

HOSPICE GEORGINA
Financial Statements
Year Ended March 31, 2016

HOSPICE GEORGINA
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Year Ended March 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hospice Georgina

We have audited the accompanying financial statements of Hospice Georgina, which comprise the statement of financial position as at March 31, 2016 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 qualified audit opinion.

(continues)

Independent Auditor's Report to the Members of Hospice Georgina *(continued)*

Basis for Qualified Opinion

In common with many not-for-profit organizations, Hospice Georgina derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Hospice Georgina. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2016, current assets and net assets as at March 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Hospice Georgina as at March 31, 2016 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.

Lipchitz + Associates

LIPCHITZ & ASSOCIATES
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountant

Keswick, Ontario
August 12, 2016

HOSPICE GEORGINA
Statement of Financial Position
As at March 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 76,409	\$ 50,857
Accounts receivable	339	-
HST rebate receivable	3,041	3,010
Prepaid expenses	2,480	4,635
	82,269	58,502
TERM DEPOSIT (Note 4)	33,460	33,000
CAPITAL ASSETS (Note 5)	3,105	3,907
	\$ 118,834	\$ 95,409
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,151	\$ 4,000
Employee deductions payable	5,036	4,540
	10,187	8,540
NET ASSETS	108,647	86,869
	\$ 118,834	\$ 95,409

ON BEHALF OF THE BOARD

Neelam Rahman Director
[Signature] Director
 August 24/16 2020

HOSPICE GEORGINA
Statement of Operations
For the Year Ended March 31, 2016

	(note 7) Budget (Unaudited) 2016	Total 2016	Total 2015
REVENUE			
Grants (Note 6)	\$ 129,989	\$ 113,488	\$ 97,961
Donations and fundraising	30,550	49,743	33,185
Other income	2,000	2,883	2,598
	<u>162,539</u>	<u>166,114</u>	<u>133,744</u>
EXPENSES			
Direct program and co-ordination costs	66,430	63,073	44,785
Administrative costs	42,510	39,773	36,030
Occupancy costs	19,920	17,335	17,821
Office and general	5,300	6,672	5,851
Fundraising costs	3,970	4,381	6,067
Professional fees	4,500	4,000	2,750
Insurance	2,950	3,110	3,868
Telephone	1,610	1,434	1,517
HST expense	1,600	1,301	1,020
Travel	1,135	1,166	556
Volunteer support	1,155	905	541
Amortization	-	802	1,013
Training	400	216	21
Interest and bank charges	400	120	68
Advertising and promotion	75	48	72
	<u>151,955</u>	<u>144,336</u>	<u>121,980</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 10,584</u>	<u>\$ 21,778</u>	<u>\$ 11,764</u>

HOSPICE GEORGINA
Statement of Changes in Net Assets
Year Ended March 31, 2016

	Internally restricted (note 4) 2016	Unrestricted 2016	Total 2016	Total 2015
NET ASSETS - BEGINNING OF YEAR	\$ 25,088	\$ 61,781	\$ 86,869	\$ 75,105
Excess of revenue over expenses	-	21,778	21,778	11,764
NET ASSETS - END OF YEAR	\$ 25,088	\$ 83,559	\$ 108,647	\$ 86,869

HOSPICE GEORGINA
Statement of Cash Flows
Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 21,778	\$ 11,764
Item not affecting cash:		
Amortization of capital assets	802	1,013
	<u>22,580</u>	<u>12,777</u>
Changes in non-cash working capital:		
Accounts receivable	(339)	-
HST rebate receivable	(31)	1,944
Prepaid expenses	2,155	(4,193)
Accounts payable and accrued liabilities	1,151	(999)
Employee deductions payable	496	1,003
	<u>3,432</u>	<u>(2,245)</u>
Cash flow from operating activities	<u>26,012</u>	<u>10,532</u>
INVESTING ACTIVITY		
Term deposit	(460)	(8,221)
Cash flow used by investing activity	<u>(460)</u>	<u>(8,221)</u>
INCREASE IN CASH FLOW	25,552	2,311
Cash - beginning of year	<u>50,857</u>	<u>48,546</u>
CASH - END OF YEAR	\$ 76,409	\$ 50,857

HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2016

1. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Part III - Accounting Standards for Not-for-Profit Organizations of the CPA Handbook - Accounting issued by the Accounting Standards Board (AcSB).

2. DESCRIPTION OF BUSINESS

Hospice Georgina (the "organization") was incorporated by letters patent, without share capital, under the Not-for-profit Corporations Act of Ontario on September 22, 1997. The organization is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.

The organization operates to provide non-medical, physical, emotional and spiritual support to all people in Georgina with a life threatening illness, and also their families and caregivers through a base of a caring community of trained volunteers.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Hospice Georgina follows the deferral method of accounting for contributions.

Contributions that have been received by year end are recognized as revenue in the period they are received.

Restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

Restricted investment income is recognized as revenue when earned.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Computer software	100%	declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2016

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

4. TERM DEPOSITS (INTERNALLY RESTRICTED)

Term deposits consist of two guaranteed investment certificates as follows:

\$23,000 GIC issued March 16, 2015 expiring March 16, 2018 with laddered interest earning a blended rate of 1.4998% per year.

\$10,000 GIC issued March 31, 2016 expiring April 1, 2019 with laddered interest earning a blended rate of 0.80078% per year.

\$460 interest has been accrued.

The Board of Directors has restricted the use of a portion of the accumulated net assets for the purpose of expanding the programs throughout the Town of Georgina in accordance with the organization's strategic plan. These funds are to be reinvested in term deposits until they are required to be used.

HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2016

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Equipment	\$ 8,588	\$ 5,624	\$ 2,964	\$ 3,706
Computer equipment	6,133	5,992	141	201
Computer software	2,171	2,171	-	-
	\$ 16,892	\$ 13,787	\$ 3,105	\$ 3,907

6. GRANTS

The organization has received program grants in support of their services provided to the residents of Georgina.

	2016	2015
Palliative Care Network for York Region	\$ 66,758	\$ 66,758
United Way of York Region	37,731	31,203
Government grant: Senior Community Grant	6,124	-
York Region - Community Needs	2,875	-
	\$ 113,488	\$ 97,961

7. BUDGET

The budget figures presented are as approved by the Board of Directors. These figures have been agreed to the budget but otherwise are not subject to audit verification.

8. COMPARATIVE INFORMATION

Some of the comparative figures have been reclassified to conform to the current year's presentation.

