

Hospice Toronto
Financial Statements
March 31, 2017

Hospice Toronto

March 31, 2017

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Independent Auditor's Report

To the Directors of
Hospice Toronto

We have audited the accompanying financial statements of Hospice Toronto, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Hospice Toronto as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations, which is one of the financial reporting frameworks included in Canadian generally accepted accounting principles.

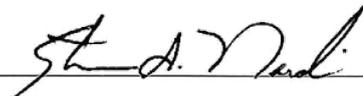
Hospice Toronto
(incorporated under the laws of Ontario)

Statement of Financial Position
March 31

	2017	2016
Assets		
Current assets		
Cash	\$ 1,209,061	\$ 115,062
Accounts receivable	20,054	76,538
GST/HST receivable	10,771	9,405
Prepaid expenses	11,498	12,134
	<u>1,251,384</u>	<u>213,139</u>
Capital assets (Note 3)	<u>24,601</u>	<u>32,801</u>
	<u>\$ 1,275,985</u>	<u>\$ 245,940</u>
Liabilities		
Current liabilities		
Accounts payable and accrued charges	\$ 14,842	\$ 45,680
Deferred revenue - partnership and community contributions (Note 4)	1,000,000	-
	<u>1,014,842</u>	<u>45,680</u>
Net Assets		
Invested in capital assets	24,601	32,801
Unrestricted net assets	236,542	167,459
	<u>261,143</u>	<u>200,260</u>
	<u>\$ 1,275,985</u>	<u>\$ 245,940</u>

See accompanying notes.

Approved by the Board



Director



Director

Hospice Toronto

Statement of Operations For the year ended March 31

	2017	2016
Revenue		
Ontario Ministry of Health (Note 5)	\$ 537,344	\$ 497,094
Partnership and community contributions (Note 4)	39,708	74,401
Donations and fundraising	309,287	176,820
Interest income	3	22
	886,342	748,337
Expenses		
Program delivery (Note 6)	559,505	633,401
Overhead and communications (Note 7)	139,417	142,820
Administration	87,952	70,387
Professional fees	25,833	23,169
Fundraising	15,570	22,222
Proceeds of property tax case settlement	(2,818)	-
	825,459	891,999
Excess (deficiency) of revenue over expenses	\$ 60,883	\$ (143,662)

See accompanying notes.

Hospice Toronto

Statement of Changes in Net Assets For the year ended March 31

			2017	2016
	Invested in Capital Assets	Invested in Unrestricted Net Assets	Total 2017	Total 2016
Net assets, beginning of year	\$ 32,801	\$ 167,459	\$ 200,260	\$ 343,922
Invested in capital assets	(8,200)	8,200	-	-
Excess (deficiency) of revenue over expenditures	-	60,883	60,883	(143,662)
Net assets, end of year	\$ 24,601	\$ 236,542	\$ 261,143	\$ 200,260

See accompanying notes.

Hospice Toronto

Statement of Cash Flows

For the year ended March 31

	2017	2016
Cash flows from (used for) operating activities		
Excess (deficiency) of revenue over expenses	\$ 60,883	\$ (143,662)
Item not involving cash		
Amortization	8,200	8,200
Changes in non-cash working capital components		
Accounts receivable	56,484	(39,324)
GST/HST receivable	(1,366)	2,571
Prepaid expenses	636	(179)
Accounts payable and accrued liabilities	(30,838)	23,812
Deferred revenue - partnership and community contributions	1,000,000	(19,600)
	<hr/> 1,093,999	<hr/> (168,182)
Increase (decrease) in cash during the year	1,093,999	(168,182)
Cash, beginning of year	115,062	283,244
Cash, end of year	\$ 1,209,061	\$ 115,062

See accompanying notes.

Hospice Toronto

Notes to Financial Statements March 31, 2017

1. Nature of operations

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 friends.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

Revenue recognition

Hospice Toronto follows the deferral method of accounting for contributions, which includes amounts received from governments and community-based health providers, donations, and revenue from other fundraising activities.

Unrestricted contributions are recognized as revenue when received or receivable, provided the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Capital assets

Capital assets are stated at cost. Leasehold improvements are amortized on a straight-line basis over a five year period commencing April 1, 2015.

Donated goods and services

Much of the work of Hospice Toronto is dependent on voluntary services. Since these services are not typically purchased by the Hospice, and as a result of the difficulty of determining their value, such donated services are not recognized in the financial statements. Donations of goods, primarily for fundraising events, are not recognized in the financial statements for similar reasons.

3. Capital assets

	Assets	Accumulated Amortization	2017	Net	2016
Leasehold improvements	\$ 41,001	\$ 16,400	\$ 24,601	\$	32,801

Hospice Toronto

Notes to Financial Statements

March 31, 2017

4. Partnership and community contributions

The organization is in partnership with community based health service providers, federal and municipal governments. Contributions for these projects have been received from the City of Toronto. The organization uses and distributes these funds as required, to carry out the projects' mandates. All contributions received from the City of Toronto were used in the year, leaving none recorded as deferred revenue.

The organization also receives donations from the community. A donation of \$1,000,000 was received immediately prior to the year-end and has been deferred pursuant to the donor's written directive that these funds be expended at an amount of \$250,000 annually through fiscal 2018 - 2021 to support programs and services in the delivery of hospice palliative care.

	Deferred Revenue 2016	Amount Received 2017	Revenue 2017	Deferred Revenue 2017
City of Toronto	\$ -	\$ 39,708	\$ 39,708	\$ -
Community contributions	-	1,000,000	-	1,000,000
	\$ -	\$ 1,039,708	\$ 39,708	\$ 1,000,000

5. Ontario Ministry of Health revenue

The organization receives funding from the LHIN under a three year (2015 - 2017) MSSA agreement signed with the Ministry of Health and Long-Term Care (MOHLTC). It also receives funding from the Aids Bureau, MOHLTC.

	2017	2016
LHIN (MOHLTC)	\$ 488,802	\$ 448,552
Aids Bureau	48,542	48,542
	\$ 537,344	\$ 497,094

6. Program delivery expense

	2017	2016
Other client services	\$ 378,246	\$ 459,729
Volunteer training & recruitment	133,644	103,318
Partnership and community project costs	47,615	70,354
	\$ 559,505	\$ 633,401

Hospice Toronto

Notes to Financial Statements March 31, 2017

7. Overhead and communications expense

	2017		2016
Occupancy	\$ 82,790	\$	80,737
Office and communications	36,971		40,222
Amortization - leasehold improvements	8,200		8,200
Computer purchases and consulting	7,520		9,870
Insurance	3,936		3,791
	<u>\$ 139,417</u>	<u>\$</u>	<u>142,820</u>

8. Lease commitments

Hospice Toronto have commitments for their office premises under an operating lease with an end date of December 31, 2020 and an option to renew. The future minimum annual lease payments under this lease are as follows:

2018	\$ 79,151
2019	80,610
2020	61,278
	<u>\$ 221,039</u>

9. Financial instruments

The organization's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable. The book values of these financial instruments approximate their fair values due to their nature. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.