

COWICHAN VALLEY HOSPICE SOCIETY
Financial Statements
Year Ended December 31, 2024

COWICHAN VALLEY HOSPICE SOCIETY
Index to Financial Statements
Year Ended December 31, 2024

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2 - 3
Statement of Changes in Net Assets	4
Statement of Revenues and Expenditures	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 10
Fundraising Activities (<i>Schedule 1</i>)	11



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Cowichan Valley Hospice Society

We have reviewed the accompanying financial statements of Cowichan Valley Hospice Society that comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, revenues and expenditures 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 (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Cowichan Valley Hospice Society as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Duncan, British Columbia
June 16, 2025

A handwritten signature in dark ink that reads 'Palmer Leslie'. Below the signature, the words 'CHARTERED PROFESSIONAL ACCOUNTANTS' are printed in a blue, sans-serif font.

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COWICHAN VALLEY HOSPICE SOCIETY
Statement of Financial Position
December 31, 2024

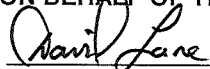
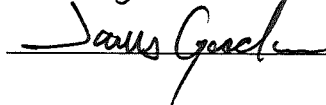
	Operating Fund 2024	Capital Fund 2024	Externally Restricted Hospice House Fund 2024	Total 2024	Total 2023
ASSETS					
CURRENT					
Cash	\$ 312,796	\$ -	\$ 148,599	\$ 461,395	\$ 472,488
Term deposits (Notes 5, 6)	610,808	-	1,509,799	2,120,607	1,246,064
Accounts receivable	642	-	-	642	961
Interest receivable	10,361	-	47,809	58,170	14,354
GST receivable	1,721	-	-	1,721	3,574
Prepaid expenses	6,031	-	-	6,031	5,593
Due from (to) related parties	83,109	-	(83,109)	-	-
	1,025,468	-	1,623,098	2,648,566	1,743,034
TANGIBLE CAPITAL ASSETS (Net of accumulated amortization) (Note 7)	-	334,409	-	334,409	337,831
LONG TERM INVESTMENTS (Notes 5, 6)	-	-	-	-	513,085
	\$ 1,025,468	\$ 334,409	\$ 1,623,098	\$ 2,982,975	\$ 2,593,950

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY HOSPICE SOCIETY
Statement of Financial Position
December 31, 2024

	Operating Fund 2024	Capital Fund 2024	Externally Restricted Hospice House Fund 2024	Total 2024	Total 2023
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable	\$ 23,593	\$ -	\$ 567	\$ 24,160	\$ 18,851
Wages and benefits payable	32,159	-	-	32,159	48,051
Deferred revenue (Note 9)	-	-	1,622,531	1,622,531	1,589,400
	<u>55,752</u>	<u>-</u>	<u>1,623,098</u>	<u>1,678,850</u>	<u>1,656,302</u>
NET ASSETS					
Net assets invested in capital	-	334,409	-	334,409	337,831
Unrestricted net assets	358,908	-	-	358,908	599,817
Restricted net assets (Note 10)	610,808	-	-	610,808	-
	<u>969,716</u>	<u>334,409</u>	<u>-</u>	<u>1,304,125</u>	<u>937,648</u>
	<u>\$ 1,025,468</u>	<u>\$ 334,409</u>	<u>\$ 1,623,098</u>	<u>\$ 2,982,975</u>	<u>\$ 2,593,950</u>

ON BEHALF OF THE BOARD

 _____ Director
 _____ Director

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY HOSPICE SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2024

	Operating Fund	Capital Fund	Externally Restricted Hospice House Fund	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 599,817	\$ 337,829	\$ -	\$ 937,647	\$ 893,130
Excess of revenues over expenses	386,041	(19,564)	-	366,477	44,516
	-	-	-	-	-
Capital Assets Purchased	(16,142)	16,142	-	-	-
NET ASSETS - END OF YEAR	\$ 969,716	\$ 334,409	\$ -	\$ 1,304,125	\$ 937,647

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY HOSPICE SOCIETY
Statement of Revenues and Expenditures
Year Ended December 31, 2024

	Operating Fund 2024	Capital Fund 2024	Externally Restricted Hospice House Fund 2024	Total 2024	Total 2023
REVENUES					
Donations	\$ 496,842	\$ -	\$ 26,624	\$ 523,466	\$ 454,385
Fundraising	287,879	-	-	287,879	263,674
Gaming	100,638	-	-	100,638	102,415
CVRD grant	61,000	-	-	61,000	62,000
VIHA grants	22,028	-	-	22,028	22,406
Interest	21,120	-	114,323	135,443	47,837
Other	83,901	-	-	83,901	44,294
	1,073,408	-	140,947	1,214,355	997,011
EXPENSES					
Advertising and promotion	7,954	-	428	8,382	3,500
Amortization	-	19,564	-	19,564	16,186
Bank charges and interest	5,291	-	71	5,362	4,987
Consulting fees	-	-	-	-	2,379
Donor stewardship	159	-	-	159	5,256
Endowment fund contribution	600	-	-	600	1,200
Fundraising costs	59,406	-	2,397	61,803	50,964
Insurance	6,463	-	-	6,463	5,822
Licenses, dues and fees	1,434	-	-	1,434	1,224
Office and miscellaneous	7,360	-	-	7,360	8,975
Professional fees	9,148	-	-	9,148	13,262
Program materials and supplies	25,761	-	10,654	36,415	31,618
Property taxes	466	-	-	466	408
Repairs and maintenance	7,331	-	-	7,331	4,780
Small equipment purchases	9,317	-	-	9,317	10,674
Sub-contracts	10,082	-	-	10,082	6,010
Training and development	12,080	-	450	12,530	18,769
Travel	2,657	-	-	2,657	2,885
Utilities	5,132	-	-	5,132	7,186
Volunteer expenses	1,278	-	-	1,278	1,203
Wages, benefits and salaries	515,448	-	126,947	642,395	755,207
	687,367	19,564	140,947	847,878	952,495
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 386,041	\$ (19,564)	\$ -	\$ 366,477	\$ 44,516

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY HOSPICE SOCIETY

Statement of Cash Flows

Year Ended December 31, 2024

	Operating Fund 2024	Capital Fund 2024	Externally Restricted Hospice House Fund 2024	Total 2024	Total 2023
OPERATING ACTIVITIES					
Excess (deficiency) of revenues over expenses	\$ 386,041	\$ (19,564)	\$ -	\$ 366,477	\$ 44,516
Item not affecting cash:					
Amortization of tangible capital assets	-	19,564	-	19,564	16,186
	386,041	-	-	386,041	60,702
Changes in non-cash working capital:					
Accounts receivable	319	-	-	319	(341)
Interest receivable	(4,003)	-	(39,819)	(43,822)	14,136
Accounts payable	5,284	-	31	5,315	(3,446)
Deferred revenue	-	-	33,131	33,131	(244,088)
Prepaid expenses	(438)	-	-	(438)	225
Goods and services tax payable	1,853	-	-	1,853	(1,814)
Wages and benefits payable	(15,892)	-	-	(15,892)	8,355
	(12,877)	-	(6,657)	(19,534)	(226,973)
Cash flow from (used by) operating activities	373,164	-	(6,657)	366,507	(166,271)
INVESTING ACTIVITIES					
Purchase of tangible capital assets	(16,142)	-	-	(16,142)	(93,518)
Long term Investments	-	-	513,085	513,085	(199,954)
Cash flow from (used by) investing activities	(16,142)	-	513,085	496,943	(293,472)
FINANCING ACTIVITY					
Advances from related parties	(1,869)	-	1,869	-	-
Cash flow from (used by) financing activity	(1,869)	-	1,869	-	-
INCREASE (DECREASE) IN CASH FLOW	355,153	-	508,297	863,450	(459,743)
Cash - beginning of year	568,451	-	1,150,101	1,718,552	2,178,295
CASH - END OF YEAR	\$ 923,604	\$ -	\$ 1,658,398	\$ 2,582,002	\$ 1,718,552
CASH CONSISTS OF:					
Cash	\$ 312,796	\$ -	\$ 148,599	\$ 461,395	\$ 472,488
Term deposits	610,808	-	1,509,799	2,120,607	1,246,064
	\$ 923,604	\$ -	\$ 1,658,398	\$ 2,582,002	\$ 1,718,552

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY HOSPICE SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

1. BASIS OF PRESENTATION

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

2. OPERATIONS

Cowichan Valley Hospice Society ("the Society") is a Not-for-Profit community agency incorporated under the Society Act of British Columbia on April 15, 1981. Its purpose is to provide skilled and compassionate support services to the dying and bereaved and their families and friends, with sensitivity to their culture, values and beliefs.

The Society is registered as a Charity under the Income Tax Act (11887 8388 RR) and is therefore tax-exempt under Section 149(1)(f).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting standards

These financial statements have been prepared in accordance with standards for Not-for-Profit Organizations which is one of the financial reporting frameworks included in Canadian Generally Accepted Accounting Standards.

Fund accounting

The Society follows the deferral method of accounting for contributions. The Operating Fund reports unrestricted and restricted assets, liabilities, revenues and expenses related to the Society's activities. The Capital Fund reports the ownership, liabilities and equity related to the Society's capital assets. The Hospice House Fund reports the revenue and expenses related to the development and construction of a hospice facility in collaboration with Island Health.

Tangible capital assets

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

Buildings	40 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Computer equipment	3 years	straight-line method
Computer software	1 year	straight-line method

One-half of the year's amortization is recorded in the year of purchase and none in the year of disposal.

Cash

Cash includes cash on hand and balances with banks net of bank overdrafts.

Revenue recognition

Cowichan Valley Hospice Society 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. Endowment contributions are recognized as direct increases in net assets.

(continues)

COWICHAN VALLEY HOSPICE SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

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

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Seminar fees are recognized as revenue when the seminars are held.

Estimates

The preparation of these 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 current period. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they become known.

Donated services

A substantial number of volunteers contribute a significant amount of time each year to assist the Society in carrying out its activities and the value of the contributed services are not recognized in the financial statements. 5,130 volunteer hours (2023 - 5,900) were recorded in 2024 with an estimated value of \$20 per hour for a total of \$102,600 (2023 - \$118,000) worth of volunteer time.

4. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2024.

(a) 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 organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

5. TERM DEPOSITS - INTERNALLY RESTRICTED FUND

	<u>2024</u>	<u>2023</u>
Short Term		
ISCU term deposit @ 2.90% to mature December 6, 2025	\$ 275,992	\$ -
ISCU term deposit @ 5.07% to mature June 3, 2025	334,816	-
ISCU term deposit @ 3.40% to mature June 3, 2024	-	323,778
	<u>\$ 610,808</u>	<u>\$ 323,778</u>

COWICHAN VALLEY HOSPICE SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

6. TERM DEPOSITS - EXTERNALLY RESTRICTED HOSPICE HOUSE FUND

	2024	2023
Short Term		
ISCU term deposit @ 5.30% to mature August 20, 2025	\$ 540,352	\$ -
ISCU term deposit @ 2.85% to mature September 21, 2025	206,458	-
ISCU term deposit @ 4.10% to mature October 10, 2025	762,989	-
ISCU term deposit @ 3.22% to mature September 21, 2024	-	200,000
ISCU term deposit @ 5.62% to mature October 10, 2024	-	722,286
	1,509,799	922,286
Long Term		
ISCU term deposit @ 5.30% to mature August 20, 2025	-	513,085
	\$ 1,509,799	\$ 1,435,371

7. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 70,100	\$ -	\$ 70,100	\$ 70,100
Buildings	277,951	90,372	187,579	183,383
Computer equipment	45,585	18,379	27,206	29,432
Computer software	3,886	3,886	-	-
Furniture and fixtures	86,610	37,086	49,524	54,916
	\$ 484,132	\$ 149,723	\$ 334,409	\$ 337,831

The Society acquired capital assets of \$16,142 (2023 - \$93,518) and recorded amortization of \$19,564 (2023 - \$16,186).

8. BANK INDEBTEDNESS

The Society holds a \$200,000 operating line of credit with Island Savings Credit Union with an interest rate of prime plus 1% per annum which is payable on demand and is secured by the land and building. The Society has not utilized this extended credit during the current and prior fiscal year.

COWICHAN VALLEY HOSPICE SOCIETY

Notes to Financial Statements

Year Ended December 31, 2024

9. DEFERRED REVENUE

Deferred contributions represent donations and fundraising dollars received for the Hospice House that remain unspent. Changes in the deferred contributions balance are as follows:

	2024	2023
EXTERNALLY RESTRICTED HOSPICE HOUSE FUND		
Balance, beginning of year	\$ 1,589,400	\$ 1,680,959
Revenue received	59,755	16,120
Revenue recognized	(26,624)	(107,679)
Balance, end of year	<u>\$ 1,622,531</u>	<u>\$ 1,589,400</u>

10. RESTRICTED NET ASSETS

The Board of Directors passed a motion during the fiscal year to internally restrict funds to be designated towards meeting Cowichan Valley Hospice Society's increasing client and future space needs. This includes community collaboration space and staff work space by way of building, buying, renovating or leasing. This monetary designation is supported by a strategic pillar addressing space requirements.

The internally restricted funds are held in term deposits detailed in Note 5.

11. COMMITMENTS

The Society entered into a operating lease for its photocopier. Monthly payments of \$149 plus taxes are required and the payments cease in March of 2026. Minimum lease payments required for 2025 total \$1,883.

12. REMUNERATION

Remuneration was paid to one (2023 - two) employee over \$75,000, the remuneration paid to the employee totalled \$113,357. (2023 - \$188,404)

COWICHAN VALLEY HOSPICE SOCIETY**Fundraising Activities****(Schedule 1)****Year Ended December 31, 2024***Unaudited - See "REVIEW ENGAGEMENT REPORT" dated June 16, 2025.*

	2024	2023
Reel Alternatives:		
Revenue	\$ 77,378	\$ 75,023
Expenses	<u>(43,239)</u>	<u>(39,667)</u>
Net revenue over expenses	<u>\$ 34,139</u>	<u>\$ 35,356</u>
Direct Mail		
Revenue	\$ 141,015	\$ 117,501
Expense	<u>(14,046)</u>	<u>(6,683)</u>
Net revenue over expenses	<u>\$ 126,969</u>	<u>\$ 110,818</u>
Other - 3rd Party Events		
Revenue	\$ 69,486	\$ 71,150
Expense	<u>(4,518)</u>	<u>(4,614)</u>
Net revenue over expenses	<u>\$ 64,968</u>	<u>\$ 66,536</u>

The accompanying notes form an integral part of these financial statements