

HOSPICE TORONTO
FINANCIAL STATEMENTS
MARCH 31, 2025

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MARCH 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Hospice Toronto
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Hospice Toronto, which comprise the statement of financial position as at March 31, 2025, and the statements of operations and changes in net assets and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenues 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, 2025, 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

The Organization derives certain of its revenues from donations, the completeness of which is not susceptible to satisfactory audit procedures. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Organization. Therefore we were not able to determine whether any adjustments might be necessary to operating revenue, excess of revenues over expenses and cash flows for the years ended March 31, 2025 and March 31, 2024, current assets as at March 31, 2025 and March 31, 2024, and net assets as at the beginning and end of the years ended March 31, 2025 and March 31, 2024. The audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly.

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 Hospice Toronto 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.

Other Matter

The financial statements of the Organization for the year ended March 31, 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on June 28, 2024.

INDEPENDENT AUDITOR'S REPORT (Continued)

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 the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.

INDEPENDENT AUDITOR'S REPORT (Continued)

- 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 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 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.

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.

KRIENS~LAROSE, LLP

KRIENS~LAROSE, LLP

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto Ontario
June 23, 2025

HOSPICE TORONTO
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

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	2025 \$	2024 \$
ASSETS		
CURRENT		
Cash and cash equivalents (Note 2)	1,483,649	1,092,804
Grants receivable (Note 3)	12,500	12,500
HST recoverable	26,916	23,499
Prepaid expenses	65,265	66,852
	1,588,330	1,195,655
INVESTMENTS (Note 5)	1,015,290	971,115
	2,603,620	2,166,770
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	66,215	71,256
Deferred contributions (Note 6)	1,109,770	803,689
	1,175,985	874,945
NET ASSETS		
UNRESTRICTED	1,427,635	1,291,825
	2,603,620	2,166,770

APPROVED ON BEHALF OF THE BOARD:

Ruth Bastedo, Board Chair

Brian Nguyen, Treasurer

HOSPICE TORONTO
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED MARCH 31, 2025

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	2025	2024
	\$	\$
REVENUES		
Ontario Ministry of Health (Note 7)	823,985	807,597
Employment and Social Development Canada (Note 6)	582,909	222,091
Ontario Trillium Foundation (Note 6)	225,327	164,547
United Way - Allan Slaight Seniors Fund	175,000	175,000
Donations and fundraising	98,137	82,400
Investment income (Note 9)	88,874	133,019
United Way - Shifting Sands (Note 6)	77,500	22,323
Young Carers grants (Note 6)	65,000	74,105
Petro-Canada CareMakers Foundation (Note 6)	44,287	22,851
Federal subsidiaries and grants (Note 8)	4,176	23,840
Recovery of bad debt	-	33,996
Partnership and community contributions	-	16,155
Other income	-	2,011
	2,185,195	1,779,935
EXPENSES		
Program delivery (Note 10)	1,678,073	1,206,884
Fundraising	126,696	114,606
Overhead and communications (Note 11)	124,295	92,955
Professional fees	107,193	124,641
Administration	13,128	6,979
	2,049,385	1,546,065
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	135,810	233,870
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	1,291,825	1,057,955
UNRESTRICTED NET ASSETS, END OF YEAR	1,427,635	1,291,825

See accompanying notes to the financial statements

HOSPICE TORONTO
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED MARCH 31, 2025

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	2025	2024
	\$	\$
		(Note 15)
CASH WAS PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Cash receipts from restricted grants	1,308,280	1,258,046
Cash receipts from unrestricted grants	995,985	1,068,729
Cash receipts from donations and fundraising	98,137	118,407
Cash receipts from investment income	35,908	94,890
Cash paid to suppliers and employees	(2,051,309)	(1,588,858)
	387,001	951,214
INVESTING ACTIVITIES		
Net proceeds (purchase) from investments	3,844	(245,422)
FINANCING ACTIVITIES		
Canada Emergency Business Account repaid	-	(40,000)
Change in cash and cash equivalents	390,845	665,792
Cash and cash equivalents, beginning of year	1,092,804	427,012
Cash and cash equivalents, end of year	1,483,649	1,092,804

See accompanying notes to the financial statements

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit Organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations and changes in net assets.

Financial assets measured at amortized cost include cash, grants receivable and accounts receivable. Financial assets measure at fair value include investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

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 discounted cash flows expected or proceeds that could be realized from the sale of the financial assets. Such impairments can be subsequently reserved 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.

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 reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Continued...

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Capital Assets

Capital assets are stated at acquisition cost. Amortization is provided on a straight-line basis at the following annual rates:

Computer equipment	3 years
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Capital assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the capital assets to its fair value. Any impairment of the capital asset is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to equipment is recognized as revenue as the equipment is amortized over their useful lives.

Donations and fundraising revenue are recognized as revenue when received.

Interest and dividends from investments and gain on sale of investments are recognized in the period in which they are realized. Unrealized gains and losses are recognized in the consolidated statement of operations and represents the difference between cost and market value of the investments.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government Assistance

Government assistance is a restricted contribution and is accounted for using the deferral method based on the assistance provided.

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the Organization, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

Allocation of salaries

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

Foreign currency translation

The monetary assets and liabilities of the Organization denominated in foreign currencies are translated at the rates of exchange at 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.

2. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance consists of the following:

	2025	2024
	\$	\$
Cash	94,901	86,682
Cash at broker	7,167	3,605
Guaranteed investment certificate	-	506,349
Investment savings account	1,381,581	496,168
	<hr/>	<hr/>
	1,483,649	1,092,804

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

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3. GRANTS RECEIVABLE

The grants receivable balance consists of the following:

	2025 \$	2024 \$
Ontario Health Central	-	12,500
Ontario Trillium Foundation	12,500	-
	12,500	12,500

4. CAPITAL ASSETS

	2025		2024	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Computer equipment	24,363	24,363	24,363	24,363
Net book value		-		-

Previously, funding for computer equipment was provided by Ontario Ministry of Health. The underlying capital assets under the Ontario Health funding have been fully amortized in the 2024 fiscal year.

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5. INVESTMENTS

As at March 31, 2025, the Organization held investments in both Canadian and U.S. accounts managed by an investment manager and measured at fair value. The investments comprised the following:

	2025		2024	
	Cost	Market	Cost	Market
	\$	\$	\$	\$
Canadian investments				
Canadian equities	119,798	144,604	157,697	204,581
Fixed income mutual funds	298,003	285,417	252,503	241,953
Foreign fixed income mutual funds	178,095	179,531	155,397	158,930
Foreign other equities	269,974	284,721	232,974	241,975
	865,870	894,273	798,571	847,439
US investments				
Foreign equities	68,777	121,017	74,981	91,375
Fixed income mutual funds	-	-	19,009	32,301
	68,777	121,017	93,990	123,676
	934,647	1,015,290	892,561	971,115

Continued...

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent externally restricted amounts received in the current year that are earmarked for future specific programs. The changes in deferred contributions balances are as follows:

	Balance, beginning of year \$	Contributions received during the year \$	Amounts recognized as revenue during the year \$	Balance, end of year \$
Ontario Trillium Foundation				
Indigenous Death Doula Collective	52,436	125,000	(177,436)	-
Resilient Communities Fund	47,891	-	(47,891)	-
	100,327	125,000	(225,327)	-
Employment and Social Development Canada				
Creating Caring Communities for Seniors	413,442	643,564	(582,909)	474,097
New Horizons for Seniors Program	-	437,811	-	437,811
	413,442	1,081,375	(582,909)	911,908
Other Programs				
Petro-Canada CareMakers Foundation	177,149	-	(44,287)	132,862
United Way - Shifting Sands	77,500	-	(77,500)	-
Young Carers Grants	31,095	63,905	(65,000)	30,000
Government of Canada - New Horizon for Seniors	4,176	-	(4,176)	-
Other foundations	-	38,000	(3,000)	35,000
	289,920	101,905	(193,963)	197,862
	803,689	1,308,280	(1,002,199)	1,109,770

Ontario Trillium Foundation ("OTF")

During the 2022 fiscal year, the Organization has entered a multi-year agreement with OTF 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.

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6. **DEFERRED CONTRIBUTIONS (continued)**

Ontario Trillium Foundation ("OTF") (continued)

During the 2022 fiscal year, the Organization has entered into a two (2) year agreement with OTF 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.

Employment and Social Development Canada ("ESDC")

In the previous fiscal year, 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 three (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.

During the current fiscal year, the Organization has entered a multi-year agreement with Employment and Social Development Canada to provide funding for the New Horizons for Seniors Program. The program will implement a collective impact initiative (CII) to increase social inclusion of participants, defined as vulnerable caregiver or bereaved senior (55+) women across the Greater Toronto Area of Ontario. The initiative will focus on promoting community participation and addressing barriers to access services for vulnerable groups of seniors, particularly those facing social, cultural, or economic challenges. The total funding for the program is \$3,225,075 payable over six (6) years. The program runs from March 17, 2025 to March 15, 2030.

Other programs

During the previous fiscal year, 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 ended on June 30, 2024.

Continued...

6. DEFERRED CONTRIBUTIONS (continued)

Other programs (continued)

Previously, 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 a number of foundation grants 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.

7. ONTARIO MINISTRY OF HEALTH

The Organization receives funding from Ontario Health Central ("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.

	2025	2024
	\$	\$
OH Central	646,492	607,127
AIDS Bureau	55,042	95,042
One-time OH Central funding - computer purchases	-	8,121
One-time OH Central funding	122,451	97,307
	823,985	807,597

Continued...

8. FEDERAL SUBSIDIES

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

	2025	2024
	\$	\$
Canada Summer Jobs Program	-	4,126
New Horizons for Senior Program grant	4,176	19,714
	4,176	23,840

9. INVESTMENT INCOME

Investment income consists of the following:

	2025	2024
	\$	\$
Investment income	35,907	77,015
Unrealized gains on investments	28,059	38,537
Foreign exchange gains (losses)	4,948	(408)
Realized gains on sale of investments	19,960	17,875
	88,874	133,019

10. PROGRAM DELIVERY

	2025	2024
	\$	\$
Other client services - direct	1,367,732	878,274
Food hamper program	165,729	176,882
Volunteer training and recruitment	144,612	142,767
Partnership and community project costs	-	8,961
	1,678,073	1,206,884

Continued...

11. OVERHEAD AND COMMUNICATIONS EXPENSE

	2025	2024
	\$	\$
Office and communications	56,844	35,294
Occupancy	33,373	23,869
Computer purchases and consulting	24,915	16,854
Insurance	9,163	8,817
Amortization - computers	-	8,121
	124,295	92,955

12. ALLOCATION OF EXPENSES

Salaries and benefits and contractors costs were allocated as follows:

	2025	2024
	\$	\$
Program delivery	1,060,168	736,522
Fundraising	46,714	18,736
Administration	13,128	6,979
	1,120,010	762,237

Continued...

13. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following presents the Organization's risk exposure and concentrations at March 31, 2025.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relate to accounts receivable and grants receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$nil (2024: \$nil).

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk as it depends on government grants for its operations. In order to reduce its liquidity risk, the Organization seeks to continue to receive funding on an annual basis, manage its cash flow, and set aside idle funds to fulfill its obligations. There has been no change in the risk assessment from the prior period.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization has investments in cash and marketable securities denominated in United States dollars equivalent to \$69,717 carrying value (2024: \$93,990), and market value of \$121,957 (2024: \$123,676).

Interest Rate Risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is not exposed to significant interest rate risk, as investments are predominantly held in fixed-income securities.

Continued...

13. FINANCIAL INSTRUMENTS (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investments in Canadian and foreign equities. This risk is managed in accordance with the Organization's investment policy, which provides guidelines for asset allocation, diversification, and monitoring. Investment advisors are engaged to implement and adhere to this policy.

14. ECONOMIC DEPENDENCE

A significant portion of the Organization's revenue is derived from the Ontario Ministry of Health. During the year, funding from this agency represented approximately 38% (2024 – 45%) of total revenues. The Organization also receive funding from the United Way, Ontario Trillium Foundation and Employment and Social Development Canada. Funding is dependent upon strict guidelines imposed by the above funders on the Organization by written agreements.

The Organization's ability to continue viable operations is dependent upon maintaining the guidelines imposed by the funders, and the continued yearly funding by the Ontario Ministry of Health.

15. COMPARATIVE FIGURES

Certain comparative figures in the Statement of Cash Flows have been reclassified to conform to the current year's presentation.

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