

# **HOME HOSPICE NORTH LANARK**

## **FINANCIAL STATEMENTS**

Year ended September 30, 2021

# HOME HOSPICE NORTH LANARK

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September 30, 2021

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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 (the "Organization") that comprise the statement of financial position as at September 30, 2021, 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, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Ascend". The signature is written in a cursive, slightly slanted style. Below the signature is a thick, horizontal black line that tapers at both ends, serving as a decorative underline.

**Ascend LLP, Chartered Professional Accountants, LPA**  
**Independent Member Firm of**  
**PORTER HÉTU INTERNATIONAL**  
Almonte, Ontario  
January 12, 2022

**HOME HOSPICE NORTH LANARK**  
**STATEMENT OF OPERATIONS**  
Year ended September 30, 2021

	<b>2021</b>	<b>2020</b>
<b>Revenues</b>		
Fundraising	\$ 27,201	\$ 12,046
Organizational donations	22,707	15,856
Individual donations	20,714	12,223
Investment income	18,961	5,175
Other non-receiptable donations	495	2,730
	<b>90,078</b>	<b>48,030</b>
<b>Expenditures</b>		
Wages and benefits	44,969	47,450
Fundraising expenses	12,562	7,367
Professional fees	7,995	6,488
Office and general	3,167	2,260
Insurance	2,769	2,784
Training expense	1,453	-
Website, internet and software	1,089	920
Advertising and promotion	987	331
Donations	686	185
Telephone	683	686
Interest and bank charges	129	89
Amortization	12	16
	<b>76,501</b>	<b>68,576</b>
<b>Excess (deficiency) of revenues over expenditures from operations</b>	<b>13,577</b>	<b>(20,546)</b>
Canada Emergency Wage Subsidy	-	15,934
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ 13,577</b>	<b>\$ (4,612)</b>

**HOME HOSPICE NORTH LANARK**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**Year ended September 30, 2021**

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	<b>2021</b>	<b>2020</b>
<b>Balance, beginning of year</b>	\$ 207,170	\$ 211,782
<u>Excess (deficiency) of revenues over expenditures</u>	<u>13,577</u>	<u>(4,612)</u>
<b>Balance, end of year</b>	<b>\$ 220,747</b>	<b>\$ 207,170</b>

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The accompanying notes are an integral part of these financial statements

**HOME HOSPICE NORTH LANARK**  
**STATEMENT OF FINANCIAL POSITION**  
**September 30, 2021**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 32,278	\$ 40,100
Receivables - note 4	3,483	7,936
Prepaid expenses	2,811	2,494
	38,572	50,530
Investments - note 3	202,032	183,122
Tangible capital assets - note 5	39	51
	<b>\$ 240,643</b>	<b>\$ 233,703</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities - note 6	\$ 5,299	\$ 11,936
Reserved funds - training	14,597	14,597
	19,896	26,533
<b>Net assets</b>	<b>220,747</b>	<b>207,170</b>
	<b>\$ 240,643</b>	<b>\$ 233,703</b>

On behalf of the board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**HOME HOSPICE NORTH LANARK**  
**STATEMENT OF CASH FLOWS**  
Year ended September 30, 2021

	<b>2021</b>	<b>2020</b>
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ 13,577	\$ (4,612)
Adjustment for item which does not affect cash		
Amortization	12	16
	13,589	(4,596)
Change in non-cash working capital items		
Receivables	4,453	(6,001)
Prepaid expenses	(317)	(9)
Accounts payable and accrued liabilities	(6,637)	3,046
	11,088	(7,560)
<b>Investing activity</b>		
(Increase) in investments - note 3	(18,910)	(6,174)
<b>Decrease in cash</b>	(7,822)	(13,734)
<b>Cash, beginning of year</b>	40,100	53,834
<b>Cash, end of year</b>	<b>\$ 32,278</b>	<b>\$ 40,100</b>

**HOME HOSPICE NORTH LANARK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2021**

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**1. NATURE OF THE ORGANIZATION**

Home Hospice North Lanark (the "Organization") (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 Organization 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.

The Organization recognizes revenue from fundraising activities when such activities are held.

Because of the uncertainty surrounding the collectibility of grants, the Organization recognizes them when they are received.

**Tangible capital assets**

Tangible capital assets are recorded at cost. The Organization provides for amortization using the following methods at rates designed to amortize the cost of the tangible 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 and committee members volunteer their time to assist in the Organization's activities. While these services benefit the Organization 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 THE FINANCIAL STATEMENTS**  
**September 30, 2021**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Investments**

The Organization 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**

	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>Cost</b>	<b>Market</b>	<b>Cost</b>	<b>Market</b>
Quoted units in funds measured at fair value	\$ 182,870	\$ 201,032	\$ 175,000	\$ 182,122
Guaranteed investment certificate	1,000	1,000	1,000	1,000
	<b>\$ 183,870</b>	<b>\$ 202,032</b>	<b>\$ 176,000</b>	<b>\$ 183,122</b>

**4. RECEIVABLES**

	<b>2021</b>	<b>2020</b>
Interest receivable	\$ -	\$ 7,224
HST rebate	50	-
Rain barrel fundraiser	1,880	712
	<b>1,553</b>	<b>-</b>
	<b>\$ 3,483</b>	<b>\$ 7,936</b>

**HOME HOSPICE NORTH LANARK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2021**

**5. TANGIBLE CAPITAL ASSETS**

			2021			2020
	Cost	Accumulated amortization	Net Book Value			Net Book Value
Furniture and fixtures	\$ 253	\$ 215	\$ 38	\$		48
Computer equipment	1,058	1,057	1	\$		3
	\$ 1,311	\$ 1,272	\$ 39	\$		51

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

			2021			2020
Trade accounts payable and accrued liabilities			\$ 4,739	\$		10,682
Amount payable in respect of government remittances			560			1,254
			\$ 5,299	\$		11,936

**7. FINANCIAL INSTRUMENT RISKS**

The Organization is exposed to the following risks in respect of certain of the financial instruments held:

(a) 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.

(b) 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.

(c) 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 THE FINANCIAL STATEMENTS**  
**September 30, 2021**

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**8. SIGNIFICANT EVENT**

The outbreak of a novel strain of coronavirus in early 2020 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.