

Hospice Toronto
Financial Statements
March 31, 2018

Hospice Toronto

March 31, 2018

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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, 2018, and the statements of operations, 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, 2018 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.

Abrahamse Pinto LLP

Chartered Professional Accountants, Licensed Public Accountants
June 18, 2018

1.

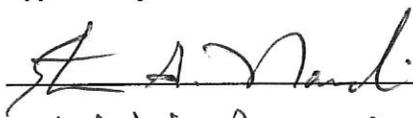
Hospice Toronto
(incorporated under the laws of Ontario)

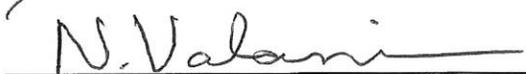
Statement of Financial Position
March 31

	2018	2017
Assets		
Current assets		
Cash	\$ 103,975	\$ 1,209,061
Accounts receivable	46,190	20,054
GST/HST receivable	18,743	10,771
Prepaid expenses	20,887	11,498
	189,795	1,251,384
Investment (Note 3)	903,835	-
Capital assets (Note 4)	16,401	24,601
	\$ 1,110,031	\$ 1,275,985
Liabilities		
Current liabilities		
Accounts payable and accrued charges	\$ 30,525	\$ 14,842
Deferred revenue - partnership and community contributions (Note 5)	750,250	1,000,000
	780,775	1,014,842
Net Assets		
Invested in capital assets	16,401	24,601
Unrestricted net assets	312,855	236,542
	329,256	261,143
	\$ 1,110,031	\$ 1,275,985

See accompanying notes.

Approved by the Board

 Director

 Director

Hospice Toronto

Statement of Operations

For the year ended March 31

	2018	2017
Revenue		
Ontario Ministry of Health (Note 6)	\$ 626,969	\$ 537,344
Partnership and community contributions (Note 5)	14,814	39,708
Donations and fundraising	362,555	309,287
Interest income	7,129	3
	<hr/>	<hr/>
	1,011,467	886,342
Expenses		
Program delivery (Note 7)	622,871	559,505
Overhead and communications (Note 8)	150,669	139,417
Administration	94,694	81,716
Professional fees	34,864	25,833
Fundraising	40,256	21,806
Proceeds of property tax case settlement	-	(2,818)
	<hr/>	<hr/>
	943,354	825,459
Excess of revenue over expenses	<hr/>	<hr/>
	\$ 68,113	\$ 60,883

See accompanying notes.

Hospice Toronto

Statement of Changes in Net Assets

For the year ended March 31

2018

2017

	Invested in Capital Assets	Invested in Unrestricted Net Assets	Total	
			2018	2017
Net assets, beginning of year	\$ 24,601	\$ 236,542	\$ 261,143	\$ 200,260
Invested in capital assets	(8,200)	8,200	-	-
Excess (deficiency) of revenue over expenditures	-	68,113	68,113	60,883
Net assets, end of year	\$ 16,401	\$ 312,855	\$ 329,256	\$ 261,143

See accompanying notes.

Hospice Toronto

Statement of Cash Flows

For the year ended March 31

	2018	2017
Cash flows from (used for) operating activities		
Excess of revenue over expenses	\$ 68,113	\$ 60,883
Item not involving cash		
Amortization	8,200	8,200
	76,313	69,083
Changes in non-cash working capital components		
Accounts receivable	(26,136)	56,484
GST/HST receivable	(7,972)	(1,366)
Prepaid expenses	(9,389)	636
Accounts payable and accrued liabilities	15,683	(30,838)
Deferred revenue - partnership and community contributions	(249,750)	1,000,000
	(201,251)	1,093,999
Cash flows from (used for) investing activities		
Purchase of investment	(903,835)	-
Increase (decrease) in cash during the year	(1,105,086)	1,093,999
Cash, beginning of year	1,209,061	115,062
Cash, end of year	\$ 103,975	\$ 1,209,061

See accompanying notes.

Hospice Toronto

Notes to Financial Statements

March 31, 2018

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. Investment

As of the year-end, the investment balance was comprised of money market mutual funds with an expected annual return of 1.1%.

	2018	2017
	\$ 903,835	\$ -

4. Capital assets

	Assets	Accumulated Amortization	Net	
			2018	2017
Leasehold improvements	\$ 41,001	\$ 24,600	\$ 16,401	\$ 24,601

Hospice Toronto

Notes to Financial Statements

March 31, 2018

5. 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 in 2017 and was 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. \$250,000 has been recognized as revenue in 2018.

	Deferred Revenue 2017	Amount Received 2018	Revenue 2018	Deferred Revenue 2018
City of Toronto	\$ -	\$ 14,814	\$ 14,814	\$ -
Community contributions	1,000,000	250	250,000	750,250
	\$ 1,000,000	\$ 15,064	\$ 264,814	\$ 750,250

6. Ontario Ministry of Health

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

In 2018, the organization received \$100,000 of one-time funding from the LHIN for the Innovative Models of Community Palliative Care for Homeless Populations program, which was completed during the year.

	2018	2017
LHIN (MOHLTC)	\$ 473,552	\$ 488,802
One-time LHIN	1,775	-
Aids Bureau	51,642	48,542
One-time LHIN funding - Homeless Populations	100,000	-
	\$ 626,969	\$ 537,344

7. Program delivery

	2018	2017
Other client services	\$ 473,739	\$ 378,246
Volunteer training & recruitment	132,367	133,644
Partnership and community project costs	16,765	47,615
	\$ 622,871	\$ 559,505

Hospice Toronto

Notes to Financial Statements

March 31, 2018

8. Overhead and communications expense

	2018	2017
Occupancy	\$ 83,390	\$ 82,790
Office and communications	48,150	36,971
Amortization - leasehold improvements	8,200	8,200
Computer purchases and consulting	6,544	7,520
Insurance	4,385	3,936
	<u>\$ 150,669</u>	<u>\$ 139,417</u>

9. 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:

2019	\$ 80,610
2020	61,278
	<u>\$ 141,888</u>

10. 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.