

HOME HOSPICE NORTH LANARK

FINANCIAL STATEMENTS

(Unaudited)

September 30, 2020

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Independent Practitioner's Review Engagement Report

To the Directors of
Home Hospice North Lanark

We have reviewed the accompanying financial statements of **HOME HOSPICE NORTH LANARK** that comprise the statement of financial position as at September 30, 2020, 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **HOME HOSPICE NORTH LANARK** as at September 30, 2020, 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.

COLBY McGEACHY PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Almonte, Ontario
November 25, 2020

HOME HOSPICE NORTH LANARK
STATEMENT OF FINANCIAL POSITION

(Unaudited)

As at September 30, 2020

	2020	2019
ASSETS		
Current assets		
Cash	\$ 40,100	\$ 53,834
Accounts receivable (Note 4)	7,936	1,935
Prepaid expenses	2,494	2,485
	50,530	58,254
Investments (Note 3)	183,122	176,948
Capital assets (Note 5)	51	67
	\$ 233,703	\$ 235,269
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 11,936	\$ 8,890
Reserved funds - training	14,597	14,597
	26,533	23,487
PURPOSE OF THE ORGANIZATION (Note 1)		
NET ASSETS		
Balance	207,170	211,782
	\$ 233,703	\$ 235,269

On behalf of the board

_____ Director

_____ Director

HOME HOSPICE NORTH LANARK**STATEMENT OF OPERATIONS**

(Unaudited)

For the period ended September 30, 2020

	2020	2019
Revenues		
Organizational donations	\$ 15,856	\$ 32,732
Individual donations	12,223	2,825
Fundraising	12,046	26,107
Investment income	5,175	2,948
Other non-receiptable donations	2,730	2,429
	48,030	67,041
Expenditures		
Wages and benefits	47,450	24,664
Fundraising expenses	7,367	13,862
Professional fees	6,488	5,702
Insurance	2,784	1,358
Office and general	2,260	1,240
Website, internet and software	920	333
Telephone	686	375
Advertising and promotion	331	422
Donations	185	100
Interest and bank charges	89	218
Amortization	16	9
Bereavement support	-	1,648
Equipment and supplies	-	315
	68,576	50,246
(Deficiency) excess of revenues over expenditures before undernoted item	(20,546)	16,795
Canada emergency wage subsidy	15,934	-
(Deficiency) excess of revenues over expenditures	\$ (4,612)	\$ 16,795

The attached notes are an integral part of these financial statements

HOME HOSPICE NORTH LANARK
STATEMENT OF CHANGES IN NET ASSETS
(Unaudited)
For the period ended September 30, 2020

	2020	2019
Balance, beginning of period	\$ 211,782	\$ 194,987
(Deficiency) excess of revenues over expenditures	(4,612)	16,795
Balance, end of period per Statement I	\$ 207,170	\$ 211,782

HOME HOSPICE NORTH LANARK
STATEMENT OF CASH FLOWS
(Unaudited)
For the period ended September 30, 2020

	2020	2019
Cash flows from operating activities		
(Deficiency) excess of revenues over expenditures	\$ (4,612)	\$ 16,795
Adjustment for		
Amortization	16	9
	(4,596)	16,804
Changes in non-cash working capital		
Increase in accounts receivable	(6,001)	(1,560)
Increase in prepaid expenses	(9)	(1,416)
Increase in accounts payable and accrued liabilities	3,046	710
	(7,560)	14,538
Cash flows from investing activity		
(Increase) decrease in investments (note 3)	(6,174)	(176,948)
Decrease in cash and cash equivalents	(13,734)	(162,410)
Cash and cash equivalents, beginning of period	53,834	216,244
Cash and cash equivalents, end of period	\$ 40,100	\$ 53,834

The attached notes are an integral part of these financial statements

HOME HOSPICE NORTH LANARK

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

September 30, 2020

1. PURPOSE OF THE ORGANIZATION

Home Hospice North Lanark (formerly Hub Hospice Palliative Care) was incorporated in Ontario on March 22, 2013, as a not-for-profit organization and is a registered charity under the *Income Tax Act*. The stated purposes of the organization are to provide respite to persons caring for those receiving palliative support; coordinating health care, social services, education, counselling and support groups for both the ill and caregivers. The organization's name change was effected through articles of amendment on March 5, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The significant accounting policies used are as follows:

Revenue recognition

The Home Hospice North Lanark follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes dividend and interest income, realized investment gains and losses on sales of investments, and unrealized gains and losses on investments measured at fair value.

Capital assets

Capital assets are recorded at cost. The Home Hospice North Lanark provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Furniture and fixtures	20% Declining balance
Computer equipment	55% Declining balance

Cash and cash equivalents

The organization's policy is to present bank balances under cash and cash equivalents with a maturity period of three months or less from the date of acquisition. Investments that the organization cannot use for current transactions because they are restricted as reserves are also excluded from cash and cash equivalents.

Contributed assets and services

Directors, committee members and owners volunteer their time to assist in the corporation's activities. While these services benefit the corporation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

HOME HOSPICE NORTH LANARK
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

September 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments

The Home Hospice North Lanark has elected to classify all of its investments as held-for-trading, and accordingly they are recorded at fair value. Changes in fair values during the year are included in revenue or expenditures on the statement of operations.

Quoted market prices were used to determine the fair value of the investments as at the year end date.

Financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures 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.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. INVESTMENTS

	2020	2020	2019	2019
	Market	Cost	Market	Cost
Quoted units in funds measured at fair value	\$ 182,122	\$ 175,000	\$ 176,948	\$ 174,000

4. ACCOUNTS RECEIVABLE

	2020	2019
Canada Emergency Wage Subsidy	\$ 7,224	\$ -
HST rebate	712	1,935
	\$ 7,936	\$ 1,935

HOME HOSPICE NORTH LANARK
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

September 30, 2020

5. CAPITAL ASSETS

	2020		2019	
	Cost	Accumulated amortization	Net book value	
Furniture and fixtures	\$ 253	\$ 205	\$ 48	\$ 60
Computer equipment	1,058	1,055	3	7
	\$ 1,311	\$ 1,260	\$ 51	\$ 67

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade accounts payable and accrued liabilities	\$ 10,682	\$ 7,829
Amount payable in respect of government remittances	1,254	1,061
	\$ 11,936	\$ 8,890

7. FINANCIAL INSTRUMENTS

Interest rate risk

The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the organization to a fair value risk while the floating rate instrument subject it to a cash flow risk. The organization is exposed to this type of risk as a result of investments in fund securities.

Other price risk

Other price risk associated with investments in funds is mitigated by regular monitoring of the fund's performance and use of a conservative investment policy.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due.

Trade accounts payable and accrued liabilities are generally repaid within 30 days.

HOME HOSPICE NORTH LANARK
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

September 30, 2020

8. MATERIAL UNCERTAINTY

The outbreak of a novel strain of coronavirus resulted in the global declaration of a pandemic by the World Health Organization. Government measures in place to combat the health threat of the virus have caused material disruption to businesses globally resulting in an economic slowdown. The duration and impact of the outbreak are unknown at this time, as are the efficacy of government and central bank interventions. It is not possible to reliably estimate the length and severity of the measures nor their impact on the future financial results and conditions of the organization.

At this time the organization's ability to continue as a going concern is not in question; particularly because it has at least three years worth of operational expenses available as cash resources and may also be eligible for the Canada Emergency Wage Subsidy until December 2020.

9. COMPARATIVE FIGURES

On July 23, 2019 the Charities Directorate of the Canada Revenue Agency approved a change in the fiscal period-end of the organization from March 31 to September 30. The comparative figures presented reflect the prior six-month fiscal period ended September 30, 2019.