

**HOSPICE PALLIATIVE CARE GREATER MONCTON
INC.**

FINANCIAL STATEMENTS
UNAUDITED

DECEMBER 31, 2013

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

DECEMBER 31, 2013

Contents

	<u>Page</u>
Review Engagement Report	1
Financial Statements:	
Statement 1- Statement of Financial Position	2
Statement 2 - Statement of Operations and Changes in Net Assets	3
Statement 3 - Statement of Cash Flow	4
Notes to the Financial Statements	5-6

Review Engagement Report

To the directors of:
Hospice Palliative Care Greater Moncton Inc.

I have reviewed the statement of financial position of Hospice Palliative Care Greater Moncton Inc. as at December 31, 2013 and the statements of operations and changes in net assets and of cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the organization.

The organization has adopted the deferral method of accounting for restricted contributions. Prior year figures have been restated to apply and present this method retroactive to 2012.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Donna Tulle & Company PC Inc.
Certified General Accountants

Riverview, NB
April 22, 2014

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.


STATEMENT OF FINANCIAL POSITION
UNAUDITED

STATEMENT 1

AS AT DECEMBER 31, 2013

	<u>2013</u>	<u>2012</u>
Current assets		
Cash and cash equivalents (Note 1 a)	\$ 239,642	\$ 121,190
Investment tax credits receivable (Note 2)	9,838	11,358
Prepaid	<u>842</u>	<u>842</u>
	250,322	133,390
Other long term assets (Note 3)	<u>7,298</u>	<u>7,298</u>
	<u>\$ 257,620</u>	<u>\$ 140,688</u>
Current liabilities		
Accounts payable and accrued liabilities	\$ 8,742	\$ 5,456
Due to government agencies	<u>1,844</u>	<u>3,500</u>
	10,586	8,956
Restricted building fund (Note 4)	125,110	87,957
Net Assets		
Net assets	<u>121,924</u>	<u>43,775</u>
	<u>\$ 257,620</u>	<u>\$ 140,688</u>

APPROVED ON BEHALF OF THE BOARD:



G. A. LYONS Director

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
UNAUDITED**

STATEMENT 2

FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012
Revenues		
Donations: Corporate/Business	\$ 2,000	\$ -
Donations: Individual	39,057	39,395
Fundraising and special events	34,448	84,179
Grants	33,486	1,500
Hospice Shoppe	278,437	235,416
Other	<u>947</u>	<u>999</u>
	388,375	361,489
Fundraising Costs	26,252	43,101
Hospice Shoppe Costs	153,339	150,537
Deferred contributions to restricted building fund	<u>37,153</u>	<u>87,957</u>
Gross Profit	<u>171,631</u>	<u>79,894</u>
Expenses		
Advertising and promotion	1,245	90
Grief and bereavement meetings	456	629
Insurance	1,013	971
Interest and bank charges	811	2,346
Meals and catering	560	62
New Horizons/NB Student Program	19,255	-
Other operating expenses	2,801	325
Office expenses	5,589	5,693
Professional fees	4,962	4,926
Salaries and wages	51,167	56,856
Telephone	4,528	3,992
Travel and training	<u>1,095</u>	<u>6,326</u>
	<u>93,482</u>	<u>82,216</u>
Excess of operating revenues over expenses	78,149	(2,322)
Net assets, beginning of year	<u>43,775</u>	<u>46,097</u>
Net assets, end of year	<u>\$ 121,924</u>	<u>\$ 43,775</u>

The attached notes are an integral part of these financial statements.

Donna Tulle & Company PC Inc, 26 Westview Terrace, Riverview, NB E1B 3S3

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

STATEMENT OF CASH FLOW
UNAUDITED

STATEMENT 3

FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012
Cash flows from operating activities		
Excess of revenues over expenses	\$ 78,149	\$ (2,322)
Amortization of tangible assets	<u>-</u>	<u>1,193</u>
	78,149	(1,129)
Changes in non-cash working capital		
Account receivable	1,520	(4,286)
Prepaid expenses	-	373
Accounts payable and accrued liabilities	<u>1,630</u>	<u>1,240</u>
	<u>3,150</u>	<u>(2,673)</u>
	<u>81,299</u>	<u>(3,802)</u>
Cash flows from financing activities		
Cash flows from investing activities		
Net contributions to restricted funds	<u>37,153</u>	<u>87,957</u>
Increase (decrease) in cash and cash equivalents	118,452	84,155
Net cash and cash equivalents, beginning of year	<u>121,190</u>	<u>37,035</u>
Net cash and cash equivalents, end of year	<u>\$ 239,642</u>	<u>\$ 121,190</u>
Cash and cash equivalents consist of:		
Cash	\$ <u>239,642</u>	\$ <u>121,190</u>
	<u>\$ 239,642</u>	<u>\$ 121,190</u>

The attached notes are an integral part of these financial statements.

Donna Tulle & Company PC Inc, 26 Westview Terrace, Riverview, NB E1B 3S3

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

NOTES TO THE FINANCIAL STATEMENTS

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DECEMBER 31, 2013

Description of major business activity

The organization is a not-for-profit registered charity incorporated under the laws of the Province of New Brunswick. It exists to provide emotional and physical support to patients and their families who have been diagnosed with a life ending illness.

1. Summary of significant accounting policies

Basis of presentation

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

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of business chequing and business investor accounts.

(b) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions related to expenditures of future periods are deferred and recognized as revenue in the period in which the related expenses or capital acquisitions are incurred. Unrestricted contributions are recognized as received.

(c) Inventory

Inventory for the Hospice Shoppe consists of donated items. Since the cost of these items is zero, no amount is reported for inventory.

(d) Income taxes

The organization is exempt from income taxes under Section 149 (1) I.

2. Investment tax credits receivable

Investment tax credits receivable represents the GST/HST Public Service Bodies' Rebate available to registered charities allowing a claim of 50% of the federal and provincial portions of HST paid on purchases.

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

NOTES TO THE FINANCIAL STATEMENTS

UNAUDITED

DECEMBER 31, 2013

3. Other long term assets

Other long term assets represents a deposit paid to CIRP Management Ltd. (the landlord for the premises leased for The Hospice Shoppe) The sum is to be held by the Landlord, without liability for interest, as security for the faithful performance by the Tenant of all terms, covenants and conditions of the lease.

4. Restricted Building Fund

The restricted building fund represents combined contributions of funds restricted internally by the board of directors and externally by donors. These funds are being deferred for the purpose of construction or acquisition of a building to be used as a palliative care residence.

5. Commitments

The organization leases premises at 1075 Mountain Road in Moncton for base rent of \$4073.12 per month plus tax (\$10.50 per square foot). There are additional monthly landlord rental recovery amounts payable for operating costs of \$656.68 per month plus tax (\$1.69 per square foot) and realty tax of \$1873.98 per month plus tax (\$4.83 per square foot) for combined additional rental costs of \$2530.66 per month plus tax. The lease is for a term of 5 years commencing November 1, 2010 and ending October 31, 2015. Base rent is subject to an increase to \$11.50 per square foot effective November 1, 2014. A renewal option is available to extend the term for one (1) further period of five (5) years. Future minimum lease payments per fiscal year are as follows:

2014	90,424
2015	94,808
2016	94,808
2017	94,808
2018	94,808

6. Conditional land transfer

The organization is in possession of a Letter of Intent from the Humphrey, Lewisville, Sunny Brae Lions Club confirming the Club's intention to gift a portion of its property located at 156 Pleasant Street, Moncton, NB. The transfer's prime and most important condition is that Hospice Greater Moncton build a residence within five (5) years of the transfer of the property. If this condition is not met, then the property will revert back to the Lions Club.