

**Hospice Palliative Care Society of
Cape Breton County
Financial Statements**

March 31, 2024

Hospice Palliative Care Society of Cape Breton County
Financial Statements

For the year ended March 31, 2024

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To the Board of Hospice Palliative Care Society of Cape Breton County:

We have reviewed the accompanying financial statements of Hospice Palliative Care Society of Cape Breton County (the "Society") that comprise the statement of financial position as at March 31, 2024, 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 Society, 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.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities, 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 the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, cash flows from operations for the year ended March 31, 2024, current assets as at March 31, 2024 and fund balances as at March 31, 2024. Our conclusion on the financial statements as at and for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, 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 Hospice Palliative Care Society of Cape Breton County as at March 31, 2024, 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.

Sydney, Nova Scotia
August 13, 2024

MNP LLP
Chartered Professional Accountants

Hospice Palliative Care Society of Cape Breton County
Statement of Financial Position
As at March 31, 2024

	2024			2023		
	Operating Fund	Restricted Fund	Total	Operating Fund	Restricted Fund	Total
ASSETS						
Current assets						
Cash	\$ 295,318	\$ 81,885	\$ 377,203	\$ 147,048	\$ 247,354	\$ 394,402
Term deposits – short term	100,830	100,830	201,660	201,726	100,863	302,589
Marketable securities	867	-	867	-	-	-
Accounts receivable	200	-	200	425	-	425
HST receivable	7,866	-	7,866	2,282	-	2,282
Prepaid expenses	34	72,790	72,824	-	-	-
Due from restricted fund	3,877	-	3,877	7,931	-	7,931
	408,992	255,505	664,497	359,412	348,217	707,629
Term deposits – long term	-	308,950	308,950	-	-	-
Property and equipment (note 2)	-	4,168,169	4,168,169	-	4,316,172	4,316,172
	\$ 408,992	\$ 4,732,624	\$ 5,141,616	\$ 359,412	\$ 4,664,389	\$ 5,023,801
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities (note 3)	\$ 10,832	-	\$ 10,832	\$ 22,257	\$ 1,800	\$ 24,057
Deferred revenue	-	-	-	10,862	-	10,862
Due to operating fund	-	3,877	3,877	-	7,931	7,931
	10,832	3,877	14,709	33,119	9,731	42,850
Commitment (note 5)						
FUND BALANCES						
Fund balances	398,160	4,728,747	5,126,907	326,293	4,654,658	4,980,951
	\$ 408,992	4,732,624	5,141,616	\$ 359,412	\$ 4,664,389	\$ 5,023,801

See accompanying notes to financial statements.

On behalf of the Board




Hospice Palliative Care Society of Cape Breton County
Statement of Operations
For the year ended March 31, 2024

	2024			2023		
	Operating Fund	Restricted Funds	Total	Operating Fund	Restricted Funds	Total
REVENUE						
Donations	\$ 231,872	\$ 136,800	\$ 368,672	\$ 213,926	\$ 207,464	\$ 421,390
Events and fundraisers, net (Schedule 2)	314,094	-	314,094	112,958	-	112,958
Investment and other income	33,055	488	33,543	9,001	2,533	11,534
	579,021	137,288	716,309	335,885	209,997	545,882
EXPENSES						
Amortization	-	163,097	163,097	-	162,408	162,408
Wages and benefits	204,406	-	204,406	147,727	49,753	197,480
Board and staff support	10,299	-	10,299	1,436	-	1,436
Home equipment program	7,042	-	7,042	8,849	-	8,849
Financial assistance fund	5,584	-	5,584	2,620	-	2,620
Flower program	1,247	-	1,247	662	-	662
Office	18,474	-	18,474	14,886	-	14,886
Miscellaneous	760	-	760	2,234	-	2,234
Volunteer expenses	1,426	-	1,426	5,617	-	5,617
Insurance	1,418	-	1,418	1,418	-	1,418
Education	6,559	-	6,559	4,873	-	4,873
Bereavement program	3,383	-	3,383	1,886	-	1,886
Credit card fees	3,207	-	3,207	2,197	-	2,197
Noel nursing	-	-	-	-	-	-
Public relations	23,917	1,782	25,699	24,325	-	24,325
Professional fees	6,550	-	6,550	6,268	-	6,268
Program supplies	24,223	-	24,223	-	9,315	9,315
Equipment and small appliances	-	-	-	-	1,031	1,031
Facilities	70,818	16,161	86,979	63,259	-	63,259
	389,313	181,040	570,353	288,257	222,507	510,764
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 189,708	\$ (43,752)	\$ 145,956	\$ 47,628	\$ (12,510)	\$ 35,118

See accompanying notes to financial statements.

Hospice Palliative Care Society of Cape Breton County
Statement of Changes in Fund Balances
For the year ended March 31, 2024

	2024		2023			
	Operating Fund	Restricted Funds	Total	Operating Fund	Restricted Funds	Total
BALANCE, BEGINNING OF YEAR	\$ 326,293	\$ 4,654,658	\$ 4,980,951	\$ 328,494	\$ 4,617,339	\$ 4,945,833
Transactions during the year						
Excess (deficiency) of revenues over expenses	189,708	(43,752)	145,956	47,628	(12,510)	35,118
Appropriation to restricted funds	(117,841)	117,841	-	(49,829)	49,829	-
BALANCE, END OF YEAR	\$ 398,160	4,728,747	\$ 5,126,907	\$ 326,293	\$ 4,654,658	\$ 4,980,951

See accompanying notes to financial statements.

Hospice Palliative Care Society of Cape Breton County
Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 145,956	\$ 35,118
Amortization	163,097	162,408
	<u>309,053</u>	<u>197,526</u>
Change in working capital		
Accounts receivable	225	(225)
HST receivable	(5,584)	392,577
Prepaid expense	(72,824)	-
Accounts payable and accrued liabilities	(13,225)	(371,388)
Deferred revenue	(10,862)	10,112
	<u>102,270</u>	<u>228,602</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Purchase of property and equipment	(15,094)	(31,728)
Increase in term deposits & marketable securities	(208,888)	(302,589)
	<u>(223,982)</u>	<u>(334,317)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<u>(17,199)</u>	<u>(105,715)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	394,402	500,117
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 377,203</u>	<u>\$ 394,402</u>

See accompanying notes to financial statements.

Hospice Palliative Care Society of Cape Breton County

Notes to Financial Statements

For the year ended March 31, 2024

Hospice Palliative Care Society of Cape Breton County (the Society) is incorporated under the Societies Act of the Province of Nova Scotia. Its principal purpose is to support and promote compassionate care for individuals and their loved ones who are living with a life-threatening illness. Its principal activities include programs which support individuals serviced by the Nova Scotia Health Authority's Cape Breton County Palliative Care Service, education programs and the organization of fundraising projects. The Society is a registered charity under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Basis of presentation

The Society follows the restricted fund method of accounting. The following is a description of the nature and purpose of each fund:

(i) Operating fund

The operating fund reports all the remaining residual activities of the Society and consists principally of the assets, liabilities, revenues and expenses associated with the core operations of the Society. Revenue includes contribution for which a specific purpose has not been designated by the donor.

(ii) Restricted fund

The restricted fund reports all designated assets, liabilities, revenues and expenses associated with specific purpose activities of the Society. Revenue includes contributions which have been restricted for a specific purpose by the donor. Contributions that have been restricted internally by the Society from undesignated contributions are recorded as an interfund transfer. Restricted funds include:

- Music Fund: to support the music therapy program. As of fiscal year ended March 31, 2024, this program is supported through the operating fund.
- Hospice Residence: to support the future capital requirements of the residence for the Society.
- An Cala Unit: to support ongoing comfort services to the unit at the Cape Breton Regional Hospital, and refresh of furniture and accessories.
- Physician Education: externally restricted fund to support palliative care education for physicians.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and cash in bank accounts net of outstanding cheques and deposits.

Hospice Palliative Care Society of Cape Breton County
Notes to Financial Statements
For the year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization will be provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Basis	Rate
Building	Straight-line	40 years
Furniture and equipment	Straight-line	10 years

A full year's amortization is taken in the year of acquisition.

(d) Revenue recognition

Unrestricted contributions are recognized as revenue of the operating fund when received. Contributions that have been internally restricted by the Society are reported in the specific fund by way of an interfund transfer.

Externally restricted contributions are recognized as revenue in the restricted fund when received. Contributions are considered restricted when designated by the donor or when received on behalf of a specific event.

Pledged contributions are recorded when cash is received.

Interest income is recorded on an accrual basis. Income earned on externally restricted assets is reported in the specific restricted fund. Income earned on the internally restricted and operating accounts is recorded in the operating fund.

Revenue from special events is recognized when the services are provided, or the goods sold.

(e) Contributed services

The organization would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the difficulty of compiling these hours, contributed services are not recognized in the financial statements.

(f) Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

Hospice Palliative Care Society of Cape Breton County
Notes to Financial Statements
For the year ended March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement of financial instruments

Financial instruments are initially recorded at their fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, with the exception of investments in equity instruments which are measured at fair value.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

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

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in income. A previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Unless otherwise noted, the Society is not subject to significant credit, market or liquidity risks arising from these instruments.

(g) Measurement uncertainty (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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Amortization is based on the estimated useful lives of capital assets.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

By their nature, these judgements are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reporting in excess of revenue over expenses in the years in which they become known.

Hospice Palliative Care Society of Cape Breton County

Notes to Financial Statements

For the year ended March 31, 2024

2. PROPERTY AND EQUIPMENT

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Building	\$ 4,030,629	\$ 301,405	\$ 3,729,224	\$ 3,819,056
Furniture and equipment	623,317	184,372	438,945	497,116
	\$ 4,653,946	\$ 485,777	\$ 4,168,169	\$ 4,316,172

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade and other payable	\$ 9,116	\$ 22,340
Employee deductions payable	1,716	1,717
	\$ 10,832	\$ 24,057

4. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following are the significant risks as of March 31, 2024:

a) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk arising primarily from its accounts payable and accrued liabilities. The Society manages its liquidity risk by constantly monitoring forecasted and actual cash flow. Accounts payable and accrued liabilities are normally paid within thirty days.

b) 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.

Future cash flows of its short-term investments are fixed and not dependent on market interest rates after purchase. Therefore, there is minimal risk to the Society's investments.

Hospice Palliative Care Society of Cape Breton County
Notes to Financial Statements
For the year ended March 31, 2024

5. COMMITMENT

During the year, the Society entered into an agreement to purchase equipment for the An Cala Unit of the Cape Breton Regional Hospital at a cost of \$155,737. At March 31, 2024 a deposit of \$72,790 has been made toward the purchase.

Hospice Palliative Care Society of Cape Breton County
Schedule 1 – Restricted Funds
For the year ended March 31, 2024

	Music for Hospice		An Cala Unit		Hospice Residence		Physician Education		Total	
	2024	2023	2024	2023	2024	2023	2024	2023		
RESTRICTED FUND BALANCE, BEGINNING OF YEAR	\$ -	\$ (511)	\$ 39,576	\$ 24,179	\$ 4,594,734	\$ 4,573,575	\$ 20,348	\$ 20,096	\$ 4,654,658	\$ 4,617,339
Revenues	-	10,781	71,800	15,397	65,000	183,567	488	252	137,288	209,997
Expenses	-	(55,338)	(17,943)	(4,761)	(163,097)	(162,408)	-	-	(181,040)	(222,507)
Appropriation from operating fund	-	45,068	1,123	4,761	116,718	-	-	-	117,841	49,829
Net increase in restricted fund	-	511	54,980	15,397	18,621	21,159	488	252	74,089	37,319
RESTRICTED FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 94,556	\$ 39,576	\$ 4,613,355	\$ 4,594,734	\$ 20,836	\$ 20,348	\$ 4,728,747	\$ 4,654,658

Hospice Palliative Care Society of Cape Breton County
Schedule 2 – Events and Fundraisers
For the year ended March 31, 2024

	2024	2023
Dancing with the Stars		
Revenue	\$ 300,347	\$ –
Expenses	49,650	–
	<u>250,697</u>	<u>–</u>
Together We Care Golf Tournament		
Revenue	72,409	66,935
Expenses	23,311	29,192
	<u>49,098</u>	<u>37,743</u>
Chinese Dinners		
Revenue	9,875	12,435
Expenses	4,802	5,418
	<u>5,073</u>	<u>7,017</u>
Hockey Ticket Draw		
Revenue	11,535	–
Expenses	2,835	–
	<u>8,699</u>	<u>–</u>
Hockey Night for Hospice		
Revenue	–	52,875
Expenses	–	11,864
	<u>–</u>	<u>41,011</u>
Pop-Up Shop		
Revenue	527	31,087
Expenses	–	4,809
	<u>527</u>	<u>26,278</u>
Other		
Revenue	–	2,977
Expenses	–	2,068
	<u>–</u>	<u>909</u>
	<u>\$ 314,094</u>	<u>\$ 112,958</u>