

**REGINA PALLIATIVE CARE
INCORPORATED**

FINANCIAL STATEMENTS

March 31, 2009

Auditors' Report

To the Members of
Regina Palliative Care Incorporated

We have audited the balance sheet of Regina Palliative Care Incorporated as at March 31, 2009 and the statements of revenues and expenses 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 paragraph, 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 revenue from 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 records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenues, excess revenues, assets 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 satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 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.

Deloitte & Touche LLP

Chartered Accountants

Regina, Saskatchewan
April 30, 2009

REGINA PALLIATIVE CARE INCORPORATED

Balance Sheet

As at March 31, 2009

	<u>General Fund</u>	<u>Restricted Fund (Note 10)</u>	<u>Total 2009</u>	<u>Total 2008</u>
CURRENT ASSETS				
Cash	\$ 429,861	\$ -	\$ 429,861	\$ 293,905
GST receivable	8,274	-	8,274	5,506
Prepaid expenses	4,588	-	4,588	3,405
	442,723	-	442,723	302,816
INVESTMENTS (Note 4)	390,341	-	390,341	384,640
CAPITAL ASSETS				
Bereavement centre (Note 5)	89,336	-	89,336	3,067
Furniture and equipment used by RQHR (Note 6)	1	-	1	1
	\$ 922,401	\$ -	\$ 922,401	\$ 690,524
CURRENT LIABILITIES				
Accounts payable	\$ 20,722	\$ -	\$ 20,722	\$ 31,714
Deferred revenue	1,000	-	1,000	-
	21,722	-	21,722	31,714
NET ASSETS				
Fund balances	900,678	-	900,678	655,742
Invested in capital assets	1	-	1	3,068
	900,679	-	900,679	658,810
	\$ 922,401	\$ -	\$ 922,401	\$ 690,524

APPROVED BY THE BOARD

..... Director

..... Director

REGINA PALLIATIVE CARE INCORPORATED
Statement of Revenues and Expenses and Net Assets

Year ended March 31, 2009

	General Fund	Restricted Fund (Note 10)	Total 2009	2008
REVENUES				
Fundraising, bequests and campaign	\$ 653,763	\$ -	\$ 653,763	\$ 567,121
Donations	171,898	-	171,898	129,656
Donations-in-kind (Note 7)	4,871	-	4,871	26,791
Investment	1,084	-	1,084	16,851
Miscellaneous	9	-	9	35,695
	831,625	-	831,625	776,114
EXPENSES				
Administrative	5,369	-	5,369	-
Advertising and promotion	18,155	-	18,155	13,340
Amortization	11,121	-	11,121	613
Annual events	4,347	-	4,347	6,924
Bereavement	23,503	-	23,503	13,809
Bereavement project	-	-	-	257,403
Committees	931	-	931	930
Music therapy	9,695	-	9,695	3
Occupancy	50,180	-	50,180	-
Office	1,331	-	1,331	2,954
Palliative care equipment	57,410	-	57,410	8,044
Professional fees	10,066	-	10,066	7,498
Resource material	11,979	-	11,979	1,046
Salary	329,941	-	329,941	137,662
Sundry	13,638	-	13,638	10,642
Scholarly activity	2,686	-	2,686	1,161
Training	35,313	-	35,313	35,709
Volunteer program	4,092	-	4,092	16,803
	589,757	-	589,757	514,541
EXCESS REVENUES	241,868	-	241,868	261,573
NET ASSETS, BEGINNING OF YEAR	276,721	382,089	658,810	431,321
TRANSFER (Note 10)	382,089	(382,089)	-	-
CHANGE IN ACCOUNTING POLICY (Note 3d)	-	-	-	(34,084)
NET ASSETS, END OF YEAR	\$ 900,678	\$ -	\$ 900,678	\$ 658,810

REGINA PALLIATIVE CARE INCORPORATED

Statement of Cash Flows

Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
CASH FROM (USED IN)		
OPERATING ACTIVITIES		
Excess revenues	\$ 241,868	\$ 261,573
Items not affecting cash:		
Amortization	11,121	613
Change in fair value of investments	4,022	(15,186)
Net change in non-cash working capital items:		
GST receivable	(2,768)	(446)
Prepaid expenses	(1,183)	(3,405)
Accounts payable	(10,992)	(14,801)
Deferred revenue	1,000	-
	<u>243,068</u>	<u>228,348</u>
CASH FROM (USED IN)		
INVESTING ACTIVITIES		
Purchases of investments	(166,870)	(283,672)
Proceeds from sale of investments	157,148	255,260
Purchase of capital assets (Note 5)	(97,390)	(3,680)
	<u>(107,112)</u>	<u>(32,092)</u>
INCREASE IN CASH	135,956	196,256
CASH, BEGINNING OF YEAR	293,905	97,649
CASH, END OF YEAR	\$ 429,861	\$ 293,905

REGINA PALLIATIVE CARE INCORPORATED

Notes to the Financial Statements

Year ended March 31, 2009

1. NATURE OF BUSINESS

Regina Palliative Care Incorporated (the “Organization”) is a non-profit community organization that functions as an active participant and contributor to the development of palliative care services in the Regina Qu’Appelle Health Region (“RQHR”) and southern Saskatchewan. The Organization provides extensive support for education, bereavement, music therapy and volunteer programs.

2. CHANGES IN ACCOUNTING POLICIES

a) *Adoption of accounting policy*

Effective April 1, 2008 the Organization adopted CICA Handbook Section 1535, “Capital Disclosures.” The required disclosure regarding what the Organization defines as capital and its objectives, policy and process for managing capital is provided in Note 9.

b) *Future accounting changes*

Non-for-profit organizations may defer adoption of Sections 3862, Financial Instruments – Disclosures and Section 3863, Financial Instruments – Presentation further direction is provided. In the meantime, they will continue to apply Section 3861, Financial Instruments – Disclosure and Presentation. The Organization has chosen to defer application of Sections 3862 and 3863.

In the fiscal year beginning April 1, 2009, the Organization will apply the new recommendations of CICA Handbook Section 4400 – Financial Statement Presentation by Not-for-Profit Organizations. The Organization will no longer be required to segregate the net assets invested in capital assets on the balance sheet.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations.

a) *Use of estimates*

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

b) *Fund accounting*

Under fund accounting, the Organization classifies resources for accounting and reporting purposes into funds in accordance with specified activities or objectives. The financial statements separately disclose the activities of the following funds maintained by the Organization:

REGINA PALLIATIVE CARE INCORPORATED

Notes to the Financial Statements

Year ended March 31, 2009

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) *Fund accounting (continued)*

General fund

Reflects the activities associated with the Organization's day to day operations. This fund reports all unrestricted resources plus any restricted resources that have been designated for general operating purposes. This fund has been split to show amounts invested in capital assets within the Organization.

Restricted fund

Reflects the activities related to revenues and expenses for constructing and furnishing major projects. This fund reports all externally restricted resources, other than those that have been designated for general operating purposes. As disclosed in Note 10, the Board of Directors has determined that the restricted fund should be wound up.

c) *Revenue recognition*

Revenues are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations-in-kind are recorded at the lower of cost and fair value. Investment income from interest-bearing investments is accrued and recorded at the effective rate of interest earned by the investment.

d) *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Organization's designation of such instruments. This accounting treatment was adopted by the Organization on April 1, 2007. Trade date accounting is used.

Classification

Cash	Held for trading
GST receivable	Loans and receivables
Investments	Held for trading
Accounts payable	Other liabilities

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Notes to the Financial Statements

Year ended March 31, 2009

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Financial instruments (continued)*

Held for trading

Held for trading financial assets are non-derivative financial assets that are designated as held for trading. Held for trading financial assets are carried at fair value with unrealized gains and losses included in investment income.

Loans and receivables and other liabilities

Loans and receivables and other liabilities are recorded at amortized cost using the effective interest method.

Transaction costs

Transaction costs related to held for trading financial assets are expensed as incurred. Transaction costs related to loans and receivables and other liabilities are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.

e) *Capital assets*

Capital assets are recorded at cost. Amortization is computed using the straight-line method over the estimated useful life of the asset of five years.

4. INVESTMENTS

	<u>Interest Rates</u>	<u>2009 Fair Value</u>	<u>2008 Fair Value</u>
Corporate bonds	4.15 - 4.35%	\$ 106,316	\$ 101,720
Provincial bonds	4.20%	108,123	256,946
Mutual funds (interest-bearing)		161,999	-
Equities		13,903	25,974
		<u>\$ 390,341</u>	<u>\$ 384,640</u>

REGINA PALLIATIVE CARE INCORPORATED

Notes to the Financial Statements

Year ended March 31, 2009

5. BEREAVEMENT CENTRE

	Cost	Accumulated Amortization	Net Book Value	
			2009	2008
Furniture and equipment	\$ 54,003	\$ 28,715	\$ 25,288	\$ 3,067
Leasehold improvements	71,164	7,116	64,048	-
	<u>\$ 125,167</u>	<u>\$ 35,831</u>	<u>\$ 89,336</u>	<u>\$ 3,067</u>

6. FURNITURE AND EQUIPMENT USED BY RQHR

The Organization purchases equipment and furniture for the palliative care program (both the palliative care unit and palliative care home care) operated by the RQHR. While the Organization retains ownership of the equipment and furniture, the use of these assets has been donated to the palliative care program and the RQHR. Consequently, purchases are expensed rather than being recorded as capital assets and amortized over time.

To recognize ownership of these assets, equipment and furniture are recorded on the balance sheet at a nominal value of \$1.

7. DONATIONS-IN-KIND

The Organization receives donations-in-kind of equipment from various contributors for the palliative care program operated by the RQHR. These donations-in-kind are recognized as revenue at the lower of cost or fair market value. Like the equipment and furniture purchased for the palliative care program, the Organization retains ownership of the donated equipment while, in turn, donating its use to the palliative care program and the RQHR. Accordingly, an expense equal to the value of the donated asset is recorded once the asset is put into use.

8. FINANCIAL INSTRUMENTS

Significant terms and conditions

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in those financial instruments.

Credit risk

The Organization does not have significant credit risk.

Fair value

The fair value of cash, GST receivable and accounts payable approximates fair value due to the short-term nature of these items.

REGINA PALLIATIVE CARE INCORPORATED

Notes to the Financial Statements

Year ended March 31, 2009

9. CAPITAL MANAGEMENT

The Organization's primary source of capital is from donations, fundraising and investment income. The Organization's investment policy generally limits investments to government, provincial bonds and fixed income mutual funds.

10. RESTRICTED FUND

During the year, the Board of Directors determined that there was no longer a need to have a restricted fund and approved the transfer of the restricted fund balance to the general fund.