

**HEMOPHILIA ONTARIO**

**Financial Statements**

**December 31, 2021**

**HEMOPHILIA ONTARIO**  
**Index to Financial Statements**  
**Year Ended December 31, 2021**

---

	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 10

---

## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Hemophilia Ontario

### *Opinion*

We have audited the financial statements of Hemophilia Ontario (the "Organization"), which comprise the statement of financial position as at December 31, 2021, and the statements of changes in net assets, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, 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 for 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 the Organization 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.

### *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 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 this financial information.

(continues)

Independent Auditor's Report to the Members of Hemophilia Ontario *(continued)*

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 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.

Toronto, Ontario  
April 25, 2022


*Hogg, Shain & Scheck PC*

Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario

**HEMOPHILIA ONTARIO**  
**Statement of Financial Position**  
**As at December 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Notes 5 and 6)	\$ 199,368	\$ 225,211
Accounts receivable	-	14,884
Harmonized Sales Tax receivable	26,235	18,045
Prepaid expenses and other assets	62,746	44,287
	288,349	302,427
<b>INVESTMENTS (Notes 4 and 6)</b>	<b>1,100,892</b>	<b>1,049,944</b>
	<b>\$ 1,389,241</b>	<b>\$ 1,352,371</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 36,545	\$ 45,861
Deferred contributions (Note 5)	141,178	127,899
	177,723	173,760
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	111,518	78,611
<b>INTERNALLY RESTRICTED (Note 6)</b>	1,100,000	1,100,000
	1,211,518	1,178,611
	<b>\$ 1,389,241</b>	<b>\$ 1,352,371</b>

APPROVED ON BEHALF OF THE BOARD

 Director



Director

**HEMOPHILIA ONTARIO**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2021**

	Internally Restricted	Unrestricted	<b>2021</b>	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,100,000	\$ 78,611	<b>\$ 1,178,611</b>	\$ 1,168,034
Excess of revenues over expenses	-	32,907	<b>32,907</b>	10,577
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 1,100,000</b>	<b>\$ 111,518</b>	<b>\$ 1,211,518</b>	<b>\$ 1,178,611</b>

*See the accompanying notes to these financial statements*

**HEMOPHILIA ONTARIO**  
**Statement of Operations**  
**Year Ended December 31, 2021**

	Hemophilia Programs 2021	AIDS Bureau Program 2021	City of Toronto 2021	<b>Total 2021</b>	Total 2020
<b>REVENUES</b>					
Programs and events	\$ 236,857	\$ -	\$ -	\$ 236,857	\$ 144,761
Grants					
Ontario	-	204,730	-	204,730	204,730
Municipal	-	-	29,075	29,075	28,785
Donations					
Individuals and bequests	183,252	-	-	183,252	41,410
Federal Health Charities	36,693	-	-	36,693	36,053
Other contributions	25,145	-	-	25,145	15,488
Fundraising and gaming activities					
Bingo and Provincial Nevada	76,072	-	-	76,072	18,212
Dividend and interest <i>(Note 7)</i>	58,004	-	-	58,004	42,761
	<u>616,023</u>	<u>204,730</u>	<u>29,075</u>	<u>849,828</u>	<u>532,200</u>
<b>EXPENSES</b>					
Program supplies and services <i>(Note 8)</i>	363,906	16,055	29,075	409,036	171,128
Staffing costs <i>(Note 8)</i>	149,793	169,588	-	319,381	324,283
Office supplies and expenses	54,951	5,000	-	59,951	52,510
Building occupancy	14,485	1,750	-	16,235	15,432
Insurance	6,728	6,837	-	13,565	12,413
Travel	7,693	1,500	-	9,193	7,992
Professional fees	4,835	4,000	-	8,835	8,835
Board and committee meetings	8,462	-	-	8,462	8,218
Staff and volunteer development	1,520	-	-	1,520	5,781
	<u>612,373</u>	<u>204,730</u>	<u>29,075</u>	<u>846,178</u>	<u>606,592</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>3,650</u>	<u>-</u>	<u>-</u>	<u>3,650</u>	<u>(74,392)</u>
<b>OTHER INCOME</b>					
Investment gains <i>(Note 7)</i>	29,257	-	-	29,257	13,841
Government assistance	-	-	-	-	71,128
	<u>29,257</u>	<u>-</u>	<u>-</u>	<u>29,257</u>	<u>84,969</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 32,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,907</u>	<u>\$ 10,577</u>

*See the accompanying notes to these financial statements*

**HEMOPHILIA ONTARIO**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 32,907	\$ 10,577
Item not affecting cash:		
Unrealized gains (losses) on investments	(29,257)	51,686
	<u>3,650</u>	<u>62,263</u>
Changes in non-cash working capital items:		
Accounts receivable	14,884	(13,216)
Harmonized Sales Tax recoverable	(8,190)	12,604
Prepaid expenses and other assets	(18,459)	(2,998)
Accounts payable and accrued liabilities	(9,316)	14,161
Deferred contributions	13,279	42,699
	<u>(7,802)</u>	<u>53,250</u>
Cash flows from (used by) operating activities	<u>(4,152)</u>	<u>115,513</u>
<b>INVESTING ACTIVITY</b>		
Change in investments (net)	(21,691)	(441,151)
Cash flows used by investing activity	<u>(21,691)</u>	<u>(441,151)</u>
<b>DECREASE IN CASH</b>	<b>(25,843)</b>	<b>(325,638)</b>
<b>CASH - BEGINNING OF YEAR</b>	<b><u>225,211</u></b>	<b><u>550,849</u></b>
<b>CASH - END OF YEAR</b>	<b><u>\$ 199,368</u></b>	<b><u>\$ 225,211</u></b>

*See the accompanying notes to these financial statements*

**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

---

**1. NATURE AND PURPOSE OF THE ORGANIZATION**

Hemophilia Ontario (the "Organization") was incorporated without share capital by Letters Patent under the Corporations Act of Ontario as a not-for-profit organization in 1988. Its objective is to promote opportunities for improving the quality of life and health for all affected with bleeding disorders. The ultimate aim is a cure. Towards those ends, the Organization is committed to provide and support programs of research for consumer, public and professional education; and consumer, family and community services.

The Organization is exempt from income tax in Canada as a registered charity under subsection 149(l) of the Income Tax Act (Canada).

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

These financial statements are the representation of management and were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions, including donations, are recognized as revenues when received or receivable, provided that contributions receivable can be reasonably estimated and collection is reasonably assured. Restricted contributions, including grants, fundraising and gaming activities, are recognized as revenues in the year in which the related activities undertaken and expenses are incurred.

Program and events are recognized as revenues when the related activity takes place.

Investment income is recognized as revenues when earned. Investment income includes realized and unrealized gains, dividends, and interest.

Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost with the exception of the investments which are measured at fair market value.

The financial assets subsequently measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include accounts payable.

Impairment of financial instruments

Financial assets measured at cost or amortized cost are tested for impairment if there are indications of possible impairment. A previously recognized impairment loss may be reversed to the extent of the improvement, either directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal, had the impairment loss not been recognized previously. The amount of any write down or reversal is recognized in excess of revenues over expenses.

Allocation of expenses

The Organization operates programs to improve the quality of life and health for all affected with bleeding disorders. The cost of programs includes certain salaries that are directly related to providing the program services.

*(continues)*

---

**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

---

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

Contributed services

A substantial part of the Organization's activities are carried out by volunteers whose services are donated. These services are not normally purchased by the Organization and therefore not recorded in these financial statements.

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 amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant estimates incorporated into the Organization's financial statements include year end accruals. These estimates are reviewed periodically and adjustments are made to revenues and expenses as appropriate in the year they become known.

---

**3. FINANCIAL INSTRUMENTS**

The Organization is exposed to various risks through its financial instruments. It is management's opinion that the Organization is not exposed to significant interest rate, liquidity or credit risks or any significant concentrations of risk arising from its financial instruments.

The Organization is exposed to currency risk on its investments which are denominated in U.S. dollars and other international dollars. The Organization does not use derivative instruments to reduce its exposure to currency risk. All amounts included in the investment amount at year end have been converted to Canadian dollars.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk with respect to its investments. The Organization uses professional, independent advisors to monitor its investment portfolio.

---

**4. INVESTMENTS**

Investments consist of the following:

	<u>2021</u>	<u>2020</u>
Fixed income		
Canadian	\$ 471,589	\$ 297,092
Global	137,395	85,756
Equities		
International	206,022	134,252
Canadian	169,346	91,477
U.S.	116,116	64,125
Cash and cash equivalents	424	356,487
Guaranteed Investment Certificate	-	20,755
	<u>\$ 1,100,892</u>	<u>\$ 1,049,944</u>

---

**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

**5. DEFERRED CONTRIBUTIONS**

Deferred contributions are as follows:

	2021	2020
Contributions for future programs and expenses	\$ 63,073	\$ 43,073
Unspent proceeds from gaming activities:		
Provincial Nevada	50,981	63,112
Bingo	27,124	21,714
	\$ 141,178	\$ 127,899

Cash includes balances held in separate bank accounts for unspent Bingo and Provincial Nevada proceeds.

**6. INTERNALLY RESTRICTED NET ASSETS**

In 2019, the Board of Directors transferred the previous internally restricted net assets of \$50,000 into the unrestricted net assets. The Board then preceded to approve a transfer of \$1,100,000 to an new internally restricted net assets. This internally restricted net assets has been setup with the following purposes:

- Operational reserve;
- Develop a revenue stream through investments to support operations;
- Maintain programming and services in the event of future reductions in revenue; and
- Support future programs, services, education and advocacy which are not funded by revenue from other sources.

Investments include amounts to support these internally restricted amounts.

**7. INVESTMENT INCOME (LOSS)**

	2021	2020
Interest	\$ 58,004	\$ 27,423
Dividend	-	15,338
Total dividend and interest	\$ 58,004	\$ 42,761
Realized gains (losses)	\$ -	\$ (37,845)
Unrealized gains (Losses)	29,257	51,686
Total investment gains	\$ 29,257	\$ 13,841

**8. ALLOCATION OF EXPENSES**

Program expenses reported in the Statement of Operations include allocations of human resource expenses of \$124,039 (2019 - \$108,563).

**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

---

**9. COVID-19**

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic, which resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. In fiscal 2021, the Organization had a mixture of in-person and online programs and events.

The duration and impact of COVID-19 are unknown at this time. It is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results of the Organization in future years. It is the opinion of management, that the Organization will have sufficient resources to mitigate any potential negative impact that may occur in fiscal 2022 as a result of COVID-19.

---