



Financial Statements

The Toronto Commandery Hospice Inc.

December 31, 2021

Contents

	Page
Independent Auditor's Report	1 - 2
Statements of Operations and Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 7

Independent Auditor's Report

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To the Members of
The Toronto Commandery Hospice Inc.

Qualified opinion

We have audited the financial statements of The Toronto Commandery Hospice Inc., which comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 The Toronto Commandery Hospice Inc. as at December 31, 2021, and its results of operations 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 Toronto Commandery Hospice Inc. derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of donation revenues was limited to the amounts recorded in the records of The Toronto Commandery Hospice Inc. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditure, and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020, and fund balances as at January 1, 2021 and 2020 and December 31, 2021 and 2020.

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 Toronto Commandery Hospice Inc. 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 The Toronto Commandery Hospice Inc.'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 The Toronto Commandery Hospice Inc. or to cease operations, or has no

realistic alternative but to do so.

Those charged with governance are responsible for overseeing the The Toronto Commandery Hospice Inc.'s financial reporting process.

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 Toronto Commandery Hospice Inc.'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 Toronto Commandery Hospice Inc.'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 Toronto Commandery Hospice Inc. 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.

Grant Thornton LLP

Markham, Canada
June 17, 2022

Chartered Professional Accountants
Licensed Public Accountants

The Toronto Commandery Hospice Inc.

Statements of Operations and Changes in Net Assets

Year ended December 31	2021	2020
Revenues		
Donations	\$ 83,699	\$ 181,352
Interest income	<u>17,983</u>	<u>17,134</u>
	<u>101,682</u>	<u>198,486</u>
Expenditures		
Professional fees	19,883	13,610
Advertising and promotion	12,770	1,952
Consulting fees	10,739	16,676
Office and administration	4,108	2,273
Insurance	1,320	1,926
Interest and bank charges	683	610
Fundraising	565	957
Property taxes	-	10,115
Facilities and equipment	<u>-</u>	<u>1,338</u>
	<u>50,068</u>	<u>49,457</u>
Excess of revenues over expenditures before other expense	51,614	149,029
Other expense		
Loss on sale of property	<u>-</u>	<u>37,198</u>
Excess of revenues over expenditures	<u>\$ 51,614</u>	<u>\$ 111,831</u>
<hr/>		
Net assets, beginning of year	\$ 3,107,524	\$ 2,995,693
Excess of revenues over expenditures	<u>51,614</u>	<u>111,831</u>
Net assets, end of year	<u>\$ 3,159,138</u>	<u>\$ 3,107,524</u>

The Toronto Commandery Hospice Inc.
Statement of Financial Position

December 31

2021

2020

Assets

Current

Cash	\$ 206,833	\$ 299,075
Term deposits	2,934,156	2,916,405
Sales tax recoverable	<u>29,946</u>	<u>47,822</u>
	<u>\$ 3,170,935</u>	<u>\$ 3,263,302</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 11,797	\$ 155,778
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Unrestricted net assets

<u>3,159,138</u>	<u>3,107,524</u>
<u>\$ 3,170,935</u>	<u>\$ 3,263,302</u>

On behalf of the Board of Directors

_____ Member

_____ Member

The Toronto Commandery Hospice Inc.

Statement of Cash Flows

Year ended December 31

2021

2020

Increase (decrease) in cash

Operating

Excess of revenues over expenditures	\$ 51,614	\$ 111,831
Item not affecting cash		
Loss on sale of property	<u>-</u>	<u>37,198</u>
	51,614	149,029
Change in non-cash working capital items		
Sales tax recoverable	17,876	(26,761)
Accounts payable and accrued liabilities	<u>(143,981)</u>	<u>(5,441)</u>
	<u>(74,491)</u>	<u>116,827</u>

Investing

Purchase of term deposits, net	(17,751)	(2,916,405)
Proceeds on sale of property	<u>-</u>	<u>1,988,137</u>
	<u>(17,751)</u>	<u>(928,268)</u>

(Decrease) increase in cash

(92,242) (811,441)

Cash

Beginning of year	<u>299,075</u>	<u>1,110,516</u>
End of year	<u>\$ 206,833</u>	<u>\$ 299,075</u>

The Toronto Commandery Hospice Inc.

Notes to the Financial Statements

December 31, 2021

1. Nature of operations

The Toronto Commandery Hospice Inc. (the "Organization") is incorporated without share capital under the Ontario Not-for-profit Corporations Act. The Organization is a registered charity within the meaning of the Income Tax Act (Canada) and accordingly is exempt from income taxes.

The purpose of the Organization is to provide hospice palliative care through establishing and operating a community hospice in the Toronto area.

2. Basis of accounting and significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for Not-for-profit organizations ("ASNPO"). The significant policies are detailed as follows:

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Externally restricted contributions are deferred and 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.

Interest income is recognized as revenue in the year in which it is earned.

Contributed services

Volunteers contribute time to assist the Organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- Cash
- Term deposits
- Accounts payable

A financial asset or liability is recognized when the Organization becomes party to contractual provisions of the instrument.

The Toronto Commandery Hospice Inc.

Notes to the Financial Statements

December 31, 2021

2. Basis of accounting and significant accounting policies (continued)

Financial instruments (continued)

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at cost are tested for impairment when there are indicators of possible impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in operations.

3. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations as at December 31, 2021.

(a) Credit risk

Credit risk arises from the possibility that certain parties will be unable to discharge their obligations. The Organization does not have significant credit risk as at December 31, 2021.

(b) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable. The Organization expects to meet these obligations as they come due by generating sufficient cash flows from operations as well as from ongoing and continued support of its donors and members. The Organization is exposed to liquidity risk with respect to its accounts payable.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to interest rate risk.

Interest rate risk is the risk that the fair value of an interest bearing financial instrument will fluctuate due to changes in market interest rates. The fixed rate term deposits are subject to interest rate price risk, as the value will fluctuate as a result of changes in market rates.