

**HOSPICE PALLIATIVE CARE GREATER MONCTON
INC.**

FINANCIAL STATEMENTS
UNAUDITED

DECEMBER 31, 2015

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.
DECEMBER 31, 2015

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LEBLANC SCOTT CPA

Chartered Professional Accountants

26 Westview Terrace
Riverview, NB E1B 3S3

Review Engagement Report

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

We have reviewed the statement of financial position of Hospice Palliative Care Greater Moncton Inc. as at December 31, 2015 and the statements of operations and changes in net assets and of cash flow for the year then ended. Our 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 us by the organization.

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

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

LEBLANC SCOTT

LeBlanc Scott CPA
Chartered Professional Accountants

Riverview, NB
May 03, 2016

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

**STATEMENT OF FINANCIAL POSITION
UNAUDITED**

STATEMENT 1

AS AT DECEMBER 31, 2015

	2015	2014
Current assets		
Cash and cash equivalents	\$ 81,695	\$ 139,733
Restricted building fund investments (Note 5)	424	125,448
Accounts receivable	13,450	33,266
Investment tax credits receivable (Note 2)	12,500	9,449
Inventory	4,490	-
Prepaid	1,160	926
Short term investments	<u>63,037</u>	<u>-</u>
	176,756	308,822
Long term investments	128,096	-
Property, plant and equipment (Note 3)	35,632	-
Other long term assets (Note 4)	<u>5,763</u>	<u>7,298</u>
	<u>\$ 346,247</u>	<u>\$ 316,120</u>
Current liabilities		
Accounts payable and accrued liabilities	\$ 12,912	\$ 7,232
Due to government agencies	<u>3,170</u>	<u>2,961</u>
	16,082	10,193
Restricted building fund (Note 5)	191,557	125,448
Net Assets		
Net assets	<u>138,608</u>	<u>180,479</u>
	<u>\$ 346,247</u>	<u>\$ 316,120</u>

APPROVED ON BEHALF OF THE BOARD:


 _____ Director

 _____ Director

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

LeBlanc Scott CPA, 26 Westview Terrace, Riverview, NB E1B 3S3

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
UNAUDITED

STATEMENT 2

FOR THE YEAR ENDED DECEMBER 31, 2015

	2015	2014
Revenues		
Donations: Corporate/Business	\$ 3,427	\$ 8,128
Donations: Individual	20,426	51,695
Fundraising and special events	45,853	28,304
Grants	1,500	8,414
Hospice Shoppe	263,826	261,197
Other	<u>1,161</u>	<u>377</u>
	336,193	358,115
Fundraising Costs	17,304	12,307
Hospice Shoppe Costs (Schedule 1)	<u>195,401</u>	<u>185,331</u>
Gross Profit	<u>123,488</u>	<u>160,477</u>
Expenses		
Advertising and promotion	578	1,285
Amortization	604	-
Grief and bereavement meetings	587	563
Insurance	902	1,338
Interest and bank charges	1,048	1,229
Meals and catering	401	6
New Horizons/NB Student Program	-	7,967
Other operating expenses	695	6,702
Office expenses	12,265	11,517
Professional fees	7,171	7,224
Salaries and wages	68,612	57,955
Telephone	3,908	4,186
Travel and training	<u>2,479</u>	<u>1,611</u>
	<u>99,250</u>	<u>101,583</u>
Excess of operating revenues over expenses	24,238	58,894
Net assets, beginning of year	180,479	121,924
Deferred contributions to restricted building fund	<u>(66,109)</u>	<u>(339)</u>
Net assets, end of year	<u>\$ 138,608</u>	<u>\$ 180,479</u>

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HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

NOTES TO THE FINANCIAL STATEMENTS

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(h) Property and equipment

Leasehold Improvements are being amortized on a straight-line basis over their estimated useful life of 60 months/5 years.

(i) Use of Estimates

In preparing the Organization's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

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.

3. Property, plant and equipment

	<u>Cost</u>	<u>Amortization</u>	<u>Net 2015</u>	<u>Net 2014</u>
Leasehold improvements	\$ <u>36,236</u>	\$ <u>604</u>	\$ <u>35,632</u>	\$ <u>-</u>
	\$ <u>36,236</u>	\$ <u>604</u>	\$ <u>35,632</u>	\$ <u>-</u>

4. Other long term assets

Other long term assets represents a deposit held by Garland's Paint 'N' Paper 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.

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

NOTES TO THE FINANCIAL STATEMENTS

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5. 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.

Restricted assets supporting the Restricted Building Fund include:

	<u>2015</u>	<u>2014</u>
TD5161-5222667 Residential	424	125,448
Short-term GIC's	63,037	-
Long-term GIC's	<u>128,096</u>	<u>-</u>
	<u>191,557</u>	<u>125,448</u>

6. Commitments

The organization leases premises at 164 Collishaw Street in Moncton for base rent of \$5100.00 per month plus tax (\$12.75 per square foot, 4800 square feet). The lease is for a term of 5 years commencing December 1, 2015 and ending November 30, 2020. 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:

2016	69,156
2017	69,156
2018	69,156
2019	69,156
2020	69,156

7. 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.

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8. Financial instruments

The organization is exposed to certain routine business risks, including credit risk and market risk, and has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risks relate to its accounts receivable. Market risk arises from changes in interest rates and other price risks. It is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization's main market risks relate to its GIC holdings.

HOSPICE PALLIATIVE CARE GREATER MONCTON INC.

SCHEDULE 1 - HOSPICE SHOPPE COSTS

UNAUDITED

DECEMBER 31, 2015

	2015	2014
Rent	\$ 83,480	\$ 86,925
Computer	1,741	-
Insurance	656	592
Utilities	15,609	14,137
Telephone	2,156	2,131
Supplies	2,663	6,638
Advertising	3,105	1,567
Wages	70,058	64,556
Bank fees	2,132	1,910
Repairs and maintenance	5,818	6,875
Other	7,983	-
	<u>\$ 195,401</u>	<u>\$ 185,331</u>