

**MANITOBA HOSPICE FOUNDATION INC.**  
***(Operating as Palliative Manitoba)***  
**Financial Statements**  
**Year Ended March 31, 2024**

**MANITOBA HOSPICE FOUNDATION INC.**  
***(Operating as Palliative Manitoba)***  
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**Year Ended March 31, 2024**

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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, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows 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, 2024, 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 not-for-profit organizations, the foundation derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024, current assets and net assets as at March 31, 2024. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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, 2023 were audited by another auditor who expressed a qualified opinion on those financial statements on June 28, 2023 for the reasons described in the *Basis for Qualified Opinion* section.

*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)*

Independent Auditor's Report to the To the Members of Manitoba Hospice Foundation Inc. *(continued)*

*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.

RS LLP

Winnipeg, Manitoba  
August 15, 2024

Redmann Stockwell Chartered Professional Accountants LLP

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Statement of Financial Position**  
**March 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 75,592	\$ 84,279
Investments (Note 4)	136,745	179,443
Goods and services tax recoverable	344	459
Prepaid expenses	4,998	4,465
	217,679	268,646
<b>CAPITAL ASSETS (Note 5)</b>	<b>10,337</b>	<b>21,933</b>
	<b>\$ 228,016</b>	<b>\$ 290,579</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 13,667	\$ 12,211
Employee deductions payable	2,073	2,223
Deferred income	14,895	10,110
Canada Emergency Business Account loan (Note 6)	-	40,000
	30,635	64,544
 <b>NET ASSETS</b>		
Unrestricted	42,129	85,085
Internally Restricted	155,252	140,950
	197,381	226,035
	<b>\$ 228,016</b>	<b>\$ 290,579</b>

**On behalf of the Board**

 Director

 Director

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2024**

	2024	2023
<b>REVENUE</b>		
Grants (Note 8)	\$ 281,896	\$ 262,786
Provincial Conference (Schedule 1)	86,774	78,824
Donations	33,755	42,343
Education	45,531	5,700
Fundraising	54,340	54,085
Investment income	10,625	4,760
Membership	1,500	490
Partnership	1,525	200
Amortization of deferred contributions (Note 7)	-	6,425
	<u>515,946</u>	<u>455,613</u>
<b>EXPENSES</b>		
Advertising and promotion	4,381	7,894
Amortization	11,596	12,323
Equipment & furnishings	6,942	8,687
Fundraising	9,992	8,775
Insurance	7,419	5,182
Interest and bank charges	5,886	5,724
Meetings and seminars	1,262	356
Memberships, dues and subscriptions	907	865
Miscellaneous	-	1,077
Office	5,243	5,181
Professional development	8,031	7,381
Professional fees	4,000	4,012
Program	12,810	7,642
Provincial Conference (Schedule 1)	54,248	51,296
Rental	2,215	2,215
Salaries and wages	405,858	372,668
Telephone	3,156	2,932
Volunteer support costs	654	531
	<u>544,600</u>	<u>504,741</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<u>\$ (28,654)</u>	<u>\$ (49,128)</u>

**MANITOBA HOSPICE FOUNDATION INC.**  
*(Operating as Palliative Manitoba)*  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2024**

	Unrestricted	Endowment	Internally Restricted	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 85,085	\$ -	\$ 140,950	\$ 226,035	\$ 275,163
Excess (deficiency) of revenue over expenses	(36,956)	-	8,302	(28,654)	(49,128)
Endowment fund contributions (Note 10)	-	59,700	-	59,700	12,000
Transfers to The Winnipeg Foundation (Note 10)	-	(59,700)	-	(59,700)	(12,000)
Transfers to internally restricted (Note 9)	(6,000)	-	6,000	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 42,129</b>	<b>\$ -</b>	<b>\$ 155,252</b>	<b>\$ 197,381</b>	<b>\$ 226,035</b>

See notes to financial statements

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Statement of Cash Flows**  
**Year Ended March 31, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	\$ (28,654)	\$ (49,128)
Items not affecting cash:		
Amortization of capital assets	11,596	12,323
Amortization of deferred contributions	-	(6,425)
Unrealized (gain) on investments	-	(1,389)
	<u>(17,058)</u>	<u>(44,619)</u>
Changes in non-cash working capital:		
Goods and services tax payable	115	469
Accrued Interest	(2,814)	-
Prepaid expenses	(533)	2,339
Accounts payable and accrued liabilities	1,456	(5,027)
Employee deductions payable	(150)	1,222
Deferred revenue	4,785	610
	<u>2,859</u>	<u>(387)</u>
Cash flow used by operating activities	<u>(14,199)</u>	<u>(45,006)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(44,488)	(90,790)
Proceeds from sale of investments	90,000	81,006
Cash flow from (used by) investing activities	<u>45,512</u>	<u>(9,784)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of Canada Business Emergency Account Loan (Note 6)	<u>(40,000)</u>	-
<b>DECREASE IN CASH FLOW</b>	<b>(8,687)</b>	<b>(54,790)</b>
Cash - beginning of year	<u>84,279</u>	<u>139,069</u>
<b>CASH - END OF YEAR</b>	<b>\$ 75,592</b>	<b>\$ 84,279</b>



**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2024**

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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 was 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.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and 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
Leasehold improvements	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 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 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 is 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, 2024**

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

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, guaranteed investment certificates and fixed income mutual funds. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities and Canada Emergency Business Account Loan.

Transaction costs are expensed as they are incurred.

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.

4. INVESTMENTS

	2024	2023
<u>Carried at amortized cost</u>		
Guaranteed investment certificates	\$ 77,814	\$ 115,001
Mutual funds	58,931	64,442
	\$ 136,745	\$ 179,443

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer equipment	\$ 33,897	\$ 33,563	\$ 334	\$ 7,113
Furniture and fixtures	9,983	8,438	1,545	3,542
Leasehold improvements	14,098	5,640	8,458	11,278
Memory tree	7,278	7,278	-	-
Website	26,350	26,350	-	-
	\$ 91,606	\$ 81,269	\$ 10,337	\$ 21,933

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2024**

**6. CANADA EMERGENCY BUSINESS ACCOUNT LOAN**

	<b>2024</b>	<b>2023</b>
Government of Canada loan issued by Royal Bank of Canada, with unpaid principal of \$60,000.	\$ -	\$ 40,000
Amounts payable within one year	-	(40,000)
	\$ -	\$ -

The Canada Emergency Business Account Loan was an interest free loan issued by the Government of Canada through the Royal Bank of Canada to assist with operating costs of the Foundation as a result of a reduction in revenue due to COVID-19. \$20,000 of the total value of the loan was forgiven as the Organization repaid the \$40,000 non-forgiveable portion prior to March 28, 2024 (previously December 31, 2023). The Foundation previously recognized the \$20,000 in net income as the forgivable portion of Canada Emergency Business Account loan in grant revenue.

**7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS**

	<b>2024</b>	<b>2023</b>
Balance, beginning of year	\$ -	\$ 6,425
Amorization of deferred contributions	-	(6,425)
	\$ -	\$ -

**8. GRANTS**

	<b>2024</b>	<b>2023</b>
United Way of Winnipeg Operating Grant	\$ 156,864	\$ 155,371
Winnipeg Regional Health Authority	84,336	84,336
The Winnipeg Foundation Operating Grant	32,196	13,902
Other	8,500	9,177
	\$ 281,896	\$ 262,786

**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, \$6,000 (2023 - \$6,000) was allocated to the internally restricted net assets.

**MANITOBA HOSPICE FOUNDATION INC.**  
**(Operating as Palliative Manitoba)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2024**

10. ENDOWMENT FUNDS

Palliative Manitoba Endowment Fund

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 endowment fund pays interest to the Foundation on an annual basis to support its operations.

	2024	2023
Market value - beginning of year	\$ 33,816	\$ 22,807
Amount available for granting	1,019	992
Fund Value - beginning of year	34,835	23,799
Contributions received	61,992	12,025
Return on investment	7,311	198
Grant approved	(1,019)	(992)
Administrative fee	(270)	(104)
Investment fees	(209)	(91)
Fund value - end of year	\$ 102,640	\$ 34,835

During the fiscal year, the Foundation collected \$54,777 for the Palliative Manitoba Endowment Fund. The funds collected were transferred to the Palliative Manitoba Endowment Fund which is administered by the Winnipeg Foundation.

Sharon Carstairs Fund

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 (2023 - \$1,500). 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.

	2024	2023
Market value - beginning of year	\$ 30,288	\$ 31,765
Amount available for granting	1,474	1,504
Fund Value - beginning of year	31,762	33,269
Contributions received	5,907	-
Return on Investment	3,625	269
Grants approved	(1,474)	(1,504)
Administrative fee	(173)	(146)
Investment fees	(127)	(126)
Fund value - end of year	\$ 39,520	\$ 31,762

During the fiscal year, the Foundation collected \$4,923 for the Sharon Carstairs Endowment Fund. The funds collected were transferred to the Sharon Carstairs Endowment Fund which is administered by the Winnipeg Foundation.

**11. 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, 2024.

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 long-term debt, 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.

**12. COMPARATIVE FIGURES**

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

**MANITOBA HOSPICE FOUNDATION INC.**  
*(Operating as Palliative Manitoba)*  
**Provincial Conference (Schedule 1)**  
**Year Ended March 31, 2024**

	2024	2023
<b>REVENUES</b>		
Registration	\$ 75,478	\$ 64,106
Sponsorship	6,000	8,375
Exhibits	3,705	4,875
Advertising	100	100
Auction	1,276	1,368
Donation in kind	215	-
	<b>86,774</b>	<b>78,824</b>
<b>EXPENSES</b>		
Contract services	9,337	8,875
Facility equipment rental	40,356	35,601
Gifts	4,130	2,784
Miscellaneous	83	289
Travel	342	2,247
Volunteer support	-	1,500
	<b>54,248</b>	<b>51,296</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 32,526</b>	<b>\$ 27,528</b>