Future Benefits

Pension and other employee future benefit costs are determined using the projected benefit method prorated on years of service and based on best estimated assumptions.

**For the year ended March 31, 2020**

## 2. Summary of Significant Accounting Policies (continued)

f) Compensated Absences

Sick pay benefits that accumulate but do not vest are determined using present value techniques that reflect management's best estimate of future costs associated with such benefits and interest rates. Adjustments to these costs based on a change in estimate are reflected to expenses during the reporting period.

g) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

h) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of 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 management's best estimates as additional information becomes available in the future.

## 3. Investments

The Home has investments in guaranteed investments certificates at the First Nations Bank with interest rates ranging 1.80% to 2.70% with maturity dates between May 2020 and November 2022.

Investments are presented as follows on the statement of financial position:

| | **2020** | 2019 |
|---|---|---|
| Due within 12 months | **$ 3,338,686** | $ 1,739,240 |
| Due beyond 12 months | **3,744,238** | 4,488,416 |
| Total investments | **$ 7,082,924** | $ 6,227,656 |

## 4. Accounts Receivable

| | 2020 | 2019 |
|---|---|---|
| Residential charges receivable | **$ 99,636** | $ 70,361 |
| GST receivable | **6,629** | 5,288 |
| Winnipeg Regional Health Authority | **11,401** | 7,971 |
| Accrued interest receivable | **49,685** | 46,138 |
| Other receivables | **43,986** | 38,572 |
| | **211,337** | 168,330 |
| Allowance for doubtful accounts | **(34,289)** | (10,356) |
| | **$ 177,048** | $ 157,974 |

## 5. Capital Assets

| | 2020 Cost | 2020 Accumulated Amortization | 2019 Cost | 2019 Accumulated Amortization |
|---|---|---|---|---|
| Land | **$ 2,181,716** | **$ -** | $ 2,181,716 | $ - |
| Land improvements | **50,629** | **(24,091)** | 50,629 | (19,028) |
| Buildings | **19,567,730** | **(4,151,689)** | 19,567,730 | (3,662,496) |
| Equipment | **918,747** | **(896,293)** | 907,030 | (892,144) |
| Computers | **161,994** | **(143,287)** | 147,994 | (137,434) |
| | **$ 22,880,816** | **$ (5,215,360)** | $ 22,855,099 | $ (4,711,102) |
| Net book value | | **$ 17,665,456** | | $ 18,143,997 |

## 6. Accounts Payable

| | 2020 | 2019 |
|---|---|---|
| Trade accounts payable | **$ 33,869** | $ 33,539 |
| Salaries and employee benefits payable | **267,072** | 351,287 |
| Accrued liabilities | **33,174** | 19,868 |
| | **$ 334,115** | $ 404,694 |

**For the year ended March 31, 2020**

## 7. Due to Winnipeg Regional Health Authority

The Home has recorded the following balances due to the WRHA as at March 31:

| | **2020** | 2019 |
|---|---|---|
| 2019/2020 funding adjustment | **$ 619,840** | $ - |
| 2018/2019 funding adjustment | **544,688** | 544,688 |
| 2017/2018 funding adjustment | **652,705** | 681,849 |
| 2016/2017 funding adjustment | **396,137** | 926,216 |
| 2015/2016 funding adjustment | **631,456** | 706,375 |
| 2014/2015 funding adjustment | **403,110** | 1,010,998 |
| 2013/2014 funding adjustment | **428,438** | 1,104,268 |
| 2011/2012 and 2012/2013 funding adjustment | **336,107** | 1,007,995 |
| | **$ 4,012,481** | $ 5,982,389 |

The Home has settled the liability related to prior years with the WRHA in the current year. Adjustments, if any, will be charged to operations in the year of settlement.

## 8. Employee Future Benefits

(a) Accrued Retirement Obligation

Based upon collective agreements and/or non-union policy, employees of the Home are entitled to a pre-retirement leave benefit if they are retiring in accordance with the provisions of the Group Pension Plan. The Home's contractual commitment is to pay based upon the following:

Four days of salary per year of service upon retirement if the employee complies with one of the following conditions:

i. has 10 years service and has reached the age 55

ii. qualifies for the "eighty" rule which is calculated by adding the number of years of service to the age of the employee

iii. retires at or after age 65

iv. terminates employment at any time due to permanent disability

The Home undertook an actuarial valuation of the pre-retirement leave benefit for accounting purposes as at March 31, 2020. The significant actuarial assumptions adopted in measuring the Home's accrued retirement entitlements include mortality and withdrawal rates, a discount rate of 2.60% (3.10% in 2019), age related merit/promotion scale with a provision for potential disability rate of 3.50% (3.50% in 2019), and salary increases of 0% for April 1, 2019 to March 31, 2020, 0.75% from April 1, 2020 to March 31, 2021, 1.00% from April 1, 2021 to March 31, 2022, and 3.50% thereafter.

### 8. Employee Future Benefits (continued)

The Province has included in its ongoing annual funding to the Home, an amount equivalent to the change in the pre-retirement liability, which includes annual interest accretion related to the receivable. The receivable will be paid by the Province when required.

| | | 2020 | | 2019 |
|---|---|---|---|---|
| Employee future benefits recoverable from the WRHA | **$** | **211,357** | $ | 197,068 |

An analysis of the changes in the employee benefits payable is as follows:

| | | 2020 | | 2019 |
|---|---|---|---|---|
| Balance, beginning of year | **$** | **197,068** | $ | 165,748 |
| Net increase in pre-retirement entitlements | | **14,289** | | 31,320 |
| Balance, end of year | **$** | **211,357** | $ | 197,068 |

(b) Pension Plan

Substantially all of the employees of the Home are members of the Healthcare Employees Benefits Plan which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the Plan. As individual entities within the Plan are not able to identify assets and liabilities, the Home is accounting for the plan as a defined contribution plan. The cost of the plan is recognized based on the contributions required to be made each period. Plan members will receive benefits based on highest average earnings and years of credited service.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan by placing plan assets in trust and through the Plan investment policy.

Pension expense is based on Plan management's best estimates, in consultation with its actuaries, of the amount, together with the contributions by employees, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for employer contributions to the Plan to remain a constant percentage of employees' contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent actuarial valuation of the Plan as at December 31, 2018, indicated a solvency deficiency. The Board of Trustees of the Plan continues to monitor the Plan's financial progress in order to align the assets and liabilities based on Plan experience and investment returns over the long-term. The deficiency will be funded by contributions in the subsequent years. Contributions to the Plan made during the year by the Home on behalf of its employees amounted to $276,176 ($292,980 in 2019) and are included in the statement of operations.

## 9. Deferred Contributions

a) Expenses of Future Periods

Deferred contributions related to expenses of future periods represent unspent externally restricted grants for special projects.

| | 2020 | 2019 |
|---|---|---|
| Balance, beginning of year | **$ 32,875** | $ 23,479 |
| Add amount received during the year | **-** | 9,396 |
| Less amount recognized as revenue during the year | **(896)** | - |
| Balance, end of year | **$ 31,979** | $ 32,875 |

b) Capital Assets

Deferred contributions related to capital assets represent the unamortized amount of donations and grants received for the acquisition of capital assets. Changes in the deferred contributions balance reported for the year are as follows:

| | 2020 | 2019 |
|---|---|---|
| Balance, beginning of year | **$ 16,008,616** | $ 16,509,191 |
| Contributions received from WRHA during the year | **25,717** | - |
| Less amount recognized as revenue during the year | **(504,258)** | (500,575) |
| Balance, end of year | **$ 15,530,075** | $ 16,008,616 |

## 10. Contingency

On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to provincial Insurance Acts, which permit persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces of Ontario, Manitoba, Saskatchewan and Newfoundland. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. The Home is a named insured under the policy with HIROC. No such assessments have been made to March 31, 2020.

## 11. Investment in Capital Assets

Investment in capital assets is calculated as follows:

| | 2020 | 2019 |
|---|---|---|
| Capital assets | **$ 17,665,456** | $ 18,143,997 |
| Deferred contributions related to capital assets | **(15,530,075)** | (16,008,616) |
| Net assets invested in capital assets | **$ 2,135,381** | $ 2,135,381 |

## 12. Financial Instrument Risk Management

The Home is exposed to different types of risk in the normal course of operations. The Home's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Home's activities. The following analysis provides a measurement of those risks.

Credit Risk

Credit risk is the risk that the Home will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments which potentially subject the Home to credit risk consist principally of receivable and investments.

The Home's maximum exposure to credit risk without taking account of any collateral or other credit enhancements is as follows:

| | 2020 | 2019 |
|---|---|---|
| Accounts receivable | **$ 177,048** | $ 157,974 |
| Investments | **7,082,924** | 6,227,656 |
| | **$ 7,259,972** | $ 6,385,630 |

The Home is not exposed to significant credit risk as the residential charges receivable are spread among a broad client base and payment in full is typically collected when it is due. The Home establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off. The Home is not exposed to significant credit risk related to receivables from the WRHA, Province of Manitoba, and Indigenous Service Canada given that payments are assured based on funding agreements.

The Home is exposed to credit risk for its investments given that investments are held with one financial institution and deposits are subject to insured limits.

Liquidity Risk

Liquidity risk is the risk that the Home encounters difficulty in meeting its obligations associated with financial liabilities as they fall due. The Home manages its working capital to ensure all its obligations can be met when they fall due.

## 12. Financial Instrument Risk Management (continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Home is not exposed to significant interest rate risk, as its cash in bank is held in short-term products.

## 13. Uncertainty Due to COVID-19 Issue

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China and the risks to the international community as the virus spreads globally beyond its point of origin. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. On March 20, 2020, the Manitoba government declared a province-wide state of emergency and the Chief Public Health Officer issued public health orders to protect the health and safety of all Manitobans and reduce the spread of COVID-19. As a result, the Southeast Personal Care Home Inc. has implemented specific measures to reduce the risk of spreading COVID-19 within its facility. Given the dynamic nature of these circumstances, the related financial impact for the future cannot be reasonably estimated at this time.