
EVERGREEN HOSPICE
FINANCIAL STATEMENTS
MARCH 31, 2017



Independent Auditor's Report

To the Directors of
Evergreen Hospice

I have audited the accompanying financial statements of Evergreen Hospice, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and 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 organization'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 organization'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.

Basis for Qualified Opinion

Evergreen Hospice derives a material amount of revenue from donations and fundraising activities. I was not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for accounts receivable, donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion

In my opinion, except for the 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 Evergreen Hospice as at March 31, 2017 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.

A handwritten signature in black ink that reads "Paul Stainton". The signature is written in a cursive style and is positioned to the left of a vertical line.

Markham, Ontario
July 7, 2017

AUTHORIZED TO PRACTICE PUBLIC ACCOUNTING BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO

315 Renfrew Drive, Suite 302, Markham, ON L3R 9S7
Voice: (905) 943-7425 Fax: (905) 946-7632 Email: paul@paulstainton.ca

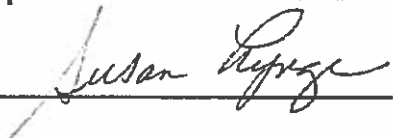
Evergreen Hospice

Statement of Financial Position

As at March 31, 2017

	2017	2016
Assets		
Current		
Cash and cash equivalents	\$ 85,997	\$ 89,031
Short-term investments (note 3)	350,649	372,169
Accounts receivable	21,975	38,071
Prepaid expenses	4,840	4,840
Government taxes receivable	6,356	10,328
Total assets	\$ 469,817	\$ 514,439
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 35,178	\$ 22,570
Unearned revenue	8,500	2,500
Total liabilities	43,678	25,070
Commitment (note 4)		
Net Assets		
Net assets	426,139	489,369
Total liabilities and net assets	\$ 469,817	\$ 514,439

Approved on behalf of the Board


Member

See accompanying notes

Evergreen Hospice

Statement of Operations and Changes in Net Assets

For the year ended March 31, 2017

	2017	%	2016	%
Revenue				
Grants	\$ 196,625	41.1	\$ 154,938	29.0
Fundraising	192,864	40.3	153,480	28.8
Donations	89,361	18.7	225,141	42.2
Total revenue	478,850	100.0	533,559	100.0
Expenditures				
Office and general	52,144	10.9	55,337	10.4
Administration	130,552	27.3	137,976	25.9
Fundraising and community awareness	142,737	29.8	132,702	24.9
HST expense	5,491	1.1	5,412	1.0
Occupancy	48,888	10.2	45,617	8.5
Delivery and postage	3,477	0.7	5,195	1.0
Client services	204,495	42.7	196,836	36.9
Total expenditures	587,784	122.7	579,075	108.5
Deficiency of revenue over expenditures before undernoted items	(108,934)	(22.7)	(45,516)	(8.5)
Other income (expense)				
Gain (loss) on sale of marketable securities	7,646	1.6	(20,387)	(3.8)
Unrealized Gain on sale of investments	23,373	4.9	8,276	1.6
Investment and other income	14,685	3.1	16,519	3.1
	45,704	9.5	4,408	0.8
Deficiency of revenue over expenditures	(63,230)	(13.2)	(41,108)	(7.7)
Net assets, beginning of year	489,369		530,477	
Net assets, end of year	\$ 426,139		\$ 489,369	

See accompanying notes

Evergreen Hospice

Statement of Cash Flows

For the year ended March 31, 2017

	2017	2016
Operating activities		
Deficiency of revenue over expenditures	\$ (63,230)	\$ (41,108)
Adjustment for		
(Gain) loss on sale of marketable securities	(7,646)	20,387
	(70,876)	(20,721)
Change in non-cash working capital items		
Accounts receivable	16,096	(34,080)
Prepaid expenses	-	(4,390)
Government taxes receivable	3,972	(4,434)
Accounts payable and accrued liabilities	12,608	278
Unearned revenue	6,000	-
	(32,200)	(63,347)
Investing activity		
Short-term investments	29,166	46,875
Decrease in cash	(3,034)	(16,472)
Cash, beginning of year	89,031	105,503
Cash, end of year	\$ 85,997	\$ 89,031

See accompanying notes

Evergreen Hospice

Notes to the Financial Statements

March 31, 2017

1. Organization

Evergreen Hospice of Markham-Stouffville ("the Organization") was incorporated under The Laws of Ontario in February, 1989 as a corporation without Share Capital and merged with Hospice of Thornhill on April 1, 2014, forming Evergreen Hospice.

The Organization's purpose is to provide supportive and bereavement care to people in Markham, Thornhill and Whitchurch-Stouffville who are experiencing the impact of life-threatening illness and death.

The Organization is classified as a registered charity under the Income Tax Act and as such is not subject to income tax provided certain disbursement requirements are met.

2. Significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

(a) 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 expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Externally restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

Revenue from fundraising events are recognized when the related event occurs. Ticket sales and sponsorship revenue received in advance of the event is deferred and recorded as unearned revenue.

(b) Cash and cash equivalents

Cash and cash equivalents consists of money held in banks

(c) 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.

(d) Financial instruments

Evergreen Hospice

Notes to the Financial Statements

March 31, 2017

2. Significant accounting policies, continued

(d) Financial instruments, continued

The organization's financial instruments consist of cash, term deposits, accounts receivable, prepaid expenses, accounts payable and accrued liabilities and unearned revenue. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

(e) Use of estimates

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 disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. Short-term investments

	2017 Market	2017 Cost	2016 Market	2016 Cost
Algonquin Power & Utilities Corp	\$ 31,750	\$ 27,988	\$ -	\$ -
BCE Inc New	26,496	17,185	33,738	21,768
Bank of Montreal	27,812	19,781	24,055	21,547
Canadian National Railway Co	22,086	17,217	-	-
First Capital Realty Inc	25,939	22,991	26,703	22,991
Fortis Inc	26,001	18,897	24,019	18,897
Intact Financial Corp	27,428	25,824	31,826	31,167
Inter Pipeline Ltd Com	24,526	22,522	-	-
Manitoba Telecom Services Inc	-	-	24,863	23,015
National Bank of Canada	19,544	15,721	14,871	15,721
North West Company Inc	31,710	24,739	28,920	24,739
Northland Power Inc	13,508	11,435	11,781	11,435
Power Financial Corp	-	-	22,404	23,059
Riocan REIT	23,842	24,870	24,206	25,015
Shaw Communications Inc	-	-	23,836	25,023
Sun Life Financial	-	-	16,760	14,202
Telus Corp	-	-	17,758	15,899
Transcanada Corporation	25,776	15,832	21,445	15,832
United-Global Fixed Income Pool	24,231	24,346	24,984	24,896
	\$ 350,649	\$ 289,348	\$ 372,169	\$ 335,206

Evergreen Hospice

Notes to the Financial Statements

March 31, 2017

4. Commitment

The organization's total commitment, under a property lease agreement, exclusive of occupancy costs, is as follows:

2018	\$	17,978
2019		20,323
2020		22,668
2021		7,817
		<hr/>
		\$ 68,786

5. Gain on investments

	2017	2016
Capital Gains/Losses - realized	\$ 7,646	\$ (20,387)
Capital Gains/Losses - unrealized	23,373	8,276
		<hr/>
		\$ 31,019
		<hr/>
		\$ (12,111)

6. Capital management

The organization's objective when managing capital is to ensure sufficient liquidity to sustain its financial obligations for continued operations to support its stated objectives. The capital structure of the organization consists of an accumulated excess of revenue over expenditures.