

**HOSPICE OF WATERLOO REGION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

**HOSPICE OF WATERLOO REGION**  
**INDEX TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of: Hospice Of Waterloo Region

### **Opinion**

We have audited the accompanying financial statements of Hospice Of Waterloo Region, which comprise the statement of financial position as at March 31, 2022 and the statements of changes in fund balances, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Hospice Of Waterloo Region as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

### **Basis of Opinion**

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 Hospice Of Waterloo Region 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.

### **Predecessor auditor**

The financial statements of the organization for the year ended March 31, 2021 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on June 9, 2021.

### **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 a 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.

### **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 judgement 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 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.



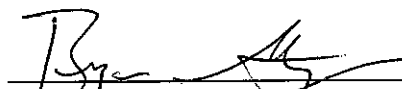

Kitchener, Ontario  
June 8, 2022

Chartered Professional Accountants  
Licensed Public Accountants

**HOSPICE OF WATERLOO REGION  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2022**

	Operating Fund	Capital Fund	2022	2021 (note 16)
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 960,180	\$ 508,491	\$ 1,468,671	\$ 1,230,351
Cash - Cambridge OHT (note 6)	309,800	0	309,800	287,444
Accounts receivable (note 4)	113,197	695,025	808,222	547,858
Prepaid expenses	63,051	500	63,551	46,000
Due to/from (note 8)	<u>(107,544)</u>	<u>107,544</u>	<u>0</u>	<u>0</u>
	<u>1,338,684</u>	<u>1,311,560</u>	<u>2,650,244</u>	<u>2,111,653</u>
<b>TANGIBLE CAPITAL ASSETS (note 7)</b>	<u>0</u>	<u>17,277,288</u>	<u>17,277,288</u>	<u>17,246,956</u>
	<u>\$ 1,338,684</u>	<u>\$18,588,848</u>	<u>\$19,927,532</u>	<u>\$19,358,609</u>
<b>LIABILITIES</b>				
<b>CURRENT</b>				
Accounts payable and accrued liabilities (note 5)	\$ 346,875	\$ 768	\$ 347,643	\$ 2,666,871
Accounts payable - Cambridge OHT (note 6)	309,800	0	309,800	287,444
Deferred operating contributions (note 9)	478,576	0	478,576	339,356
Current portion of long term debt (note 11)	<u>0</u>	<u>1,916,222</u>	<u>1,916,222</u>	<u>0</u>
	<u>1,135,251</u>	<u>1,916,990</u>	<u>3,052,241</u>	<u>3,293,671</u>
<b>LONG TERM DEBT (note 11)</b>	<u>40,000</u>	<u>0</u>	<u>40,000</u>	<u>30,000</u>
	<u>1,175,251</u>	<u>1,916,990</u>	<u>3,092,241</u>	<u>3,323,671</u>
<b>FUND BALANCES</b>				
<b>RESTRICTED FOR TANGIBLE CAPITAL ASSETS</b>	0	15,360,298	15,360,298	14,967,666
<b>EXTERNALLY RESTRICTED</b>	0	1,311,560	1,311,560	878,471
<b>UNRESTRICTED</b>	<u>163,433</u>	<u>0</u>	<u>163,433</u>	<u>188,801</u>
	<u>163,433</u>	<u>16,671,858</u>	<u>16,835,291</u>	<u>16,034,938</u>
	<u>\$ 1,338,684</u>	<u>\$18,588,848</u>	<u>\$19,927,532</u>	<u>\$19,358,609</u>

APPROVED ON BEHALF OF THE BOARD:

 Director  
 Director

**HOSPICE OF WATERLOO REGION  
 STATEMENT OF CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED MARCH 31, 2022**

	<b>Operating Fund</b>	<b>Capital Fund</b>	<b>2022</b>	<b>2021</b>
<b>FUND BALANCES, beginning of year</b>	\$ 188,801	\$15,846,137	\$16,034,938	\$10,946,583
(Deficiency) excess of revenue over expenses for the year	<u>(25,368)</u>	<u>825,721</u>	<u>800,353</u>	<u>5,088,355</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 163,433</u>	<u>\$16,671,858</u>	<u>\$16,835,291</u>	<u>\$16,034,938</u>

**HOSPICE OF WATERLOO REGION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	Operating Fund	Capital Fund	2022	2021 (note 16)
<b>REVENUE</b>				
Donations and fundraising (note 13)	\$ 698,477	\$ 1,683,088	\$ 2,381,565	\$ 4,702,592
Home & Community Care	1,457,112	0	1,457,112	307,661
Ontario Health	970,696	0	970,696	1,904,752
Interest and other (note 13)	91,354	580	91,934	78,587
Ministry of Health Education funding	86,993	0	86,993	86,993
Grants	9,897	0	9,897	85,173
	<u>3,314,529</u>	<u>1,683,668</u>	<u>4,998,197</u>	<u>7,165,758</u>
<b>EXPENSES</b>				
Salaries and benefits	2,665,257	70,000	2,735,257	1,701,156
Amortization of tangible capital assets	0	757,900	757,900	540,849
Program costs	195,863	0	195,863	76,823
Occupancy costs	187,756	0	187,756	136,185
Ministry of Health Education	86,993	0	86,993	86,993
Bank charges and mortgage interest	10,007	70,508	80,515	15,948
Computer and other equipment leases and costs	78,517	0	78,517	66,118
Insurance and professional fees	63,233	0	63,233	57,560
Postage and telephone	33,349	0	33,349	19,113
Fundraising	26,866	0	26,866	5,364
Office	26,706	0	26,706	35,374
Advertising, promotion and printing	25,930	0	25,930	65,894
Staff education	11,488	0	11,488	2,679
Memberships	8,293	0	8,293	8,144
Travel reimbursements	3,448	0	3,448	1,332
	<u>3,423,706</u>	<u>898,408</u>	<u>4,322,114</u>	<u>2,819,532</u>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS</b>	<u>(109,177)</u>	<u>785,260</u>	<u>676,083</u>	<u>4,346,226</u>
<b>OTHER</b>				
Canada Emergency Wage Subsidy	60,856	0	60,856	179,786
Forgiven portion of Canada Emergency Business Account loan (note 11)	10,000	0	10,000	10,000
Miscellaneous	12,953	40,461	53,414	0
Gain on disposal of tangible capital assets	0	0	0	552,343
	<u>83,809</u>	<u>40,461</u>	<u>124,270</u>	<u>742,129</u>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES for the year</b>	<u>\$ (25,368)</u>	<u>\$ 825,721</u>	<u>\$ 800,353</u>	<u>\$ 5,088,355</u>

**HOSPICE OF WATERLOO REGION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	<b>2022</b>	<b>2021</b> (note 16)
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 800,353	\$ 5,088,355
Items not requiring an outlay of cash		
Amortization of tangible capital assets	757,900	540,849
Forgiven portion of Canada Emergency Business Account loan	(10,000)	(10,000)
Gain on sale of tangible capital assets held for sale	<u>0</u>	<u>(552,343)</u>
	<u>1,548,253</u>	<u>5,066,861</u>
Changes in non-cash working capital		
Accounts receivable	(260,364)	(306,852)
Prepaid expenses	(17,551)	(14,520)
Accounts payable and accrued liabilities	(2,319,228)	1,554,003
Accounts payable - Cambridge OHT	22,356	173,554
Deferred operating contributions	<u>139,220</u>	<u>134,764</u>
	<u>(887,314)</u>	<u>6,607,810</u>
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		
Long term debt	<u>1,936,222</u>	<u>40,000</u>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		
Additions to tangible capital assets	(788,232)	(9,732,235)
Proceeds on disposal of tangible capital assets held for sale	<u>0</u>	<u>1,810,610</u>
	<u>(788,232)</u>	<u>(7,921,625)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	260,676	(1,273,815)
<b>NET CASH, BEGINNING OF YEAR</b>	<u>1,517,795</u>	<u>2,791,610</u>
<b>NET CASH, END OF YEAR</b>	<u>\$ 1,778,471</u>	<u>\$ 1,517,795</u>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 1,468,671	\$ 1,230,351
Cash - Cambridge OHT	<u>309,800</u>	<u>287,444</u>
	<u>\$ 1,778,471</u>	<u>\$ 1,517,795</u>



**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

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**1. NATURE OF OPERATIONS**

Hospice Of Waterloo Region is a registered charity incorporated without capital under the laws of Ontario and is exempt from income tax. It is dedicated to providing comfort, care and support to people affected by a life-threatening illness. The organization has a Palliative Care Centre that includes spaces for a medical clinic, client programming, volunteer services, education classrooms, administrative offices and residence hospice beds.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

**(a) REVENUE RECOGNITION**

The organization follows the restricted fund method of accounting for contributions. Contributions received related to the capital fund are recognized as revenue in the fund when received.

Contributions of the operating fund that are restricted for activities or fundraising events taking place in the following year are deferred until the activity or event is completed and the related expenses are incurred.

Unrestricted contributions of the operating fund are recognized as revenue when received or receivable and grants are recognized when collection is reasonably assured and conditions of the grant are met.

The majority of funding is received from Ontario Health and Home & Community Care Support Services Waterloo Wellington (2021 - Waterloo Wellington Local Health Integration Network (WWLHIN)). Annual Reconciliation Reports are submitted to Ontario Health by the organization for final approval. Assessments of prior funding may occur based on Ontario Health decisions. The effect of these adjustments, which cannot be quantified at the time of preparing the financial statements, will be recorded in the year of assessment. Home & Community Care Support Services Waterloo Wellington reconciles the funding annually for the organization.

Capital campaign pledges will be recorded as revenue when received.

All other revenue is recognized when received or receivable.

**(b) FUND ACCOUNTING**

Operating fund

The operating fund reports the assets, liabilities, revenues and expenses related to the services provided to people and families affected by a life-threatening illness.

Capital fund

The capital fund reports the assets, liabilities, revenues and expenses related to the purchase and use of tangible capital assets. Amounts related to existing tangible capital assets are reported in the internally restricted for tangible capital assets fund. Externally restricted funds represent the amounts raised towards future tangible capital asset purchases that have been restricted by the funder.

**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(c) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Building and roads	- 4 % declining balance basis
Office equipment	- 25 % declining balance basis
Furniture and fixtures	- 20 % declining balance basis
Signage	- 20 % declining balance basis
Computer equipment	- 40-55 % declining balance basis
Leasehold improvements	- 5 years straight line basis

One half of the amortization is provided in the year of acquisition and no amortization is provided in the year of disposal.

When a tangible capital asset no longer has any long term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any unamortized deferred contribution amount related to the tangible capital asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

(d) USE OF ESTIMATES

The preparation of financial statements in conformity 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include the useful life of tangible capital assets and valuation of accrued liabilities. Actual results could differ from those estimates.

(e) FINANCIAL INSTRUMENTS

Financial instruments are recorded at fair value at initial recognition. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in the statement of operations.

**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(f) CONTRIBUTED MATERIALS AND SERVICES

Volunteers contribute many hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are not recognized in the financial statements unless they would normally be purchased by the organization and their fair market value can be ascertained.

**3. FINANCIAL INSTRUMENTS**

Unless otherwise disclosed, management is of the opinion there are no significant financial instrument risks, except as follows.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments which potentially subject the organization to concentrations of credit risk consist of cash and accounts receivable. The organization has deposited the cash with reputable financial institutions, from which management believes the risk of loss to be remote. The credit risk on accounts receivable arises from HST receivable.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, long term debt and its commitments.

The organization's exposure to financial instrument risks remains unchanged from the prior year.

**4. ACCOUNTS RECEIVABLE**

	<b>2022</b>	<b>2021</b>
HST receivable	\$ 786,654	\$ 497,692
Other	<u>21,568</u>	<u>50,166</u>
	<u>\$ 808,222</u>	<u>\$ 547,858</u>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2022</b>	<b>2021</b>
Accounts payable	\$ 153,584	\$ 996,586
Accrued liabilities	155,707	1,604,533
Government remittances	<u>38,352</u>	<u>65,752</u>
	<u>\$ 347,643</u>	<u>\$ 2,666,871</u>

**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

**6. CASH - CAMBRIDGE OHT**

At year end, the organization held cash of \$309,800 (2021 - \$287,444) on behalf of the Cambridge North Dumfries Ontario Health Team (CNDOHT). The Hospice of Waterloo Region has agreed to collect contributions from members and disburse funds on behalf of CNDOHT. This amount is also in accounts payable as owing to CNDOHT. The collection and distribution of funds has no impact on the results of operations of the Hospice of Waterloo Region.

**7. TANGIBLE CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net 2022</b>	<b>Net 2021</b>
Land	\$ 2,266,691	\$ 0	\$ 2,266,691	\$ 2,266,691
Building and roads	15,338,454	983,272	14,355,182	14,242,936
Office equipment	50,502	44,255	6,247	8,330
Furniture and fixtures	942,967	388,272	554,695	618,036
Signage	79,007	21,556	57,451	68,277
Computer equipment	189,813	157,980	31,833	34,902
Leasehold improvements	<u>12,974</u>	<u>7,785</u>	<u>5,189</u>	<u>7,784</u>
	<u>\$ 18,880,408</u>	<u>\$ 1,603,120</u>	<u>\$ 17,277,288</u>	<u>\$ 17,246,956</u>

**8. DUE TO/FROM BALANCES**

The balances due from (to) funds are unsecured, interest free, with no fixed terms of repayment.

**9. DEFERRED OPERATING CONTRIBUTIONS**

Deferred operating contributions consist of funds received for specific use and the related expenditures have not yet occurred. The change in these amounts during the year are as follows:

	<b>2022</b>	<b>2021</b>
Balance, beginning of the year	\$ 339,356	\$ 204,592
Funding received during the year	204,871	256,147
Amounts recognized as revenue during the year	<u>(65,651)</u>	<u>(121,383)</u>
Balance, end of year	<u>\$ 478,576</u>	<u>\$ 339,356</u>

**10. ECONOMIC DEPENDENCE**

The organization is economically dependent upon grants from the Government of Ontario. This source represents 74% (2021 - 72%) of operating revenue for the year ended March 31, 2022.

**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

**11. LONG TERM DEBT**

	<b>2022</b>	<b>2021</b>
Royal Bank term loan, due November 2022, repayable in monthly instalments of \$13,444 plus interest charged at prime + 0.55%	\$ 1,916,222	\$ 0
Canada Emergency Business Account	<u>40,000</u>	<u>30,000</u>
	1,956,222	30,000
Less current portion:		
Cash repayments required within 12 months	<u>1,916,222</u>	<u>0</u>
	<u>\$ 40,000</u>	<u>\$ 30,000</u>

In the current year, the organization received a \$20,000 (2021 - \$40,000) Canada Emergency Business Account (CEBA) loan and used the \$20,000 (2021 - \$40,000) to finance qualifying non-deferrable expenses during COVID. The loan is non-interest bearing with no scheduled repayments until December 31, 2023. Subsequent to this date, the CEBA loan can be converted to an interest only loan with 5% interest paid monthly until the principal is due on December 31, 2025. If repaid by December 31, 2023, 25% of the \$40,000 principal and 50% of the \$20,000 principal will be forgiven. As the organization expects to meet these terms, \$10,000 of the principal loan forgiveness was recorded in revenue in each of 2022 and 2021.

In addition to the above Royal Bank term loan, the organization has:

- An unused revolving demand facility in the amount of \$350,000, with interest at prime rate +0.55% and increments of \$5,000. At year end, the Royal Bank prime rate was 3.20%.
- An unused revolving term facility in the amount of \$150,000 available by way of a series of terms loans
- An unused revolving lease line of credit in the amount of \$150,000
- A credit card facility to a maximum amount of \$25,000, with a balance included in accounts payable and accrued liabilities at year end of \$11,017 (2021 - \$31)

The Royal Bank term loan and other credit facilities are secured by a general security agreement, a collateral term loan constituting a first fixed charge on the land and improvements, located at 100 Solstice Way, Waterloo, ON, and an assignment of rents arising from the lands and improvements at 100 Solstice Way, Waterloo, ON, which has a carrying value of \$16,621,873.

Management expects that the term loan will be renewed annually with similar terms on the remaining principal balance. Expected future minimum payments on all long term debt are as follows:

2023	\$ 161,333
2024	201,333
2025	161,333
2026	161,333
2027	161,333
Thereafter	<u>1,109,557</u>
	<u>\$ 1,956,222</u>

Subsequent to year end, management paid an additional \$500,000 toward principal repayment on the term loan. Management plans to repay the term loan by the end of 2024 as capital campaign pledges and HST recoveries are received.

**HOSPICE OF WATERLOO REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

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**12. COMMITMENTS**

The organization has entered into operating leases for its office space in Cambridge, ON expiring June 2024.

The minimum annual lease payments for the next three years are as follows:

2023	\$	24,415
2024		25,022
2025		<u>4,556</u>
	\$	<u>53,993</u>

**13. NON-MONETARY TRANSACTIONS**

During the year, the organization received donations of \$248,213 (2021 - \$89,657) in marketable securities measured at the fair value of the securities received on the date of exchange. The organization later sold these and a realized loss of \$578 (2021 - gain of \$1,609).

**14. KITCHENER AND WATERLOO COMMUNITY FOUNDATION**

Certain endowment funds owned by Kitchener and Waterloo Community Foundation (KWCF) are held in perpetuity for the benefit of Hospice of Waterloo Region and are excluded from these financial statements. The statement of operations is comprised of interest and dividends earned on the capital investment and is available for distribution in the form of grants.

The organization has access to any income and growth on the investments but the original capital contribution is restricted and held at KWCF.

Should KWCF cease to exist, the organization would be entitled to receive the appropriate proportionate share of the market value of the investments of KWCF represented by the fund.

The value of the endowment funds at December 31 is as follows:

	<b>2021</b>	<b>2020</b>
Restricted endowment fund	\$ <u>32,340</u>	\$ <u>30,272</u>
Net income earned during the year	\$ <u>2,069</u>	\$ <u>2,036</u>

**15. MATERIAL UNCERTAINTY DUE TO THE NOVEL CORONAVIRUS (COVID-19)**

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the organization's assets and its future ability to deliver all services.

**16. COMPARATIVE FIGURES**

Certain figures presented for comparative purposes have been reclassified to conform to the current year's presentation.