

HOSPICE TORONTO
FINANCIAL STATEMENTS
MARCH 31, 2024



CALVIN G VICKERY CPA

PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Hospice Toronto

Qualified Opinion

I have audited the financial statements of Hospice Toronto, which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in fund balances and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Hospice Toronto as at March 31, 2024, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives part of its revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded by Hospice Toronto, and I was not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, and cashflows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023 and net assets at April 1 and March 31 for both the 2024 and 2023 years. My audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified 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 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.

In preparing these financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative to do so.

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

INDEPENDENT AUDITOR'S REPORT (continued)

To the Board of Directors of Hospice Toronto

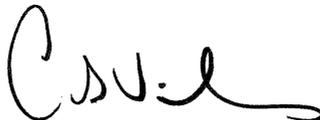
Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 organization'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 organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organization 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.

I 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 I identify during my audit.



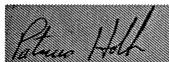
Calvin G Vickery CPA
Professional Corporation,
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

Brampton, Ontario
June 28, 2024

HOSPICE TORONTO
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash (Note 2)	\$ 1,092,804	\$ 427,012
Accounts receivable (Note 3)	23,499	110,472
Grants receivable (Note 4)	12,500	-
Prepaid expenses	66,852	4,888
	<u>1,195,655</u>	<u>542,372</u>
LONG-TERM		
Investments (Note 5)	971,115	733,814
CAPITAL ASSETS (Note 6)	<u>-</u>	<u>8,121</u>
	<u>\$ 2,166,770</u>	<u>\$ 1,284,307</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 71,256	\$ 82,957
Deferred revenue (Note 7)	803,689	103,395
Canada Emergency Business Account (Note 8)	-	40,000
	<u>874,945</u>	<u>226,352</u>
NET ASSETS		
Unrestricted net assets	<u>1,291,825</u>	<u>1,057,955</u>
	<u>\$ 2,166,770</u>	<u>\$ 1,284,307</u>

APPROVED ON BEHALF OF THE BOARD:



Patricia Holk

Treasurer



Ruth Bastedo

Board Chair

June 28, 2024

DATE

HOSPICE TORONTO
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
NET ASSETS, beginning of year	\$ 1,057,955	\$ 1,031,227
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u>233,870</u>	<u>26,728</u>
NET ASSETS, end of year	<u>\$ 1,291,825</u>	<u>\$ 1,057,955</u>

HOSPICE TORONTO
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
REVENUE		
Ontario Ministry of Health (Note 9)	\$ 807,597	\$ 655,786
Donations and fundraising	82,400	187,852
Employment and Social Development Canada (Note 7)	222,091	-
Federal subsidies and grants (Note 10)	23,840	25,000
Investment income (Note 11)	133,019	10,471
Ontario Community Support Association	-	228,500
Ontario Ministry for Seniors and Accessibility	-	25,000
Ontario Trillium Foundation (Note 7)	164,547	139,527
Other income	2,011	4,959
Partnership and community contributions	16,155	33,827
Petro-Canada CareMakers Foundation (Note 7)	22,851	-
Recovery of bad debt	33,996	-
United Way - Allan Slaight Seniors Fund	175,000	175,000
United Way - Shifting Sands (Note 7)	22,323	-
Young Carers grants (Note 7)	74,105	-
	<u>1,779,935</u>	<u>1,485,922</u>
EXPENSES		
Program delivery (Note 12)	1,206,884	991,276
Fundraising	114,606	157,724
Professional fees	124,641	120,318
Overhead and communications (Note 13)	92,955	150,264
Administration	6,979	39,612
	<u>1,546,065</u>	<u>1,459,194</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u><u>\$ 233,870</u></u>	<u><u>\$ 26,728</u></u>

HOSPICE TORONTO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 233,870	\$ 26,728
Items not resulting in an outlay or receipt of cash		
Realized (gain) loss on sale of investments	(17,875)	(1,496)
Unrealized (gain) loss on investments	(38,537)	28,466
Foreign exchange (gain) loss on investments	408	(14,645)
Amortization of capital assets	8,121	8,121
	<u>185,987</u>	<u>47,174</u>
Changes in non-cash working capital		
Accounts receivable, trade and other	(2,355)	21,346
HST recoverable	110,824	(8,075)
Allowance for (recovery of) doubtful accounts	(33,996)	33,996
Prepaid expenses and deposits	(61,964)	(348)
Accounts payable and accrued liabilities	(11,700)	11,475
Deferred revenue	700,293	62,153
	<u>887,089</u>	<u>167,721</u>
CASH GENERATED FROM OPERATING ACTIVITIES		
CASH FLOWS USED IN INVESTING ACTIVITIES		
Net purchase of investments	(181,297)	(14,549)
	<u>(181,297)</u>	<u>(14,549)</u>
CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS USED IN FINANCING ACTIVITIES		
Canada Emergency Business Account repaid	(40,000)	-
	<u>(40,000)</u>	<u>-</u>
CASH USED IN FINANCING ACTIVITIES		
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	665,792	153,172
Cash and cash equivalents, beginning of the year	427,012	273,840
CASH AND CASH EQUIVALENTS, end of year (Note 2)	<u>\$ 1,092,804</u>	<u>\$ 427,012</u>

HOSPICE TORONTO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

PURPOSE OF THE ORGANIZATION

Hospice Toronto (the "organization") is a non-profit organization incorporated without share capital under the Registered Charities Act of Ontario. Hospice Toronto is a registered charity under the Income Tax Act and is therefore exempt from income taxes and may issue official donation receipts for income tax purposes. Its principal activities enhance the quality of life for persons with a terminal illness, their families and friends.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO) in Part III of the CPA Canada Handbook and include the following significant accounting policies:

(a) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Estimates were used in the determination of the recoverability of accounts receivable, amortization of leasehold improvements and recognition of accrued liabilities and in the allocation of salaries to program activities.

(b) 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. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Unrestricted contributions, including revenue from fundraising, are recognized as revenue when received or receivable, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Income from investments is recognized on an accrual basis.

(c) Financial instruments

Hospice Toronto's financial instruments consist of cash and cash equivalents, short-term investments, fixed income instruments, equities, accounts and Harmonized Sales Tax ("HST") receivable, bank indebtedness and accounts payable and accrued liabilities. Cash and cash equivalents, short-term investments, equities and fixed income instruments that are quoted in an active market and bank indebtedness are measured at fair value. Accounts and HST receivable, and accounts payable and accrued liabilities are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financial fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument or shorter, dependent upon the expected period of cash flow.

HOSPICE TORONTO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - continued

(c) Financial instruments (continued)

Where there is an indication of impairment and such an impairment is determined to have occurred, the carrying amount of financial assets, measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. Such impairments can be subsequently reversed if the value subsequently improves, but cannot exceed the amount that would have been reported at the date of reversal, had the impairment not been recognized previously.

(d) Cash and cash equivalents

Any investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

(e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Asset repairs and maintenance are charged to expense. Betterments which extend the useful life of an asset are capitalized. When a capital asset no longer contributes to the organization's ability to provide services, its carrying value is written down to its residual value.

Amortization is provided on a straight-line basis over the asset's estimated useful life:

Computer equipment	3 years
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(f) 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 organization, 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.

(g) Allocation of salaries

Hospice Toronto allocates salary to program activities by identifying the appropriate basis of allocation and applying this basis consistently each year.

(h) Translation of foreign currencies

The monetary assets and liabilities of the organization denominated in foreign currencies are translated at the rates of exchange at the balance sheet date. Non-monetary items are translated at the exchange rates in effect on the dates of the transactions. Revenues and expenses are translated at the average exchange rate prevailing during the year. Exchange gains or losses are included in the results of operations.

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - continued

(i) Government assistance

Amounts received or receivable from government assistance programs are reflected as revenues or restricted contributions when the organization becomes eligible to accrue them, provided there is reasonable assurance the benefits will be realized.

NOTE 2: CASH

The cash balance consists of the following amounts:

	2024	2023
Cash in bank	\$ 86,682	\$ 72,314
Cash in investment accounts	3,605	3,199
Guaranteed investment certificate	506,349	-
Investment savings account	496,168	351,499
	<u>\$ 1,092,804</u>	<u>\$ 427,012</u>

The guaranteed investment certificate matures on June 26, 2024 and has an interest rate of 4.75%.

NOTE 3: ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following amounts:

	2024	2023
Accounts receivable, trade and other	\$ -	\$ 10,145
Harmonized sales tax ("HST") recoverable	23,499	134,323
	<u>23,499</u>	<u>144,468</u>
Less: allowance for doubtful accounts	-	33,996
	<u>\$ 23,499</u>	<u>\$ 110,472</u>

NOTE 4: GRANTS RECEIVABLE

The grants receivable balance consists of the following amounts:

	2024	2023
Ontario Health	\$ 12,500	\$ -
	<u>\$ 12,500</u>	<u>\$ -</u>

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 5: INVESTMENTS

As of March 31, 2024, the organization held investments in both Canadian and US accounts managed by an investments manager and measured at fair value. Investments consist of:

	2024		2023	
	Market Value	Cost	Market Value	Cost
Canadian investments				
Canadian common shares and equivalents	\$ 204,581	\$ 157,697	\$ 194,276	\$ 174,385
Canadian fixed income mutual funds	241,953	252,503	150,474	162,368
Foreign fixed income mutual funds	158,930	155,397	146,294	139,248
Foreign other equities	241,975	232,974	136,476	137,188
	<u>847,439</u>	<u>798,571</u>	<u>627,520</u>	<u>613,189</u>
US investments				
Equities	91,375	74,981	78,176	53,144
Foreign exchange	32,301	19,009	28,118	17,853
	<u>123,676</u>	<u>93,990</u>	<u>106,294</u>	<u>70,997</u>
Total investments	<u>\$ 971,115</u>	<u>\$ 892,561</u>	<u>\$ 733,814</u>	<u>\$ 684,186</u>

NOTE 6: CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2024	Net Book Value 2023
Computer equipment	\$ 24,363	\$ 24,363	\$ -	\$ 8,121

Previously, funding for computer equipment was provided by Ontario Health. The underlying capital assets under the Ontario Health funding have been fully amortized in the year.

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 7: DEFERRED REVENUE

	Balance, beginning of year	Additional contributions received	Recognition of deferred contributions	Balance, end of year
Ontario Health Central - capital asset purchases (Note 9)	\$ 8,121	\$ -	\$ 8,121	\$ -
	<u>8,121</u>	<u>-</u>	<u>8,121</u>	<u>-</u>
Ontario Trillium Foundation Indigenous Death Doula Collective	24,653	125,000	97,217	52,436
Resilient Communities Fund	46,621	68,600	67,330	47,891
	<u>71,274</u>	<u>193,600</u>	<u>164,547</u>	<u>100,327</u>
Other groups				
Employment and Social Development Canada	-	635,533	222,091	413,442
Gala sponsorship	13,000	-	13,000	-
Government of Canada - New Horizons for Seniors	-	23,890	19,714	4,176
Petro-Canada CareMakers Foundation	-	200,000	22,851	177,149
Second Harvest	11,000	-	11,000	-
United Way - Shifting Sands	-	99,823	22,323	77,500
Young Carers grants	-	105,200	74,105	31,095
	<u>24,000</u>	<u>1,064,446</u>	<u>385,084</u>	<u>703,362</u>
	<u>\$ 103,395</u>	<u>\$ 1,258,046</u>	<u>\$ 557,752</u>	<u>\$ 803,689</u>

The organization received from the Ontario Health Central ("OH Central") one-time funding to support the purchase of computer equipment. The grant is being amortized in the same manner as the underlying capital assets recorded. The underlying capital assets have been fully amortized in the year.

The organization has entered a multi-year agreement with Ontario Trillium Foundation to provide mentoring to the Indigenous Death Doula Collective. The total funding for the program is \$500,000 payable over 4 years in annual payments of \$125,000. The program runs from May 1, 2021 to April 30, 2025.

HOSPICE TORONTO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 7: DEFERRED REVENUE (continued)

The organization has entered into a 2 year agreement with Ontario Trillium Foundation to provide funding to support the recovery and build resiliency from impacts of COVID-19 by securing staff and expertise to create a new fundraising diversification program to support the delivery of programs. The total funding to be received from September 6, 2022 to September 5, 2024 is \$171,600.

The organization has entered a multi-year agreement with Employment and Social Development Canada to provide funding for the Creating Caring Communities for Seniors. The program will scale up existing services that have shown positive results in helping seniors age well at home; and increase the quality of life of low-income and otherwise vulnerable seniors by delivering eligible services directly to beneficiaries to help them age well at home. The total funding for the program is \$1,848,841 payable over 3 years. The program supports the purchase of capital assets. The portion of the grant used for capital asset purchases is being amortized in the same manner as the underlying capital assets recorded. The program runs from July 12, 2023 to March 31, 2026.

The organization received sponsorship funding in the amount of \$13,000. The gala was held in the fall of 2023.

The organization received funding from the Government of Canada under the New Horizons for Seniors program. The program supports the testing and adaptation of TYZE for palliative care clients and to share this approach. The funding was not fully utilized in the year.

The organization has entered a multi-year agreement with Petro-Canada CareMakers Foundation to provide funding for the Creating Caring Communities - Toolkits. The objective, activities and intended results of the project provide a senior centric model that uses a community development approach to leverage significant practical and emotional based support.

The organization received funding from Second Harvest to support the food security programs. This funding was fully utilized by year end.

The organization received a grant from United Way for the Shifting Sands program to provide funding to recruit 50 new volunteers carefully screened who will receive 40 hours of training in personal, practical, and emotional care; enhancing community support to improve quality of life for seniors. The organization will restore and revitalize volunteer capacity, adapting and modernizing its care model; enhancing quality of care with a demonstrable impact for vulnerable seniors. The program runs from May 1, 2023 to June 30, 2024.

The organization received a number of foundation grants totalling \$105,200 in the year. The grants are being used to fund the Young Carers Program. The program supports children and youth aged five to eighteen. The program is peer based and gives young carers a chance to "just be a kid". The program focuses on recreation, skill building, communication, coping strategies in a therapeutic approach and with an aim to building resiliency and promoting mental health.

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 8: CANADA EMERGENCY BUSINESS ACCOUNT

The organization was approved for the Canada Emergency Business Account ("CEBA") administered by the Government of Canada. Under the terms of the loan, the balance of the loan is interest free until December 31, 2023. One third of the loan balance will be forgiven if the balance of the loan is repaid by the due date. The forgivable portion of the loan was recognized as income in the fiscal year ended March 31, 2021 when the funds were advanced. The balance of the loan was repaid before year end.

	2024	2023
CEBA loan advanced	\$ -	\$ 60,000
CEBA loan forgiven	-	(20,000)
	<u>\$ -</u>	<u>\$ 40,000</u>

NOTE 9: ONTARIO MINISTRY OF HEALTH

The organization receives funding from OH Central under an agreement signed with the Ministry of Health and Long-term Care ("MOHLTC"). It also receives funding from the Aids Bureau, MOHLTC.

	2024	2023
OH Central	\$ 607,127	\$ 595,223
AIDS Bureau	95,042	52,442
One-time OH Central funding - computer purchases	8,121	8,121
One-time OH Central funding	97,307	-
	<u>\$ 807,597</u>	<u>\$ 655,786</u>

NOTE 10: FEDERAL SUBSIDIES

The organization received grant funding during the year for the New Horizons for Seniors Program. The organization received funding under the summer student wage subsidy program.

	2024	2023
Canada Summer Jobs Program	\$ 4,126	\$ -
New Horizons for Seniors Program grant	19,714	25,000
	<u>\$ 23,840</u>	<u>\$ 25,000</u>

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 11: INVESTMENT INCOME

	2024	2023
Foreign exchange gains (losses)	\$ (408)	\$ 14,645
Investment income	77,015	22,796
Realized gains (losses) on sale of investments	17,875	1,496
Unrealized gains (losses) on investments	38,537	(28,466)
	<u>\$ 133,019</u>	<u>\$ 10,471</u>

NOTE 12: PROGRAM DELIVERY

	2024	2023
Other client services - direct	\$ 878,274	\$ 592,758
Partnership and community project costs	8,961	19,910
Volunteer training and recruitment	142,767	105,933
Food hamper program	176,882	272,675
	<u>\$ 1,206,884</u>	<u>\$ 991,276</u>

NOTE 13: OVERHEAD AND COMMUNICATIONS EXPENSE

	2024	2023
Amortization - computers	\$ 8,121	\$ 8,121
Bad debts expense	-	33,996
Computer purchases and consulting	16,854	13,005
Insurance	8,817	7,792
Occupancy	23,869	24,672
Office and communications	35,294	62,678
	<u>\$ 92,955</u>	<u>\$ 150,264</u>

HOSPICE TORONTO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 14: FINANCIAL INSTRUMENTS

The organization regularly evaluates and manages the principal risks assumed with its financial instruments. The risks that arise from transacting in financial instruments include credit risk, fair value risk, liquidity risk, currency risk, and interest rate risk. The following analysis provides a measure of the organization's risk exposure and concentrations at the statement of financial position date. There are no significant changes in the risk exposures from the prior period.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from its accounts receivable from other organizations. Collectibility of accounts receivable is reviewed on a regular basis and where required an allowance for doubtful account is recorded,

Fair value risk

The carrying values of the financial instruments cash, accounts receivable, short-term investments, and accounts payable and accrued liabilities approximates their fair values due to the immediate or short-term maturity of these instruments.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to fair value. The organization manages liquidity risk by continuously monitoring actual and projected cash flows to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the organization's reputation.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The short-term investments include money market funds, equity stocks and fixed income securities. All securities are susceptible to interest rate changes.

Foreign currency risk

The organization has assets that are denominated in foreign currencies and thus is exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates.

At year end, the organization had investments in cash and marketable securities denominated in United States dollars equivalent to \$93,990 carrying value (2023 - \$70,997), and market value of \$123,676 (2023 - \$106,294).

HOSPICE TORONTO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 15: ECONOMIC DEPENDENCE

In the 2024 fiscal year, approximately 45.37% (2023 - 44.14%) of the organizations's revenues were from the Ontario Ministry of Health and 4.63% (2023 - 12.64%) were from donations and fundraising. Should the funding cease, management is of the opinion that it would be questionable that the organization could continue operating in its present form.