

North Perth Community Hospice

Financial Statements
Year Ended March 31, 2025

- audited -

North Perth Community Hospice

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of North Perth Community Hospice:

Qualified Opinion

We have audited the financial statements of North Perth Community Hospice, which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of North Perth Community Hospice as at March 31, 2025, and its results of its operations and its cash flows for the year then ended March 31, 2025 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, North Perth Community Hospice derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of North Perth Community Hospice and we were not able to determine whether any adjustments might have been found necessary with respect to donations, the excess of revenues over expenses, cash flows from operating activities for the years ended March 31, 2025 and March 31, 2024, current assets as at March 31, 2025 and March 31, 2024, and fund balances as at April 1 and March 31 for both the 2025 and 2024 year ends. Our conclusion on the financial statements as at and for the year ended March 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 the organization 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 qualified opinion.

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.

Independent Auditor's Report continued on next page...

Independent Auditor's Report continued...

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.
- 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.



Listowel, Ontario

May 27, 2025

**Ward & Uptigrove
Chartered Professional Accountants
Licensed Public Accountants**

North Perth Community Hospice
Statement of Financial Position
as at March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2025

2024

ASSETS

Current Assets

Cash and cash equivalents	100,540	102,279
Investments	-	33,880
Guaranteed investment certificates - <i>Note 4</i>	35,430	-
Accounts receivable - <i>Note 5</i>	-	13,966
HST receivable	4,332	1,354
Prepaid expenses	6,428	5,857

	146,730	157,336
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Other Assets

Guaranteed investment certificates - <i>Note 4</i>	-	17,322
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TOTAL ASSETS

	146,730	174,658
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LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	7,962	7,881
Government remittances payable	172	146
Deferred revenue - <i>Note 6</i>	8,819	13,962

	16,953	21,989
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Fund Balances

General Fund - <i>Schedule 1</i>	145,317	168,209
Long Term Care Fund - <i>Schedule 2</i>	(15,540)	(15,540)

	129,777	152,669
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TOTAL LIABILITIES AND FUND BALANCES

	146,730	174,658
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Approved on Behalf of the Board of Directors by



North Perth Community Hospice
Statement of Revenues, Expenditures & Fund Balances
year ended March 31, 2025

in dollars

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<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>	2025	2024
REVENUES		
General Fund - <i>Schedule 1</i>	110,553	113,133
Long Term Care Fund - <i>Schedule 2</i>	103,780	64,200
	214,333	177,333
EXPENDITURES		
General Fund - <i>Schedule 1</i>	34,211	33,146
Long Term Care Fund - <i>Schedule 2</i>	204,624	138,399
	238,835	171,545
OTHER INCOME (LOSSES)		
General Fund - <i>Schedule 1</i>	1,610	997
(Deficiency) excess of Revenues over Expenditures	(22,892)	6,785
Fund Balances, Beginning of Year	152,669	145,884
Fund Balances, End of Year	129,777	152,669

North Perth Community Hospice

Statement of Cash Flows

year ended March 31, 2025

in dollars

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<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>	2025	2024
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
(Deficiency) excess of Revenues over Expenditures	(22,892)	6,785
Items not affecting cash		
Increase in market value of investments	(1,610)	(997)
Change in accrued interest on guaranteed investment certificates - <i>Note 4</i>	(1,108)	217
	(25,610)	6,005
Changes in non-cash working capital related to operations - <i>Note 8</i>	5,381	(4,512)
	(20,229)	1,493
INVESTING ACTIVITIES		
Reinvested investment distributions	(400)	(799)
Purchase of guaranteed investment certificate	(17,000)	(17,301)
Maturity of guaranteed investment certificate	-	16,290
Proceeds on disposal of investments	35,890	-
	18,490	(1,810)
CHANGE IN CASH AND CASH EQUIVALENTS		
	(1,739)	(317)
Cash and cash equivalents, beginning of year	102,279	102,596
Cash and cash equivalents, end of year	100,540	102,279
Represented by:		
Cash	100,540	102,279
	100,540	102,279

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

1 PURPOSE OF ORGANIZATION

North Perth Community Hospice ("the organization") is a charitable organization incorporated without share capital under the laws of the Province of Ontario. The organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes under Section 149(1) of the Income Tax Act. The purpose of the organization is to support those faced with life threatening illness, death or bereavement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

2.1 Fund accounting

The organization follows the restricted fund method of accounting. The following funds have been established:

General Fund: Accounts for all revenue and expenses for programs not covered by Ministry funding, including all donations, fundraising, and investment income.

Long Term Care Fund: Accounts for all Ministry funding and program expenses for programs sponsored by the Ministry of Health.

In 2025, a transfer of \$100,844 (2024 - \$74,199) from the General Fund to the Long Term Care Fund was made to cover the operating deficiency of the fund.

2.2 Financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The entity subsequently measures all its financial assets and financial liabilities at amortized cost, except for any investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income. Financial assets measured at amortized cost include cash, guaranteed investment certificates, and accounts receivable.

2.3 Cash and cash equivalents

Cash and cash equivalents consist of cash and temporary investments with a maturity period of three months or less from the date of acquisition.

2.4 Capital assets

Capital assets are expensed in the year of acquisition. The categories of assets not recorded within the statement of financial position includes office furniture and equipment, computer equipment, and leasehold improvements. Office furniture and equipment includes items of desks, chairs, kitchen appliances, and cabinets. Computer equipment includes telecommunication equipment, computers and laptops. Leasehold improvements includes the costs incurred for renovations on the office space. During the year, the cost of capital assets expensed in the Statement of Revenues & Expenditures is:

Office furniture and equipment: \$962 (2024 - \$555)

Computer equipment: \$1,183 (2024 - \$696)

Leasehold improvements: \$23,844 (2024 - \$nil)

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2.5 Revenue recognition

The organization follows the restricted fund method whereby externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Restricted contributions for which no corresponding restricted fund is presented is recognized in the General Fund using the deferral method. Unrestricted contributions (donations and fundraising) are recognized as revenue in the General Fund when received.

Ministry funding and other grant revenue are recorded when received, or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Investment income in the General Fund is recognized on the transaction date and resulting revenue is recognized on an accrual basis.

2.6 Donated materials and services

Volunteers contribute time during the year to assist the organization in carrying out its charitable activities. Because of the difficulty of determining their fair value, volunteer contributed services are not recognized in the financial statements.

2.7 Cloud Computing Arrangements

At the inception of the cloud computing arrangement with a supplier, the organization allocates the consideration of the arrangement to all of the significant separable elements based on their specific sales price. Development costs and costs on the rights to use a tangible asset are recognized according to the accounting methods applicable to such elements. To account for expenditures in a cloud computing arrangement that fall within the scope of AcG-20, Customer's Accounting for Cloud Computing Arrangements, the organization has opted for the simplification approach. Such expenditures shall be treated as the supply of services and recognized as an expenditure when the organization receives such services. These expenditures are reported under software licensing on the Schedule of General Fund Revenues & Expenditures and Schedule of Long Term Care Fund Revenue & Expenditures. \$725 and \$2,997 was expensed in these funds, respectively. The organization recognizes a prepayment as an asset when payment for services has been made in advance of the entity receiving those services. Expenditures related to implementation activities are expensed as incurred.

2.8 Use of estimates

The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2.9 Allocation of expenditures

The organization incurs various expenditures for both the General Fund and the Long Term Care Fund.

The organization allocates these shared expenditures between the General Fund and Long Term Care fund based on a fixed percentage, with the exception of salaries and benefits, which is allocated between each fund based on the time spent on programs under each fund.

<u>Expenditure</u>	<u>General Fund</u>	<u>Long Term Care Fund</u>
Advertising and promotion	20%	80%
Insurance	20%	80%
Office supplies	45%	55%
Software licensing	20%	80%
Salaries and benefits by position:		
Executive Director	6%	94%
Grief and Bereavement Coordinator	-%	100%
Grief and Bereavement Social Worker	-%	100%
Office Administrator	30%	70%
Telephone and postage	20%	80%

Direct expenditures incurred are fully recorded to the fund they relate to.

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

3 FINANCIAL INSTRUMENTS

The significant risks arising from financial instruments to which the organization is exposed as at year end are detailed below.

a) Credit risk

The organization's credit risk is mainly related to accounts receivable. The organization provides credit to its clients in the normal course of operations. The organization is not exposed to any significant credit risk.

b) 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 is not exposed to any significant currency risk.

c) Interest rate risk

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 exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the organization to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating interest rate instruments subject the organization to changes in related future cash flows.

During the year, the organization's exposure to interest rate risk changed from the previous year mainly as a result of the increase in fixed rate guaranteed investment certificates.

d) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. The organization is not exposed to any significant liquidity risk.

e) 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. The company is not exposed to any significant other price risk.

During the year, the organization's exposure to other price risk changed from the previous year as a result of the disposal of investments in marketable securities.

4 GUARANTEED INVESTMENT CERTIFICATES

	2025	2024
Guaranteed investment certificate, bearing interest at 4.70%, matures September 2025	18,148	17,322
Guaranteed investment certificate, bearing interest at 3.85%, matures October 2025	17,282	-
	35,430	17,322

Guaranteed investment certificates include accrued interest at March 31, 2025 of \$1,129 (2024 - \$21).

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

5 ACCOUNTS RECEIVABLE

	2025	2024
Online donations receivable	-	481
Ontario Health West - base funding receivable	-	985
Ontario Health West - grief and bereavement funding receivable	-	12,500
	-	13,966

6 DEFERRED REVENUE

	Beginning balance	Contributions received	Contributions recognized to revenue	Ending balance
Music therapy	3,150	-	-	3,150
Veteran support	1,500	-	-	1,500
Tear soup program	4,114	-	(1,465)	2,648
Grief recovery program	2,824	-	(1,303)	1,521
iHeart Community Fund	493	-	(493)	-
2023 Smart & Caring Community Grant	1,881	-	(1,881)	-
	13,962	-	(5,142)	8,819

- Music therapy deferred revenue was received for the purpose of providing music therapy to Hospice clients.
- Veteran support deferred revenue was received for the purpose of providing hospice support to veterans.
- Tear soup program deferred revenue was received for the purpose of providing materials and expenses required to run the tear soup program.
- Grief recovery program deferred revenue was received for the purpose of providing support and expanding grief recovery specialist staff to provide support to patients.
- iHeart community fund deferred revenue was received for the purpose of providing materials and resources for the children's grief and bereavement program.
- 2023 Smart & Caring Community grant deferred revenue was received for the purpose of workshops for bereaved families.

North Perth Community Hospice

Notes to the Financial Statements

year ended March 31, 2025

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

7 DONATIONS, FUNDRAISING AND OTHER

The total amount of donations, fundraising and other revenue during the year was received from the following groups:

	Donations	Fundraising and other	Total
Corporations	4,673	30,920	35,593
Individuals	17,527	38,855	56,382
Organizations	75	11,792	11,867
	22,275	81,567	103,842

8 STATEMENT OF CASH FLOWS

The net change in non-cash working capital consists of:

	2025	2024
Accounts receivable	13,966	(3,966)
Prepaid expenses	(571)	(1,074)
HST receivable	(2,978)	1,938
Accounts payable	81	674
Deferred revenue	(5,143)	(1,909)
Government remittances payable	26	(175)
	5,381	(4,512)

9 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

North Perth Community Hospice
Schedule 1
Schedule of General Fund Revenues & Expenditures
year ended March 31, 2025 *in dollars*

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<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>	2025	2024
REVENUES		
Donations - <i>Note 7</i>	22,275	17,532
Fundraising and other - <i>Note 7</i>	81,567	87,599
Amortization of deferred revenue - <i>Note 6</i>	5,143	6,409
Investment income	1,568	1,593
	110,553	113,133
EXPENDITURES		
Advertising and promotion	205	288
Fundraising	12,806	10,588
Insurance	1,196	1,041
Office supplies	2,688	2,130
Program supplies	3,240	4,861
Salaries and benefits	11,608	10,830
Software licensing	929	914
Staff training	1,009	780
Telephone and postage	530	1,714
	34,211	33,146
OTHER INCOME (LOSSES)		
Gains (losses) on investments	1,610	997
Excess of Revenues over Expenditures	77,952	80,984
Transfer to Long Term Care Fund	(100,844)	(74,199)
Net Increase (Decrease) General Fund	(22,892)	6,785
General Fund Balance, Beginning of Year	168,209	161,424
General Fund Balance, End of Year	145,317	168,209

North Perth Community Hospice
Schedule 2
Schedule of Long Term Care Fund Revenues & Expenditures
year ended March 31, 2025 *in dollars*

<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>	2025	2024
REVENUES		
Ontario Health West - base funding	53,460	50,223
Ontario Health West - one time funding	50,320	13,977
	103,780	64,200
EXPENDITURES		
Advertising and promotion	34	39
Community education	8,789	-
Insurance	4,783	4,163
Occupancy costs	12,127	11,032
Office supplies	3,857	1,561
Professional fees	6,652	6,080
Program supplies	1,771	890
Repairs and maintenance	23,844	-
Salaries and benefits	125,987	102,431
Software licensing	3,812	3,654
Staff training	6,499	2,756
Telephone and postage	2,465	1,802
Utilities	4,004	3,991
	204,624	138,399
Deficiency of Revenues over Expenditures	(100,844)	(74,199)
Transfer from General Fund	100,844	74,199
Net Increase (Decrease) Long Term Care Fund	-	-
Long Term Care Fund Balance, Beginning of Year	(15,540)	(15,540)
Long Term Care Fund Balance, End of Year	(15,540)	(15,540)