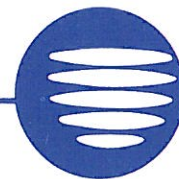


HOSPICE GEORGINA
Financial Statements
Year Ended March 31, 2014

HOSPICE GEORGINA
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Year Ended March 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hospice Georgina

I have audited the accompanying financial statements of Hospice Georgina, which comprise the statement of financial position as at March 31, 2014 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 donations and 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, I was not able to determine whether any adjustments might be necessary to donations or fundraising revenue, excess of revenues over expenses, current assets and net assets as at March 31, 2014.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Hospice Georgina as at March 31, 2014 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.



Keswick, Ontario
July 14, 2014

LIPCHITZ & ASSOCIATES
CHARTERED ACCOUNTANT
Licensed Public Accountant

HOSPICE GEORGINA
Statement of Financial Position
As at March 31, 2014

	March 31, 2014	March 31, 2013
ASSETS		
CURRENT		
Cash	\$ 48,546	\$ 26,009
HST rebate receivable	4,954	3,296
Prepaid expenses	442	442
	53,942	29,747
TERM DEPOSIT <i>(Note 4)</i>	24,779	24,515
CAPITAL ASSETS <i>(Note 5)</i>	4,920	2,131
	\$ 83,641	\$ 56,393
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,999	\$ 4,999
Employee deductions payable	3,537	3,778
	8,536	8,777
NET ASSETS		
Operating fund	50,326	23,101
Restricted fund	24,779	24,515
	75,105	47,616
	\$ 83,641	\$ 56,393

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

HOSPICE GEORGINA
Statement of Operations
Year Ended March 31, 2014

	Budget 2014	2014	2013
REVENUE			
Grants <i>(Note 6)</i>	\$ 104,678	\$ 134,946	\$ 105,753
Donations and fundraising	27,171	30,223	22,683
Other income	3,500	2,225	1,953
	<u>135,349</u>	<u>167,394</u>	<u>130,389</u>
EXPENSES			
Administrative costs	72,416	70,498	64,175
Advertising and promotion	1,200	458	491
Amortization	-	829	606
Direct program and co-ordination costs	-	22,299	14,851
Fundraising costs	5,995	6,259	6,291
Grief and bereavement program	1,550	951	678
HST expense	4,800	1,684	1,447
Insurance	3,779	4,460	3,779
Interest and bank charges	483	216	467
Occupancy costs	19,944	17,619	19,019
Office and general	10,220	6,310	7,060
Professional fees	5,470	4,051	5,890
Telephone	2,424	2,131	1,968
Training	1,100	643	301
Travel	1,010	723	1,010
Volunteer support	400	774	191
	<u>130,791</u>	<u>139,905</u>	<u>128,224</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 4,558</u>	<u>\$ 27,489</u>	<u>\$ 2,165</u>

See notes to financial statements

HOSPICE GEORGINA
Statement of Changes in Net Assets
Year Ended March 31, 2014

	Operating Fund	Restricted Fund	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 23,101	\$ 24,515	\$ 47,616	\$ 45,451
Excess of revenues over expenses	27,225	264	27,489	2,165
NET ASSETS - END OF YEAR	\$ 50,326	\$ 24,779	\$ 75,105	\$ 47,616

See notes to financial statements

HOSPICE GEORGINA
Statement of Cash Flows
Year Ended March 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 27,489	\$ 2,165
Item not affecting cash:		
Amortization of capital assets	829	606
	<u>28,318</u>	<u>2,771</u>
Changes in non-cash working capital:		
Accounts receivable	-	125
Accounts payable and accrued liabilities	-	799
HST rebate receivable	(1,658)	228
Prepaid expenses	-	2,408
Employee deductions payable	(241)	2,497
	<u>(1,899)</u>	<u>6,057</u>
Cash flow from operating activities	<u>26,419</u>	<u>8,828</u>
INVESTING ACTIVITIES		
Term deposit	(264)	(309)
Purchase of capital assets	(3,618)	-
Cash flow used by investing activities	<u>(3,882)</u>	<u>(309)</u>
INCREASE IN CASH FLOW	22,537	8,519
Cash - beginning of year	<u>26,009</u>	<u>17,490</u>
CASH - END OF YEAR	\$ 48,546	\$ 26,009

See notes to financial statements

HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2014

1. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Part III - Accounting Standards for Not-for-Profit Organizations of the CICA 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 Ontario Corporations Act on September 22, 1997. As a not-for-profit corporation under the Income Tax Act (Canada) the company is exempt from income taxes.

The organization is registered as a charity with the Canada Revenue Agency. This allows the organization to issue income tax deductible receipts to donors for properly qualifying gifts or donations received by the organization.

The objective of the organization is 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

Fund accounting

Hospice Georgina follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund over the time period to which they relate and when collection is reasonably assured.

Restricted contributions are reported in the Internally Restricted Fund. Investment income earned on resources of the Restricted Fund is reported in this Fund as well on a time proportionate basis.

Revenue recognition

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 less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

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

(continues)

HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2014

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

Government grants

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

Contributed services

A number of volunteers have donated significant amounts of their time to the organization. No amount has been reflected in the statements for these donated services because no objective basis is available to measure their value.

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Areas requiring the use of estimates include the allowance for uncollectable accounts receivable and the carrying value of equipment. Actual results could differ from those 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

Economic dependence

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the organization be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The organization's ability to continue as a going concern is dependent upon its ability to obtain program funding. These financial statements do not reflect the adjustments or reclassification of assets and liabilities, which would be necessary if the organization were unable to continue its operations.

HOSPICE GEORGINA
Notes to Financial Statements
Year Ended March 31, 2014

4. TERM DEPOSITS (INTERNALLY RESTRICTED)

Term deposits consist of a guaranteed investment certificate, bearing interest at 1.2% per annum, maturing March 16, 2015.

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.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Equipment	\$ 8,588	\$ 3,956	\$ 4,632	\$ 1,720
Computer equipment	6,133	5,845	288	411
Computer software	2,171	2,171	-	-
	\$ 16,892	\$ 11,972	\$ 4,920	\$ 2,131

6. GRANTS

The organization has received program grants totaling \$134,946 (2013 - \$105,753) in support of their services provided to the residents of Georgina.

	2014	2013
Palliative Care Network for York Region	\$ 66,758	\$ 68,031
United Way York Region	37,722	37,722
Government of Canada - New Horizon's	23,295	-
York Region - Community Needs	3,643	-
Job Skills	3,528	-
	\$ 134,946	\$ 105,753

7. COMPARATIVE FIGURES

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