

**HOSPICE TORONTO  
FINANCIAL STATEMENTS  
AS AT MARCH 31, 2010**

**AUDITOR'S REPORT**

**TO THE MEMBERS OF  
HOSPICE TORONTO**

I have audited the statement of financial position of Hospice Toronto, as at March 31, 2010 and the statement of revenues and expenditures and changes in net assets and of cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial information.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization at March 31, 2010 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario  
May 19, 2010



CHARTERED ACCOUNTANT  
LICENSED PUBLIC ACCOUNTANT

**HOSPICE TORONTO  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2010**

**ASSETS**

	<u>2010</u>	<u>2009</u>
<b>Current Assets</b>		
Cash	\$ 186,695	\$ 100,131
Short term investments - Note 3	203,474	199,024
Accounts receivable	18,329	5,094
Prepaid expenses	<u>9,621</u>	<u>6,643</u>
	418,119	310,892
 <b>Leasehold Improvements - Note 4</b>	 <u>35,732</u>	 <u>53,605</u>
	 <u>\$ 453,851</u>	 <u>\$ 364,497</u>

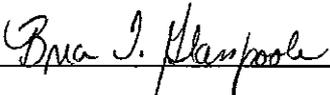
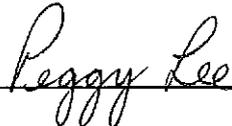
**LIABILITIES**

<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 30,622	\$ 10,343
Deferred income - Note 5	<u>50,343</u>	<u>19,000</u>
	<u>80,965</u>	<u>29,343</u>

**NET ASSETS**

<b>Net Assets</b>		
Invested in capital assets	35,732	53,605
Unrestricted net assets	<u>337,154</u>	<u>281,549</u>
	<u>372,886</u>	<u>335,154</u>
	<u>\$ 453,851</u>	<u>\$ 364,497</u>

**APPROVED BY THE BOARD**


DIRECTOR,

DIRECTOR

The accompanying notes form an integral part of these financial statements. See Auditor's Report dated May 19, 2010.

**HOSPICE TORONTO**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2010**

	<u>Invested in Capital Assets</u>	<u>Invested in Unrestricted Net Assets</u>	<u>Total 2010</u>	<u>Total 2009</u>
<b>Balance,</b> beginning of year	\$ 53,605	\$ 281,549	\$ 335,154	365,337
<b>Excess of Revenues over Expenditures/(Expenditures over Revenue)</b>	<u>(17,873)</u>	<u>55,605</u>	<u>37,732</u>	<u>(30,183)</u>
<b>Balance</b> end of year	<u>\$ 35,732</u>	<u>\$ 337,154</u>	<u>\$ 372,886</u>	<u>\$ 335,154</u>

The accompanying notes form an integral part of these financial statements. See Auditor's Report dated May 19, 2010.

**HOSPICE TORONTO**  
**STATEMENT OF REVENUE AND EXPENDITURES**  
**AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>Revenue</b>		
Government grants		
Ministry of Health		
Long term care	\$ 433,258	\$ 423,724
AIDS Bureau	<u>47,142</u>	<u>46,042</u>
	480,400	469,766
Partnership and Community Contributions - Note 5	119,620	38,920
Donations - Notes 7 and 8	122,461	91,811
Fundraising events - Notes 7 and 8	106,224	85,861
Interest	<u>2,511</u>	<u>5,380</u>
	<u>831,216</u>	<u>691,738</u>
<b>Expenditures - Note 10</b>		
Program delivery salaries and benefits	341,069	312,149
Allocated to Partnership and Community project costs	<u>(66,290)</u>	<u>(21,051)</u>
	274,779	291,098
Administration salaries and benefits	122,930	142,734
Office and communications	31,659	31,981
Operating expenses	5,804	6,814
Occupancy - Note 11	32,255	37,982
Insurance	3,095	2,606
Legal, audit and accounting	29,106	39,054
Volunteer training and recruitment	13,859	9,328
Client services	9,702	9,430
Training, development and conferences	6,050	3,382
Computer purchases and consulting	16,587	20,683
Special events	20,758	25,675
Research and development	3,590	919
Amortization	17,873	17,869
Professional fees	12,172	2,759
Fund development costs	73,645	40,687
Partnership and Community project costs	<u>119,620</u>	<u>38,920</u>
	<u>793,484</u>	<u>721,921</u>
<b>Excess of Revenue over Expenditures</b>		
<b>(Expenditures over Revenue)</b>	37,732	(30,183)
<b>Net Assets, beginning of year</b>	<u>335,154</u>	<u>365,337</u>
<b>Net Assets, end of year</b>	<u>\$ 372,886</u>	<u>\$ 335,154</u>

The accompanying notes form an integral part of these financial statements. See Auditor's Report dated May 19, 2010.

**HOSPICE TORONTO  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT MARCH 31, 2010**

**1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES**

Hospice Toronto is a non-profit organization incorporated under the Registered Charities Act of Ontario and enhances the quality of life for persons with a terminal illness, their families and their friends.

**2. ACCOUNTING POLICIES**

**(a) Accrual Accounting:**

Revenue is recorded when earned or when the organization is entitled to receive grant funds and expenses are recorded when incurred.

**(b) Capital Assets:**

In accordance with generally accepted accounting principles, non-profit organizations with revenues greater than \$500,000 are to capitalize major capital assets.

In 2006/2007, extensive leasehold improvements were made of approximately \$89,000 to prepare additional office space which was occupied in March 2007. The organization is amortizing these costs over five years, commencing April 2007.

There were no major capital asset additions of this significance in prior years.

The organization expenses capital assets of under \$10,000 when it receives direct funding for these asset purchases.

**(c) Donated Services:**

Much of the work of Hospice Toronto is dependent on voluntary services. Since these services are not normally purchased by the Hospice, and because of the difficulty of determining their value, such donated services are not recognized in these financial statements.

**3. SHORT TERM INVESTMENTS**

The corporation has two guaranteed investment certificates with the Canadian Imperial Bank of Commerce. The investments have current market values of \$201,217 and \$2,257, and total \$203,474 (2008 - \$199,024). The maturity dates on these investments are August 18, 2010, and January 27, 2011, respectively. The expected interest rate for each investment is 0.65%.

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NOTES TO THE FINANCIAL STATEMENTS  
AS AT MARCH 31, 2010**

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**4. LEASEHOLD IMPROVEMENTS**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value 2010</u>	<u>Net Book Value 2009</u>
Leasehold Improvements	\$ <u>89,343</u>	\$ <u>53,611</u>	\$ <u>35,732</u>	\$ <u>53,605</u>

**5. PARTNERSHIP AND COMMUNITY CONTRIBUTIONS**

The organization is in partnership with community based health service providers. Contributions for these projects have been received from Human Resources and Skills Development Canada (HRSDC) through New Horizons for Seniors Program (NHFSP) as well as through the Social Development Partnerships Program (SDPP), and the Toronto Central LHIN (TC LHIN) which is funded by the Ontario Ministry of Health. The organization uses and distributes these funds as required, to carry out the projects' mandates. Portions of these contributions apply to future expenditures, and have been recorded as deferred revenue, as outlined in the schedule below. Note that the SDPP funding is scheduled to be paid over four years, as explained in Note 6. Only contributions received in the 2009/2010 fiscal year are listed in this schedule:

	<u>Deferred revenue Mar 31, 2009</u>	<u>Amount received Fiscal 2010</u>	<u>Revenue Fiscal 2010</u>	<u>Deferred revenue Mar 31, 2010</u>
TC LHIN - Aging At Home	\$ -	\$ 17,064	\$ 17,064	\$ -
SDPP (HRSDC) Young Carers	-	109,399	82,556	26,843
NHFSP (HRSDC) Engaging Seniors Who Have Been Caregivers	19,000	-	19,000	-
NHFSP (HRSDC) - Men as Caregivers	<u>-</u>	<u>24,500</u>	<u>1,000</u>	<u>23,500</u>
Totals	\$ <u>19,000</u>	\$ <u>150,963</u>	\$ <u>119,620</u>	\$ <u>50,343</u>

**6. LONG-TERM FUNDING AGREEMENT**

The organization has been awarded funding for a new initiative called the Young Carers Project through a contribution from the Government of Canada's Social Development Partnerships Program (SDPP). The agreement states that the organization is to receive a total of \$598,170 in contribution funding over four fiscal years, with \$109,399 of this amount having been received in the 2009/2010 fiscal year (the first year of the agreement).

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NOTES TO THE FINANCIAL STATEMENTS  
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**7. DONATIONS AND FUNDRAISING EVENTS**

Donations included in revenue are cash donations from corporations, foundations and individuals. Donation receipts issued total \$201,334 (2009 - \$140,985) which includes amounts under fundraising events as well as donations in kind (see note 8).

**8. DONATIONS IN KIND**

During the year, Hospice Toronto received contributions towards its silent auction and other fundraising events. Charitable donation receipts were issued for the fair market value of these gifts, totaling \$3,554 (2009 - \$9,996).

It is the organization's policy not to record these donations in kind as revenue, or as expense in the financial statements.

**9. INCOME TAXES**

The organization is a registered charitable organization and while registered is exempt from income tax.

**10. EXPENDITURE ALLOCATIONS**

Hospice Toronto had adopted a policy of allocating applicable expenditures to their relevant Partnership and Community projects; such expenditures include salaries and contractor fees, rent and others.

**11. COMMITMENTS**

Hospice Toronto has entered into an occupancy lease with annual payments of approximately \$40,000. This lease expires December 31, 2010, at which time it may be renewed.

The actual costs in 2010 were less than the committed amount because \$6,660 was recovered by renting one office and because of cost re-allocations to a funded program.

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NOTES TO THE FINANCIAL STATEMENTS  
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**12. STATEMENT OF CASH FLOWS**

A statement of cash flows has not been included because any significant information that might be provided therein is disclosed adequately in the financial statements.

**13. CHANGE IN PRESENTATION**

Some prior year numbers have been changed to conform to the current year's presentation.