

The Bridge Hospice

Financial Statements

March 31, 2019

The Bridge Hospice

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Independent Audit Report

To the Board of
The Bridge Hospice

I have audited the accompanying financial statements of The Bridge Hospice, which comprise the statement of financial position as at March 31, 2019 and the statement of operations and changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

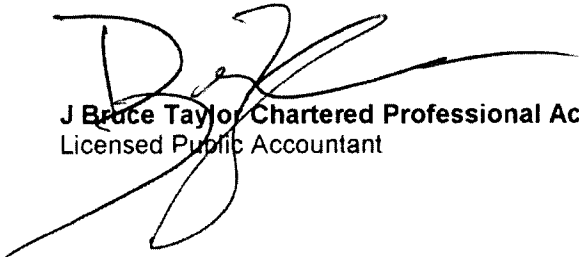
Basis for Qualified Opinion

In common with many charities, the hospice derives revenue from donations and other sources, the completeness of which is not susceptible to audit procedures. Accordingly, my audit of donations and other givings was limited to the amounts recorded in the books and records of the hospice and I was not able to determine whether any adjustments might be necessary to these financial statements.

Independent Audit Report (continued)

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The Bridge Hospice as at March 31, 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.



J Bruce Taylor Chartered Professional Accountant
Licensed Public Accountant

Warkworth, Ontario
June 18, 2019

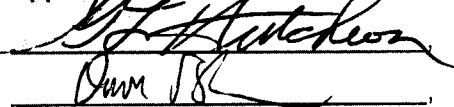
The Bridge Hospice

Statement of Financial Position

March 31, 2019

	2019	2018
Assets		
Current Assets		
Cash	\$ 68,011	\$ 50,852
Short term deposits	308,105	288,470
Health care funding receivable	-	10,942
Equipment funding receivable	14,493	-
Grants receivable	-	600
GST/HST recoverable	8,444	5,232
Prepaid expenses	3,387	1,175
Total Current Assets	402,440	357,271
Land, building and equipment (note: 2)	427,947	431,969
Total Assets	\$ 830,387	\$ 789,240
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 8,449	\$ 23,120
Payroll taxes payable	3,557	3,376
Total Current Liabilities	12,006	26,496
Deferred Grants and Funding		
Fundraising sponsorships	2,700	6,135
Total Liabilities	14,706	32,631
Net Assets		
Surplus	815,681	756,609
Total Liabilities and Net Assets	\$ 830,387	\$ 789,240

Approved on Behalf of the Board:



J. Bruce Taylor

The accompanying notes are an integral part of these financial statements.
J Bruce Taylor Chartered Professional Accountant

The Bridge Hospice

Statement of Operations and Changes in Net Assets

For the Year Ended March 31, 2019

	2019	2018
Revenue		
Health care service and operating cost funding (note: 3)	\$ 335,140	\$ 379,277
Donations and supporters	188,310	154,895
Fundraising	81,150	67,333
Interest income	7,846	5,683
Operating grants	1,006	3,000
Memberships	300	320
	613,752	610,508
Fundraising expenses	14,119	11,482
	599,633	599,026
Operating expenses		
Accounting and legal	5,804	2,332
Advertising, promotion and publicity	7,577	6,326
Amortization	24,282	23,047
Health care service (note: 3)	314,440	371,686
Hospice and resident care expenses	7,707	9,051
Insurance	2,482	2,452
Interest and bank charges	2,209	2,170
Maintenance and utilities	18,854	15,891
Memberships and professional development	7,534	2,855
Office and administration	15,354	11,808
Professional fees	18,589	6,517
Salaries and wages	134,181	132,550
Total operating expenses	559,013	586,685
Operating surplus of revenue over expenses	40,620	12,341
Non operating revenue and expenses		
Capital restricted grants and equipment funding	18,452	2,500
Net surplus of revenue over expenditures	59,072	14,841
Net assets, beginning	756,609	741,768
Net assets, ending	\$ 815,681	\$ 756,609

The accompanying notes are an integral part of these financial statements.
J Bruce Taylor Chartered Professional Accountant

The Bridge Hospice

Statement of Cash Flows

For the Year Ended March 31, 2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Surplus of revenues over expenses	\$ 59,072	\$ 14,841
Amortization	24,282	23,047
Decrease (increase) in health care funding receivable	10,942	(9,921)
Increase in equipment funding receivable	(14,493)	-
Increase in grants receivable	600	-
Decrease (increase) in GST/HST recoverable	(3,212)	897
Decrease (increase) prepaid expenses	(2,212)	116
Increase (decrease) in accounts payable and accrued expenses	(14,671)	18,727
Increase in payroll taxes and government remittances payable	181	125
Increase (decrease) in deferred fundraising sponsorships	(3,435)	1,385
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	57,054	49,217
CASH FLOWS FROM INVESTING ACTIVITIES:		
Building and equipment additions from general account	(1,808)	(1,198)
Building and equipment additions from capital grants and funding received	(18,452)	(2,500)
Additions to short term deposits and accrued interest	(19,635)	(145,357)
NET CASH USED BY INVESTING ACTIVITIES	(39,895)	(149,055)
Net increase (decrease) in cash and cash equivalents	17,159	(99,838)
Cash and cash equivalents, beginning of year	50,852	150,690
Cash and cash equivalents, end of year	\$ 68,011	\$ 50,852

The accompanying notes are an integral part of these financial statements.
J Bruce Taylor Chartered Professional Accountant

The Bridge Hospice

Notes to the Financial Statements

For the Year Ended March 31, 2019

1. Significant Accounting Policies

a. Nature of organization and basis of preparation

The Bridge Hospice (the hospice) was incorporated on November 4, 2006 without share capital under the Ontario Business Corporations Act. The hospice is a Registered Charity which for Canadian income tax purposes is exempt from income tax under the Income Tax Act.

The purpose of the hospice is to offer the people of Northumberland County and region a home where practical care, guidance and compassion are provided for those dying, and those who support them.

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

b. Short term deposits

Short term deposits are held to maturity and valued at cost, which is calculated as original cost plus accrued interest.

c. Land, building and equipment

Land, building and equipment is stated at cost. Amortization is provided over the estimated useful life of the assets using the methods below for financial reporting purposes. Maintenance, repairs and minor renewals and betterments are expensed; major improvements are capitalized.

Amortization is calculated using the declining balance method as follows for the major classes of assets:

Land	NIL
Building	4%
Furniture, fixtures and equipment	20%
Technological equipment	55%

d. Grants and other funding

The hospice records grants and other funding received as revenue in the statement of operations and changes in net assets, in the period of the qualifying expenditures. The hospice differentiates between operating and capital as designated under the grant conditions. Grants and other funding received for which the qualifying expenditures have not been made are accordingly deferred, and reported as deferred grants or other funding in the statement of financial position.

The Bridge Hospice

Notes to the Financial Statements

For the Year Ended March 31, 2019

1. Significant Accounting Policies

e. Revenue recognition

All unrestricted revenue is recognized in accordance with industry practice in the period received and pledges are not recognized until received.

Restricted donations and giving are segregated from general revenue and recorded in revenue in the period the related expense is incurred. Undisbursed restricted donations and giving are deferred and are recorded in the statement of financial position as deferred revenue until such time as the related expense is made.

The mission of the hospice is dependent upon and thankful for many hours contributed by its volunteers and members. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

f. Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 reporting period. The reported amounts and note disclosures are determined using management's best estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Actual results could differ from those estimates and would impact future results of operations and cash flows. Areas requiring the use of estimates include amortization rates of capital assets and accrued liabilities.

2. Land, building and equipment

			2019	2018
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	\$ 36,712	\$ -	\$ 36,712	\$ 36,712
Building	434,482	(86,561)	347,921	362,418
Furniture, fixtures and equipment	79,834	(41,453)	38,381	32,839
Technological equipment	6,804	(1,871)	4,933	-
Total	\$ 557,832	\$ (129,885)	\$ 427,947	\$ 431,969

The Bridge Hospice

Notes to the Financial Statements

For the Year Ended March 31, 2019

3. Health care service and operating cost funding

Revenue - Health care service and operating cost funding

In November 2016, the hospice entered into an agreement with the Ministry of Health and Long Term Care to provide funding through the Central East Local Health Integration Network toward those costs directly related to the care of the hospice residents.

The hospice also has an agreement with the Saint Elizabeth Community Enterprise to provide financial support to the hospice to fund direct care services in the hospice not covered by the Ministry of Health and Long Term Care.

Operating expense - Health care services

In January 2016, the hospice entered into a five-year agreement with a sister organization, Saint Elizabeth Health Care, to provide direct resident care PSW (Personal Support Worker) and nursing services, to support those services currently provided by the hospice.

4. Financial instruments

The hospice's financial instruments consist of cash, short term deposits, and accounts payable. It is management's opinion that the hospice is not exposed to significant risk arising from these financial instruments.

Carrying value

The carrying values of the hospice's monetary assets and liabilities approximate their fair values due to their short-term and fixed nature.

Credit risk

The hospice does not extend credit to earn revenue and accordingly is not exposed to credit risk.

Interest rate risk

The hospice is not exposed to interest rate risk as the capitalization and working capital of the hospice does not rely on financing.

Currency risk

The hospice in the normal course of operations does not engage in foreign currency denominated transactions and is not exposed to currency risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this operating risk, the hospice monitors its budgets and forecasts and maintains an adequate working capital to cover operations. The hospice does not embark on other expenditures without already having adequate funding in place.