

⌘ Hazel Burns Hospice

**2020
Annual Report**



⌘ Hazel Burns Hospice

2020 Annual General Meeting Virtual Meeting via Zoom

Thursday, December 10th, 2020 @ 7:00PM

Agenda

Welcome

Call to Order

Approval of Minutes from 2019 Annual General Meeting

President's Remarks

Treasurer's Report

- Appointment of Auditors: Clarkson Rouble LLP

Presentation of Slate of Directors

Voting – Re-appointment of Board Members

Executive Director's Remarks

Closing Remarks

Refreshments

⌘ Hazel Burns Hospice

Hazel Burns Hospice was founded in 1991 by a group of Hazel's friends at the Silverthorn United Church in the Municipality of the Old City of York in Toronto. Hazel Burns was a compassionate and caring member of the Community who eagerly helped those in need. Hazel had a rich nursing career that led her to become Head Nurse at the West Park Hospital. Her unstinted service to the Community did not however, cease upon her retirement. She became an avid Volunteer with her Church where she visited many sick Members of the Congregation and was actually doing the work of Hospice. Her generosity and kind-hearted acts touched the lives of many.

In July of 1991 Hazel was diagnosed with liver cancer. Hazel's friends decided to start the Hazel Burns Hospice in her honour by hosting the first fundraising tea where they raised one thousand dollars. They worked out of a small space offered to them by the Church. Eventually, Hazel herself succumbed to liver cancer in September of 1991.

The Executive Director from St. Clair West Services for Seniors (SCWS) knew about this small Hospice group in the Community. When the Church needed the space that the Hospice occupied, SCWS were kind enough to offer a new space for the Hospice Volunteers to work in and HBH has continued to maintain this relationship. The E.D. from SCWS was one of the first Members on the Board of Directors of HBH and in 1994 he wrote the first Grant proposal to the Ministry of Health, Long-Term Care and HBH was granted money to hire some part-time employees. This was the year of our Incorporation.

Mission Statement

Hazel Burns Hospice is a Community, Volunteer based Charitable Organization providing in-home, compassionate care for people coping with a life-limiting illness.

Charitable Registration # BN89283-4649RR0001

The Meaning of Our Logo ⌘

Our logo can be interpreted many ways, all in accord with the Hospice philosophy. In its center is a protected sanctuary. This is the home of compassion that Hospice offers to our Clients and their loved ones.

Surrounding this core is a seamless and continuous stream of energy having no beginning and no end. This ribbon creates four identical enclosures.

These can be seen as the four directions, the four seasons and the four aspects of life - birth, youth, maturity and death – creating a continuum of living. Union, harmony, equanimity and balance are all present. All four are occurring simultaneously and naturally throughout this picture of life. The energy of each flows evenly and gracefully to all others. The energy brings compassion in action to all areas of life. This is Hospice caring.

Client Services Summary
2019 – 2020

Clients Served	374
Clients matched with Volunteers	91

Volunteer Activities

Board of Directors	7
Visiting Volunteers	34
Total number of volunteers	41
Volunteer Service Hours	5,012
(These hours would equate to \$100,240 of paid time)	
Total number of service hours	8,506

⌘ Hazel Burns Hospice

**OFFICERS AND DIRECTORS
2019 – 2020**

OFFICERS

Sean Molloy – President
Julie Campbell - Vice-President

Kathleen Reid - Secretary
Jordan Levy - Treasurer

DIRECTORS

Heather Hughes
Sandra Beatty

Andrea Swinton

Hazel Burns Hospice

Financial Statements

March 31, 2020



Independent Auditors' Report

To the Board of Directors of
Hazel Burns Hospice

Qualified Opinion

We have audited the financial statements of **Hazel Burns Hospice** (the Organization), which comprise the statement of financial position as at **March 31, 2020 and 2019**, the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 the Organization as at **March 31, 2020 and 2019**, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019, and net assets as at April 1 and March 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 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 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 Auditors' Report

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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 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.

Mississauga, Ontario
September 3, 2020

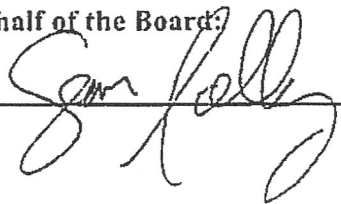
Clarkson Rouble LLP.
Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants

Hazel Burns Hospice

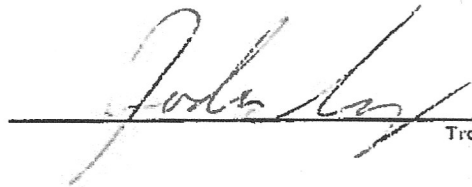
Statement of Financial Position As at March 31

	2020	2019
Assets		
Current		
Cash	\$ 45,400	\$ 57,461
Short term investments (Note 2)	32,331	32,061
HST recoverable	3,290	3,830
Prepaid expenses	1,950	1,200
	<u>\$ 82,971</u>	<u>\$ 94,552</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 5,872	\$ 4,240
Deferred revenue (Note 3)	41,663	54,878
	<u>47,535</u>	<u>59,118</u>
Net Assets		
Designated net assets (Note 4)	5,000	5,000
Unrestricted	30,436	30,434
	<u>35,436</u>	<u>35,434</u>
	<u>\$ 82,971</u>	<u>\$ 94,552</u>

On behalf of the Board:



President



Treasurer

Hazel Burns Hospice

Statement of Operations and Changes in Net Assets Year Ended March 31, 2020

	2020	2019
Revenues		
Grants (Note 5)	\$ 255,043	\$ 250,971
Interest	270	255
Donations, fundraising and other	27,235	13,719
	<u>282,548</u>	<u>264,945</u>
Expenses		
Administration	83,618	79,221
Case management	91,518	87,128
Volunteer program	64,144	34,656
Bereavement support	-	19,923
Office and general	13,833	15,045
Professional fees	11,800	11,800
Support and recognition	2,387	2,168
Rent	12,000	11,750
Insurance	3,246	3,246
	<u>282,546</u>	<u>264,937</u>
Excess of revenues over expenses	2	8
Net assets, beginning of year	35,434	35,426
Net assets, end of year	\$ 35,436	\$ 35,434

Hazel Burns Hospice

Statement of Cash Flows Year Ended March 31, 2020

	2020	2019
Operating activities		
Excess of revenues over expenses	\$ 2	\$ 8
Cash used for		
Changes in non-cash working capital items		
HST recoverable	540	(1,450)
Prepaid expenses	(750)	(849)
Accounts payable and accrued liabilities	1,632	-
Deferred revenue	(13,215)	(755)
Decrease from operating activities	(11,791)	(3,046)
Investing activity		
Purchase of short term investments	(270)	(255)
Decrease in cash	(12,061)	(3,301)
Cash, beginning of year	57,461	60,762
Cash, end of year	\$ 45,400	\$ 57,461

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

Purpose of organization

Hazel Burns Hospice (the "Hospice") is a charitable organization incorporated in the province of Ontario without share capital.

The Hospice is dedicated to the compassionate care of people living with life threatening illnesses and support of their families.

1. Significant accounting policies

The accounting policies of the Hospice are in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are the policies considered to be particularly significant.

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with banks that are readily convertible into a known amount of cash and which are subject to an insignificant risk of change in value.

(b) Capital assets

Capital assets in excess of \$2,000 per item are capitalized in the year of purchase and amortized to operations over their estimated useful lives.

(c) Revenue recognition

Government grants related to current expenditures is reflected in the accounts as a revenue item in the year in which it is received. Grants related to the purchase of capital assets is recorded as revenue in the same period the related capital assets are charged to operations.

The Hospice follows the deferral method of recognition for grant revenue. Grants received in the current year for expenses to be incurred in the following fiscal year are recorded as deferred revenue.

Interest income is recognized as revenue when earned.

Donations and fundraising are recognized in the same period in which programming and operating expenses are incurred.

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

1. Significant accounting policies (continued)

(d) Volunteer time

The value of volunteer time of members is not reflected in these financial statements since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers donated significant amounts of their time to the Hospice's palliative care activities.

Contributed materials and services

Due to the difficulty of determining their fair value, contributed materials and services are not recognized in the financial statements.

(e) Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results may differ from estimates. Significant estimates and assumptions are used when accounting for items such as impairment of capital assets and the determination of their useful lives, revenue recognition, contingent liabilities and allowances for amounts receivable.

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

1. Significant accounting policies (continued)

(f) Financial Instruments

Financial assets and liabilities are recognized when the Hospice becomes party to the contractual provisions of the instrument. Financial assets and liabilities are derecognized when the rights or obligations to receive or repay cash flows from the assets and liabilities have expired or have transferred and the Hospice has transferred substantially all risks and rewards of ownership.

Financial instruments of the Hospice consist of cash, short-term investments, accounts receivable, accounts payable and accrued charges. Cash, accounts receivable, accounts payable and accrued charges are recorded at amortized cost. Amortization is recorded on a straight-line basis. Short-term investments are recognized at fair value determined on the basis of market value. Gains or losses are recognized in the statement of operations and changes in fund balances in the period in which they occur.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the excess of revenues over expenses. The 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 the excess of revenue over expenses.

2. Short term investments

	2020	2019
Short term investments	32,331	32,061
	<u>\$ 32,331</u>	<u>\$ 32,061</u>

The short term investments consist of three Guaranteed Investment Certificates which bear interest of 0.45% per annum and mature on March 23, 2023.

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

3. Deferred revenue

Deferred contributions result from significant donations and Astrid H. Flaska estate grant. The year-end balance of deferred contributions represents the unrecognized portion of these donations and funding. The changes in the deferred contributions balance for the year are as follows:

	2020	2019
Deferred revenue, beginning of year	\$ 54,878	\$ 55,633
Recognition of deferred revenue in year	(13,215)	(755)
Deferred revenue, end of year	\$ 41,663	\$ 54,878

Deferred revenue is comprised of the following:

	2020	2019
Astrid H. Flaska estate grant	\$ 30,743	\$ 30,743
Private donations - to be applied for programming and operation expenses	10,920	24,135
	\$ 41,663	\$ 54,878

4. Designated net assets

The board of directors of the Hospice has designated net assets for the purpose of providing a contingency in the event of unexpected financial requirements.

Designated fund balances at March 31, 2020 were as follows:

	2020	2019
Contingency fund	\$ 5,000	\$ 5,000
	\$ 5,000	\$ 5,000

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

5. Grants

Government funding received from the Central Local Health Integration Network ("LHIN"), as well as other grants recognized in the year were as follows:

	2020	2019
Current year government funding:		
Central LHIN - Core operating grant	\$ 255,043	\$ 250,971
	<u>\$ 255,043</u>	<u>\$ 250,971</u>

6. Income tax status

The Hospice is registered as a charitable organization under section 149 (l)(f) of the Income Tax Act (Canada) and, as such, is exempt from income taxes, and may issue receipts that are eligible for a non-refundable tax credit by an individual donor and a tax deduction by a corporate donor.

7. Subsequent event

The COVID-19 outbreak in Canada, subsequent to the year end, has caused business disruption through mandated and voluntary closings of multiple businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and impacts across industries, including health care. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, provincial direction on funding, impact on patients, employees and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain.

Hazel Burns Hospice

Notes to Financial Statements

March 31, 2020

8. Financial instruments

The organization's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. The organization's risk management approach is to minimize the potential adverse effects from these risks on its financial performance.

Credit risk

Credit risk arises from the financial assets of the Hospice, which are exposed to potential counterparty default, with a maximum exposure equal to the carrying amount of the asset.

In the normal course of business, the Hospice incurs credit risk from accounts receivable from third parties. The Hospice performs ongoing credit evaluations of new and existing customers' financial conditions and reviews the collectibility of amounts receivable. No single party accounts for a significant balance of accounts receivable. In the last three years the allowance for doubtful accounts has been \$NIL (2019 - \$NIL, 2018 - \$NIL) and bad debt expense has been \$NIL (2019 - \$NIL, 2018 - \$NIL).

The Hospice's credit risk with respect to cash and cash equivalents is minimized substantially by seeking to ensure that these financial instruments are secured with a well capitalized financial institution.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Hospice's investments bear interest at fixed rates and therefore, Hospice does not currently have a significant exposure to interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Hospice will not be able to meet its obligations associated with financial liabilities. The Hospice manages liquidity risk by maintaining cash balances, adequate borrowing facilities and monitoring forecasts and actual cash flows. Cash flows from operations provide a substantial portion of the Hospice's cash requirements.

The Hospice expects future cash flows from operations, cash and cash equivalents on hand and fundraising to be sufficient to satisfy obligations as they come due.