

FRIENDS OF HOSPICE OTTAWA

Financial Statements Year Ended December 31, 2009

Auditors' Report

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AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Friends of Hospice Ottawa as at December 31, 2009 and the statements of operations and net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraphs, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the organization derives revenues from fundraising and 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 accounts of the organization and we were not able to determine whether any adjustments might be necessary to these revenues, net revenue, assets, liabilities and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to verify the financial statement items referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Cox, Merritt & Co. LLP.

COX, MERRITT & CO. LLP
Chartered Accountants
Licensed Public Accountants

March 25, 2010

FRIENDS OF HOSPICE OTTAWA

Statement of Financial Position As at December 31, 2009

	2009	2008
ASSETS		
Cash and term deposits	\$ 126,190	\$ 79,001
Contributions receivable	-	22,884
GST recoverable	963	3,699
Inventory	1,866	2,189
Prepaid expenses	5,867	6,234
Hospice home deposit (Note 5)	25,000	-
	159,886	114,007
Term deposits	-	33,722
Capital assets (Note 3)	9,251	5,296
	\$ 169,137	\$ 153,025
LIABILITIES		
Accounts payable and accrued liabilities	\$ 23,304	\$ 19,214
Deferred contributions (Note 4)	4,936	11,152
	28,240	30,366
Deferred residential contributions (Note 5)	40,676	33,722
	68,916	64,088
NET ASSETS		
Net assets	100,221	88,937
	\$ 169,137	\$ 153,025

Commitments (Note 6)

Approved on behalf of the Board

Director

Director

FRIENDS OF HOSPICE OTTAWA

Statement of Operations and Net Assets Year ended December 31, 2009

	2009	2008
Revenue		
Grants		
The Outcare Foundation	\$ -	\$ 25,000
Community Foundation of Ottawa	-	21,147
Trillium Foundation	-	23,400
Champlain LHIN	80,579	33,418
United Way	36,319	-
GEM/ADP	18,000	-
City of Ottawa	11,598	-
Fundraising projects (Schedule A)	156,440	159,323
Donations	44,322	59,522
Volunteer travel donations	27,954	22,884
Interest	466	296
	375,678	344,990
Expenditures		
Advertising	3,566	4,435
Amortization	1,950	1,381
Association fees	1,338	1,437
Bank charges	2,026	2,480
Caregiver and bereavement	4,284	3,675
Communications	7,093	6,522
Conference	1,921	1,937
Day hospice supplies	7,248	8,647
Education	159	3,252
Fundraising coordinator	42,554	41,404
Fundraising projects (Schedule A)	55,932	69,630
Hospice coordinators	151,869	119,312
Insurance	3,170	2,403
Office supplies	7,865	8,364
Professional fees	22,211	9,280
Repairs and maintenance	3,574	1,636
Rent	1,200	-
Supplies	1,768	2,044
Travel - patient	27,954	22,884
Travel - staff	14,784	14,801
Website	1,928	-
	364,394	325,524
Net revenue	11,284	19,466
Net assets, beginning of year	88,937	69,471
Net assets, end of year	\$ 100,221	\$ 88,937

FRIENDS OF HOSPICE OTTAWA

Statement of Cash Flows Year Ended December 31, 2009

	2009	2008
Cash flows from operating activities		
Receipts from grants, fundraising and donations	\$ 394,616	\$ 350,808
Payments to suppliers	(357,664)	(313,951)
Interest received	466	296
	37,418	37,153
Cash flows from financing and investing activities		
Increase in deferred residential contributions	6,954	8,162
Decrease (increase) in restricted term deposits	33,722	(8,162)
Purchase of capital assets	(5,905)	(1,609)
Deposit on Hospice home	(25,000)	-
	9,771	(1,609)
Increase in cash and term deposits	47,189	35,544
Cash and term deposits, beginning of year	79,001	43,457
Cash and term deposits, end of year	\$ 126,190	\$ 79,001

FRIENDS OF HOSPICE OTTAWA

Notes to Financial Statements Year Ended December 31, 2009

1. Operations

(a) Purpose

Friends of Hospice Ottawa is a charitable organization providing, in collaboration with community hospitals, government agencies and other health care professionals, programs that deliver compassionate, quality end-of-life care for palliative patients, as well as support for the patients' families and loved ones. The program includes day hospice, in-home volunteer support, education, bereavement support and a caregiver support program.

(b) Operations

Friends of Hospice Ottawa was registered as a charitable organization under the Income Tax Act (Canada) effective January 1, 2004 and commenced active operations on that date. The Organization became incorporated under the Corporations Act - Ontario as a charity - PGT on October 8, 2004.

2. Significant accounting policies

(a) Basis of accounting

The organization follows the deferral method of accounting for contributions.

(b) Revenue recognition

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. Contributions are recognized in the period in which the related expenditures are incurred.

(c) Donations in kind

The organization receives contributed materials, the cost of which cannot always be reasonably estimated. Therefore, only those contributed materials whose fair value can be reasonably estimated and are used in the normal course of the organization's operations and would otherwise have been purchased are recorded in the accounts of the organization.

(d) Volunteer services

The organization receives the services of many volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expenditure has been included in these financial statements.

FRIENDS OF HOSPICE OTTAWA

Notes to Financial Statements Year Ended December 31, 2009

2. Significant accounting policies (cont'd)

(e) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first in first out basis.

(f) Capital assets

Capital assets are stated at cost. Amortization is provided annually on the declining balance basis using the following rates:

Office furniture and fixtures	20%
Computers	30%

In the year of acquisition, amortization is provided at one half the annual rate.

(g) Management estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

3. Capital assets

	Cost	Accumulated amortization	Net 2009	Net 2008
Office furniture and fixtures	\$ 7,972	\$ 2,374	\$ 5,598	\$ 3,852
Computers	6,409	2,756	3,653	1,444
	\$ 14,381	\$ 5,130	\$ 9,251	\$ 5,296

4. Deferred contributions

Deferred revenue represents unspent grants and revenue received for the hospice palliative care program as follows:

	2009	2008
Champlain LHIN	\$ -	\$ 9,332
City of Ottawa	3,866	-
Ticket sales for 2010 event	1,070	1,820
	\$ 4,936	\$ 11,152

FRIENDS OF HOSPICE OTTAWA

Notes to Financial Statements Year Ended December 31, 2009

5. Deferred residential contributions

In 2007, the organization began accepting money for a capital campaign of building a permanent hospice home. During the year, \$16,000 was contributed to the campaign and \$9,046 was spent on related expenses. As at December 31, 2009 the deferred residential contribution balance is \$40,676 (2008 - \$33,722). These funds are externally restricted for the capital campaign and related current expenditures.

In December 2009 the Hospice entered into a conditional land and building purchase agreement that will be the permanent hospice home. A deposit of \$25,000 has been made with the condition that the Hospice will raise the required funding for the purchase. This deposit is refundable until May 30, 2010 should the organization not be able to arrange suitable financing. The total conditional purchase price of the land and building is \$1,625,000.

6. Commitments

Under the terms of various grants and contributions, the organization may be required to repay funds received should they not be able to fulfil their funding obligations.

7. Financial instruments

The association's financial instruments consist of cash and term deposits and accounts payable and accrued liabilities. The carrying amounts reported on the statement of financial position for all financial instruments approximate fair values due to their immediate or short-term maturities. It is management's opinion that the hospice is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

8. Comparative figures

The 2008 comparative figures have been reclassified to conform with the presentation adopted for 2009.

FRIENDS OF HOSPICE OTTAWA

Schedule A

Schedule of Fundraising Activities Year Ended December 31, 2009

	Valentines Dinner	Other	Hike	Fashion Show	Girls Night Out	Totals 2009	Totals 2008
Revenue							
Ticket sales	\$ 19,096	\$ -	\$ -	\$ 10,580	\$ 80,643	\$ 110,319	\$ 113,740
Donations	-	-	26,779	-	-	26,779	29,880
Bear sales	-	1,367	-	-	-	1,367	1,176
Cookbooks	-	150	-	-	-	150	320
Third party events	-	17,123	-	-	-	17,123	12,442
Other	-	702	-	-	-	702	1,765
	19,096	19,342	26,779	10,580	80,643	156,440	159,323
Expenditures							
Advertising	1,014	-	-	-	-	1,014	2,208
Bears	-	620	-	-	-	620	566
Actors	2,563	-	-	-	-	2,563	-
Catering/halls	13,631	-	-	2,823	23,088	39,542	28,617
Cookbooks	-	-	-	-	-	-	104
Supplies	1,542	102	2,414	600	7,535	12,193	38,135
	18,750	722	2,414	3,423	30,623	55,932	69,630
Excess of revenue over expenditures	\$ 346	\$ 18,620	\$ 24,365	\$ 7,157	\$ 50,020	\$ 100,508	\$ 89,693