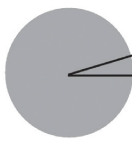


**MANITOBA HOSPICE FOUNDATION INC.**  
*(Operating as Palliative Manitoba)*  
**Financial Statements**  
**Year Ended March 31, 2022**

**MANITOBA HOSPICE FOUNDATION INC.**  
***(Operating as Palliative Manitoba)***  
**Index to Financial Statements**  
**Year Ended March 31, 2022**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13
Schedule of Provincial Conference	14



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Manitoba Hospice Foundation Inc.

### *Qualified Opinion*

We have audited the financial statements of Manitoba Hospice Foundation Inc., operating as Palliative Manitoba, (the Foundation), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows, and the schedule to the financial statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible 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 Foundation as at March 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Foundation derives revenue from donations and fundraising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

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 Foundation in accordance with 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 qualified audit opinion.

### *Other Matter*

The financial statements for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 5, 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 ASNPO, 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

(continues)

*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 Foundation'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 Foundation'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 Foundation 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.



Chartered Professional Accountants  
1515 One Lombard Place  
Winnipeg MB R3B 0X3  
July 6, 2022

**Manitoba Hospice Foundation Inc.**  
**(Operating as Palliative Manitoba)**

**Statement of Financial Position**

**March 31, 2022**

	2022	2021
<b>ASSETS</b>		
CURRENT		
Cash	\$ 139,069	\$ 122,493
Term deposit (Note 3)	40,000	40,000
Goods and services receivable	928	834
Accounts receivable	-	3,000
Prepaid expenses	6,804	2,629
	186,801	168,956
MARKETABLE SECURITIES (Note 4)	128,269	85,331
CAPITAL ASSETS (Note 5)	34,257	24,472
	\$ 349,327	\$ 278,759
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT		
Accounts payable and accrued liabilities	\$ 17,238	\$ 25,253
Government remittances payable	1,001	1,163
Deferred revenue	9,500	24,323
	27,739	50,739
CANADA EMERGENCY BUSINESS ACCOUNT LOAN (Note 6)	40,000	-
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 7)	6,425	15,345
	74,164	66,084
NET ASSETS		
Unrestricted	143,248	126,344
Internally restricted	131,915	86,331
	275,163	212,675
	\$ 349,327	\$ 278,759

APPROVED BY THE BOARD:

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**Manitoba Hospice Foundation Inc.**  
**(Operating as Palliative Manitoba)**

**Statement of Operations**

**Year Ended March 31, 2022**

	2022	2021
<b>REVENUE</b>		
Grants (Note 8)	\$ 344,439	\$ 340,107
Provincial conference (Schedule)	29,254	-
Fundraising	65,300	39,112
Donations	45,130	43,314
Education	5,040	19,675
Investment income	2,239	3,990
Membership	290	730
Amortization of deferred contributions (Note 7)	8,920	10,119
	<b>500,612</b>	<b>457,047</b>
<b>EXPENSES</b>		
Advertising and promotion	265	4,734
Amortization	10,443	12,770
Equipment and furnishings	10,389	18,847
Fundraising	4,490	3,209
Insurance	3,605	4,339
Interest and bank charges	5,191	3,378
Meeting and seminars	1,815	1,624
Membership, dues and subscriptions	845	350
Miscellaneous	290	-
Office	9,642	3,164
Professional development	4,622	1,225
Professional fees	6,751	7,900
Program	19,581	13,611
Provincial conference (Schedule)	7,279	(1,452)
Rent	2,031	2,215
Salaries and employee benefits	347,272	344,721
Telephone	3,231	2,886
Volunteer support costs	382	426
	<b>438,124</b>	<b>423,947</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 62,488</b>	<b>\$ 33,100</b>

**Manitoba Hospice Foundation Inc.**  
*(Operating as Palliative Manitoba)*

**Statement of Changes in Net Assets**

**Year Ended March 31, 2022**

	Unrestricted	Internally Restricted	2022	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 126,344</b>	<b>\$ 86,331</b>	<b>\$ 212,675</b>	<b>\$ 179,575</b>
Excess of revenue over expenses	<b>62,904</b>	<b>(416)</b>	<b>62,488</b>	33,100
Transfer to internally restricted <i>(Note 9)</i>	<b>(46,000)</b>	<b>46,000</b>	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 143,248</b>	<b>\$ 131,915</b>	<b>\$ 275,163</b>	<b>\$ 212,675</b>

**Manitoba Hospice Foundation Inc.**  
**(Operating as Palliative Manitoba)**

**Statement of Cash Flows**

**Year Ended March 31, 2022**

	2022	2021
<b>CASH PROVIDED BY (USED BY)</b>		
Excess of revenue over expenses	\$ 62,488	\$ 33,100
Non-cash adjustments		
Amortization of capital assets	10,443	12,770
Amortization of deferred contributions	(8,920)	(10,119)
Unrealized loss (gain) on investments	2,650	(2,148)
	<b>66,661</b>	33,603
Changes in non-cash working capital		
GST receivable	(93)	543
Accounts receivable	3,000	1,120
Prepaid expenses	(4,176)	(1,900)
Accounts payable and accrued liabilities	(8,014)	3,470
Government remittance payable	(162)	(3,128)
Deferred revenue	(14,822)	12,528
Cash flow from operating activities	<b>42,394</b>	46,236
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(20,227)	(19,682)
Purchase of investments	(48,230)	(63,681)
Proceeds on sale of investments	2,639	57,881
Cash flow (used) by investing activities	<b>(65,818)</b>	(25,482)
<b>FINANCING ACTIVITIES</b>		
Deferred contribution received	-	10,000
Canada Business Emergency Account Loan proceeds, net	40,000	-
Cash flow from financing activities	<b>40,000</b>	10,000
<b>INCREASE IN CASH FLOW</b>	<b>16,576</b>	30,754
CASH - BEGINNING OF YEAR	<b>122,493</b>	91,739
<b>CASH - END OF YEAR</b>	<b>\$ 139,069</b>	\$ 122,493



**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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1. NATURE OF ACTIVITIES

Manitoba Hospice Foundation Inc. (the Foundation) is a registered charity and as such is exempt from income tax.

The Foundation is incorporated without share capital under the Corporations Act of Manitoba in 1983 and operates as Palliative Manitoba. The Foundation provides development of hospice palliative care for people in Manitoba.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and includes the following significant accounting policies:

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	5 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Memory tree	5 years	straight-line method
Website	7 years	straight-line method

Deferred capital grant

The Foundation has received grants to fund the acquisition of capital assets. These grants are being amortized over the same period of time as the assets that were acquired with these grants.

Revenue recognition

Manitoba Hospice Foundation Inc. follows the deferral method of accounting for contributions.

Restricted contributions are 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. Fundraising and provincial conference revenue is recognized when earned. Investment and other income is recognized in the period it received.

Government assistance

Government assistance towards current expenses, including salaries, is recognized as revenue at the time the expense is incurred, providing there is reasonable assurance that the Foundation has complied and will continue to comply with all the conditions of the government assistance.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Significant areas requiring the use of management estimates relate to accrued liabilities and the useful life of capital assets. Management believes its estimates to be appropriate; however, actual results could differ from these estimates.

Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in publicly traded companies that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations..

The financial assets subsequently measured at amortized cost include cash, term deposits and accounts receivable. The marketable securities are measured at fair value. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred revenue and Canada Emergency Business Account.

Transaction costs are expensed as they are incurred.

It is management's opinion that the Foundation is not exposed to significant credit, currency and other price risks arising from these financial statements.

3. TERM DEPOSITS

	<b>2022</b>	2021
Guaranteed investment certificate with Royal Bank of Canada		
3.00% matures on January 21, 2022	\$ -	\$ 40,000
0.60% matures on February 1, 2023	<b>40,000</b>	-
	<b>\$ 40,000</b>	\$ 40,000

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**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

4. MARKETABLE SECURITIES

	2022	2021
<u>CIBC WOOD GUNDY - MARKET VALUE</u>		
Fixed income	\$ 105,323	\$ 67,145
Mutual funds	22,946	18,186
	<b>\$ 128,269</b>	<b>\$ 85,331</b>
 <u>CIBC WOOD GUNDY - COST</u>		
Fixed income	\$ 107,693	\$ 66,863
Mutual funds	22,944	18,186
	<b>\$ 130,637</b>	<b>\$ 85,049</b>

5. CAPITAL ASSETS

	2022		2021	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 33,897	\$ 20,005	\$ 33,307	\$ 13,344
Furniture and fixtures	9,983	4,444	4,444	4,000
Leasehold improvements	14,098	-	-	-
Memory tree	7,278	6,550	7,278	5,095
Website	26,350	26,350	26,350	24,468
	<b>\$ 91,606</b>	<b>\$ 57,349</b>	<b>\$ 71,379</b>	<b>\$ 46,907</b>
Net book value	<b>\$ 34,257</b>		<b>\$ 24,472</b>	

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

6. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

	<b>2022</b>	2021
Government of Canada loan issued by Royal Bank of Canada, with unpaid principal of \$60,000.	<b>\$ 40,000</b>	\$ -

The Canada Emergency Business Account Loan is an interest free loan issued by the Government of Canada through Royal Bank of Canada to assist with operating costs of the Foundation as a result of a reduction in revenue due to COVID-19. An amount up to 25%, or \$20,000, of the total value of the loan will be forgiven if the Organization repays the \$40,000 on or before December 31, 2023. If the full amount of the \$40,000 of the loan is not repaid by December 31, 2023, the loan will be extended into a two year loan bearing interest at 5%. It is Management's opinion that the Foundation will repay the \$40,000 by December 31, 2023. The Foundation recognized the \$20,000 in net income as the forgivable portion of Canada Emergency Business Account loan in grant revenue.

Principal repayment terms are approximately:

2024	<b>\$ 40,000</b>
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7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	<b>2022</b>	2021
Balance, beginning of year	<b>\$ 15,345</b>	\$ 15,464
Contributions received in year	-	10,000
Amortization of deferred contributions	<b>(8,920)</b>	(10,119)
	<b>\$ 6,425</b>	\$ 15,345

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

8. GRANTS

	<u>2022</u>	<u>2021</u>
United Way of Winnipeg		
Operating Grant	\$ 149,400	\$ 149,390
COVID-19 Emergency Community Support Fund	-	20,000
Canada Emergency Wage Subsidy	22,038	39,704
Forgivable portion of Canada Emergency Business Account Loan (Note 6)	20,000	-
Winnipeg Regional Health Authority	84,336	84,336
Province of Manitoba	11,162	11,162
The Winnipeg Foundation		
Operating Grant	4,178	3,865
Stabilization grant	35,000	25,000
Other	13,325	6,650
Gift Funds Canada	5,000	-
	<u>\$ 344,439</u>	<u>\$ 340,107</u>

9. INTERNALLY RESTRICTED NET ASSETS

The board of directors of the Foundation approved the allocation of a portion of the accumulated net assets to be internally restricted for the purpose of being used in future activities of the Foundation. In the current year, \$46,000 (2021 - \$6,000) was allocated to the internally restricted net assets.

10. ENDOWMENT FUNDS

The Foundation has established an endowment fund, which is administered by The Winnipeg Foundation. The endowment funds held by The Winnipeg Foundation are not available to be used by the Foundation. The market value of the fund as at March 31, 2022 was \$22,807 (2021 - \$21,854). The endowment fund pays interest to the Foundation on an annual basis to support its operations. The disbursements from the endowment fund total \$992, which is netted against interest income.

In 2012, the Foundation established the Sharon Carstairs Caring Community Award. The purpose of the award is to promote awareness of palliative and end-of-life care and to financially assist a Manitoba-based organization in providing this care and service. The amount of the annual award is \$1,500 (2021 - \$Nil). There was no award from the Sharon Carstairs Fund in 2021, as the award was deferred to the 2021 conference. The Foundation also transferred the administration of these funds to the Winnipeg Foundation in 2018. Interest on this fund is paid annually to support the Sharon Carstairs Caring Community Award. The market value of the fund as a March 31, 2022 is \$31,765 (2021 - \$31,981). The disbursement from the fund in 2022 was \$1,504 (2021 - \$Nil).

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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11. COMMITMENTS

The Foundation is required to make future payments under an operating lease for the next two years as follows;

2023	\$	4,734
2024		<u>2,762</u>
	\$	<u>7,496</u>

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12. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of March 31, 2022. There has been no significant change in risks from the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Foundation manages exposure through its normal operating and financing activities. The Foundation is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

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13. UNCERTAINTY DUE TO COVID-19 GLOBAL PANDEMIC

The novel coronavirus (COVID-19) has created uncertainty in business and financial markets around the world. The World Health Organization declared the novel coronavirus (COVID-19) as a global pandemic on March 11, 2020. The overall effect of this disruption on the Foundation and its operations is too uncertain to be estimated at this time. Any economic impact to the Foundation will be accounted for when it is known and can be assessed.

The Foundation continues to take measures to mitigate the effects of the current crisis. The Foundation has received government assistance from the Government of Canada as follows:

- a) A Canada Emergency Wage Subsidy (CEWS) Grant which pays for a portion of the wages of employees that the Organization continues to employ up to \$60,000 per employee. During the year, the Organization has been eligible for \$22,038 (2021 - \$39,704) of CEWS support.
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**MANITOBA HOSPICE FOUNDATION INC.**  
***(Operating as Palliative Manitoba)***  
**Notes to Financial Statements**  
**Year Ended March 31, 2022**

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14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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**Manitoba Hospice Foundation Inc.**  
*(Operating as Palliative Manitoba)*

**Schedule of Provincial Conference**

**Year Ended December 31, 2020**

	2022	2021
<b>REVENUE</b>		
Registration	\$ 20,026	\$ -
Sponsorship	7,500	-
Exhibits	350	-
Advertising	80	-
Auction	1,298	-
	<b>29,254</b>	-
<b>EXPENSES</b>		
Contract services (recovery)	1,850	(1,673)
Facility equipment rental	3,576	200
Miscellaneous	353	21
Volunteer support	1,500	-
	<b>7,279</b>	<b>(1,452)</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 21,975</b>	<b>\$ 1,452</b>