

HOSPICE CALGARY SOCIETY
Financial Statements
For the Years Ended March 31, 2024 and March 31, 2023

HOSPICE CALGARY SOCIETY
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Years Ended March 31, 2024 and March 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hospice Calgary Society

Opinion

We have audited the financial statements of Hospice Calgary Society (the Society), which comprise the statements of financial position as at March 31, 2024 and 2023, and the statements of operations and changes in fund balances and cash flow for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for Opinion

We conducted our audits 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 Society in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

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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 controls.
- 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 Society's internal controls.
- 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 Society'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 Society 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.

Calgary, Alberta
May 29, 2024



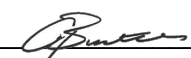
C&E LLP Chartered Professional Accountants

HOSPICE CALGARY SOCIETY
Statement of Financial Position
For the Years Ended March 31, 2024 and March 31, 2023

	Unrestricted Fund	Capital Asset Fund	Restricted Fund	Total 2024	Total 2023
ASSETS					
CURRENT					
Cash and cash equivalents	\$ 80,582	\$ -	\$ 1,145,323	\$ 1,225,905	\$ 1,787,694
Accounts receivable	16,000	-	3,710	19,710	10,205
Goods and services tax recoverable	6,616	-	-	6,616	6,498
Prepaid expenses	15,424	-	-	15,424	9,274
	118,622	-	1,149,033	1,267,655	1,813,671
CAPITAL ASSETS (Note 3)	-	3,116,417	-	3,116,417	3,240,262
	\$ 118,622	\$ 3,116,417	\$ 1,149,033	\$ 4,384,072	\$ 5,053,933
LIABILITIES AND FUND BALANCES					
CURRENT					
Accounts payable	\$ 25,266	\$ -	\$ 136,048	\$ 161,314	\$ 63,483
Wages payable	68,250	-	115,596	183,846	180,523
Deferred revenue (Note 4)	25,106	-	119,464	144,570	176,473
	118,622	-	371,108	489,730	420,479
FUND BALANCES					
Restricted	-	-	777,925	777,925	1,393,192
Invested in capital assets	-	3,116,417	-	3,116,417	3,240,262
	-	3,116,417	777,925	3,894,342	4,633,454
	\$ 118,622	\$ 3,116,417	\$ 1,149,033	\$ 4,384,072	\$ 5,053,933

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

HOSPICE CALGARY SOCIETY
Statement of Operations and Changes in Fund Balances
For the Years Ended March 31, 2024 and March 31, 2023

	Unrestricted Fund	Capital Asset Fund	Restricted Fund	Total 2024	Total 2023
REVENUE					
Alberta Health Services Contracts <i>(Note 4)</i>	\$ -	\$ -	\$ 2,190,663	\$ 2,190,663	\$ 2,097,741
Donations	399,597	-	570,640	970,237	1,473,476
Grants	-	-	287,763	287,763	285,385
Special gifts	234,786	-	-	234,786	172,492
Palliative End of Life Care Grant <i>(Note 5)</i>	-	-	157,808	157,808	270,528
Other	7,512	-	138,901	146,413	104,030
Memorials	17,801	-	113,729	131,530	99,363
Interest	79,748	-	-	79,748	71,111
Legacy gifts	40,000	-	-	40,000	-
Other - Rosedale	-	-	8,751	8,751	6,426
	<u>779,444</u>	<u>-</u>	<u>3,468,255</u>	<u>4,247,699</u>	<u>4,580,552</u>
EXPENSES					
Salaries, wages and benefits	114,552	-	3,749,348	3,863,900	3,663,612
Administration and program administration costs	-	-	378,341	378,341	322,234
Fees and contracts	26,786	-	121,147	147,933	235,132
Amortization	-	186,686	-	186,686	231,326
Building costs	-	-	183,115	183,115	186,394
Refund of restricted fund surplus	-	-	94,973	94,973	26,733
Direct program expenses	1,475	-	75,419	76,894	52,138
Special events	53,665	-	1,304	54,969	44,501
	<u>196,478</u>	<u>186,686</u>	<u>4,603,647</u>	<u>4,986,811</u>	<u>4,762,070</u>
NET EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	582,966	(186,686)	(1,135,392)	(739,112)	(181,518)
FUND BALANCE - BEGINNING OF YEAR	-	3,240,262	1,393,192	4,633,454	4,814,972
INTERFUND TRANSFERS	(582,966)	62,841	520,125	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 3,116,417</u>	<u>\$ 777,925</u>	<u>\$ 3,894,342</u>	<u>\$ 4,633,454</u>

HOSPICE CALGARY SOCIETY
Statement of Cash Flows
For the Years Ended March 31, 2024 and March 31, 2023

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (739,112)	\$ (181,518)
Item not affecting cash:		
Amortization	<u>186,686</u>	231,326
	<u>(552,426)</u>	49,808
Changes in non-cash working capital:		
Accounts receivable	(9,505)	25,965
Accounts payable	97,831	(23,158)
Prepaid expenses	(6,150)	(3,127)
Goods and services tax recoverable	(118)	718
Wages payable	3,323	(30,810)
Deferred revenue	<u>(31,903)</u>	82,923
	<u>53,478</u>	52,511
Cash flow used by operating activities	<u>(498,948)</u>	102,319
INVESTING ACTIVITY		
Purchase of capital assets	<u>(62,841)</u>	(58,706)
Cash flow used by investing activity	<u>(62,841)</u>	(58,706)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(561,789)	43,613
Cash and cash equivalents - beginning of year	<u>1,787,694</u>	1,744,081
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,225,905</u>	<u>\$ 1,787,694</u>

HOSPICE CALGARY SOCIETY
Notes to Financial Statements
For the Years Ended March 31, 2024 and March 31, 2023

1. PURPOSE OF THE SOCIETY

Hospice Calgary Society (the Society) is incorporated under the Societies' Act of Alberta. The Society is committed to providing programs and services dedicated to the care of the dying and the bereaved. The Society is a non-profit registered charity as defined under paragraph 149 of the Income Tax Act, and therefore is not subject to income taxes.

Included in these financial statements are the revenues and expenses of Rosedale Hospice and Sage Centre.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

Fund accounting

The Society follows the restricted fund method of accounting for contributions using the following funds:

The Unrestricted Fund reflects the activities associated with the Society's day-to-day operations and administrative activities.

The Capital Asset Fund reflects the activities related to capital assets and related expenditures, disposals, and amortization.

This Restricted Fund reflects the activities related to capital grants, donations and bequests made available to the Society under conditions specified by donors.

Revenue recognition

All restricted contributions are recognized as revenue of the Restricted Fund in the year in which related expenses are incurred. Accounts receivable is recorded if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recognized as revenue of the Unrestricted Fund in the year in which related expenses are incurred. Accounts receivable is recorded if the amount to be received can be reasonably estimated and collection is reasonably assured

Unrestricted investment income is recognized as revenue in the Unrestricted Fund when earned.

Cash equivalents

Cash equivalents are investments in term deposits that are short-term, highly liquid and readily convertible to known amounts of cash.

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HOSPICE CALGARY SOCIETY
Notes to Financial Statements
For the Years Ended March 31, 2024 and March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives using the following rates and methods:

Buildings	4%	declining balance method
Leasehold improvements		straight-line method over lease term
Equipment	20%	declining balance method
Computer equipment	20%	declining balance method
Computer software	50%	declining balance method

Measurement uncertainty

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. It is management's opinion that no elements of the Society's financial statements are subject to material measurement uncertainty.

Donated materials and services

Donated materials and services are recorded in the financial statements at fair market value when fair market value can be reasonably estimated, and the materials or services are used in the normal course of business and would otherwise have been purchased. Services donated to the Society through volunteer work are not reflected in these financial statements.

Items donated for auction are not recorded as revenue until the items are sold. No accounting recognition occurs when the items are initially donated, as their values are more accurately measured by amounts raised at auction.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Buildings	\$ 4,820,269	\$ 2,204,695	\$ 2,615,574	\$ 2,711,283
Leasehold improvements	1,362,898	1,054,584	308,314	311,889
Equipment	1,014,015	891,471	122,544	140,044
Computer equipment	385,740	318,570	67,170	71,417
Computer software	134,464	131,649	2,815	5,629
	\$ 7,717,386	\$ 4,600,969	\$ 3,116,417	\$ 3,240,262

HOSPICE CALGARY SOCIETY
Notes to Financial Statements
For the Years Ended March 31, 2024 and March 31, 2023

4. ALBERTA HEALTH SERVICES CONTRACTS

On December 6, 2019, the Society entered into a 5 year funding agreement with Alberta Health Services (AHS) for Rosedale Hospice operations. The agreement provides for a minimum of \$1,409,434 in funding per year, and does not include an adjustment for occupancy. The contract for the current five year cycle ends December 2024.

For the year ended March 31, 2024, funding received for Rosedale Hospice operations totaled \$1,667,400 (2023 - \$1,587,241), which is included as revenue recognized in the Restricted Fund.

An additional AHS funding agreement became effective on April 1, 2018 that provided funding via Alberta Health, Child & Adolescent Addictions and Mental Health and Psychiatry Program (CAAMHPP) for the Society's Children's Grief Centre to March 31, 2025. The agreement provides for a maximum of \$500,000 funding per year for the provision of Children's Grief Centre services and is also included as revenue in the Restricted Fund. For the year ended March 31, 2024, funding received for the Society's Grief Centre totaled \$500,000 (2023 - \$500,000), which is also included as revenue in the Restricted Fund.

5. PROVINCE OF ALBERTA'S PALLIATIVE END OF LIFE CARE GRANT

A grant from the Province of Alberta's Palliative End of Life Care Grant in the amount of \$547,800 became effective on April 1, 2022 that provided funding for the expansion of community-based services for patients, families, and caregivers up to March 31, 2024. A grant extension was approved by the Province of Alberta to extend the existing funding to March 31, 2025. \$157,808 of this funding was recognized in the Restricted Fund for this fiscal year (2023 - \$270,528) and the remaining balance is included in deferred revenue.

6. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, interest receivable, goods and services tax recoverable, term deposits, wages payable, and accounts payable. Management has elected to measure these financial instruments at fair value, which is approximated by their carrying values. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant market, liquidity, or credit risks arising from its financial instruments.

7. FUNDRAISING EXPENSES

As required under Section 7(2) of the Charitable Fundraising Regulation in Alberta, the following amounts are disclosed:

	2024	2023
Remuneration to employees whose principal duties involve fundraising	\$ 345,854	\$ 295,548
Direct expenses incurred for the purpose of soliciting contributions	\$ 99,515	\$ 140,599

8. LINES OF CREDIT

The Society has secured a \$500,000 line of credit with CIBC Bank effective July 11, 2023. Prior to that, the Society has a \$750,000 line of credit with ATB Financial effective June 2019. No funds have been drawn since establishment under any of these line of credits.
