

**HEMOPHILIA ONTARIO**  
**Financial Statements**  
**December 31, 2023**

**HEMOPHILIA ONTARIO**  
**Index to Financial Statements**  
**Year Ended December 31, 2023**

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## INDEPENDENT AUDITOR'S REPORT

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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, 2023, 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, 2023, 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.

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

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.

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.

*Hogg, Shain & Scheck PC*

Toronto, Ontario  
April 11, 2024

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

**HEMOPHILIA ONTARIO**  
**Statement of Financial Position**  
**As at December 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 6)	\$ 134,142	\$ 180,161
Accounts receivable	7,135	2,000
Harmonized Sales Tax receivable	21,981	23,114
Prepaid expenses and other assets	45,351	70,059
	208,609	275,334
<b>INVESTMENTS (Notes 4 and 6)</b>	<b>910,382</b>	<b>935,173</b>
	<b>\$ 1,118,991</b>	<b>\$ 1,210,507</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 44,725	\$ 32,096
Deferred contributions (Note 5)	93,145	90,098
	137,870	122,194
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	31,121	(11,687)
<b>INTERNALLY RESTRICTED (Note 6)</b>	<b>950,000</b>	<b>1,100,000</b>
	<b>981,121</b>	<b>1,088,313</b>
	<b>\$ 1,118,991</b>	<b>\$ 1,210,507</b>

**APPROVED ON BEHALF OF THE BOARD**

Amy Griffith \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director  
 Cameron Peters

See the accompanying notes to these financial statements

**HEMOPHILIA ONTARIO**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2023**

	Internally Restricted	Unrestricted	<b>2023</b>	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,100,000	\$ (11,687)	<b>\$ 1,088,313</b>	\$ 1,211,518
Deficiency of revenues over expenses	-	(107,192)	<b>(107,192)</b>	(123,205)
Transfer <i>(Note 6)</i>	(150,000)	150,000	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 950,000</b>	<b>\$ 31,121</b>	<b>\$ 981,121</b>	<b>\$ 1,088,313</b>

*See the accompanying notes to these financial statements*

**HEMOPHILIA ONTARIO**  
**Statement of Operations**  
**Year Ended December 31, 2023**

	Hemophilia Programs 2023	AIDS Bureau Program 2023	City of Toronto 2023	<b>Total 2023</b>	Total 2022
<b>REVENUES</b>					
Grants					
Ontario	\$ -	\$ 214,930	\$ -	\$ 214,930	\$ 206,730
Foundation	29,200	-	-	29,200	-
Municipal	-	-	31,673	31,673	29,657
Programs and events	260,117	-	-	260,117	260,458
Donations					
Individuals and bequests	76,052	-	-	76,052	158,644
Federal Health Charities	36,605	-	-	36,605	36,068
Other contributions	6,331	-	-	6,331	9,782
Fundraising and gaming activities					
Bingo and Provincial Nevada	88,277	-	-	88,277	143,098
Dividend and interest <i>(Note 7)</i>	43,170	-	-	43,170	39,444
	<u>539,752</u>	<u>214,930</u>	<u>31,673</u>	<u>786,355</u>	<u>883,881</u>
<b>EXPENSES</b>					
Program supplies and services <i>(Note 8)</i>	410,815	53,114	31,673	495,602	416,478
Staffing costs <i>(Note 8)</i>	147,115	159,816	-	306,931	311,952
Office supplies and expenses	66,130	2,000	-	68,130	57,775
Board and committee meetings	28,713	-	-	28,713	16,414
Travel	23,714	-	-	23,714	28,793
Staff and volunteer development	15,591	-	-	15,591	3,940
Professional fees	12,159	-	-	12,159	11,657
Building occupancy	6,573	-	-	6,573	8,170
Insurance	5,840	-	-	5,840	13,778
	<u>716,650</u>	<u>214,930</u>	<u>31,673</u>	<u>963,253</u>	<u>868,957</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	(176,898)	-	-	(176,898)	14,924
<b>OTHER INCOME</b>					
Investment gains (losses) <i>(Note 7)</i>	69,706	-	-	69,706	(138,129)
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<u>\$ (107,192)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (107,192)</u>	<u>\$ (123,205)</u>

See the accompanying notes to these financial statements

**HEMOPHILIA ONTARIO**  
**Statement of Cash Flows**  
**Year Ended December 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	\$ (107,192)	\$ (123,205)
Item not affecting cash:		
Unrealized losses (gains) on investments	<u>(61,479)</u>	106,739
	<u>(168,671)</u>	(16,466)
Changes in non-cash working capital items:		
Accounts receivable	(5,135)	(2,000)
Harmonized Sales Tax receivable	1,133	3,121
Prepaid expenses and other assets	24,708	(7,313)
Accounts payable and accrued liabilities	12,629	(4,449)
Deferred contributions	<u>3,047</u>	<u>(51,080)</u>
	<u>36,382</u>	(61,721)
Cash flows used by operating activities	<u>(132,289)</u>	(78,187)
<b>INVESTING ACTIVITY</b>		
Change in investments (net)	<u>86,270</u>	58,980
Cash flows from investing activity	<u>86,270</u>	58,980
<b>DECREASE IN CASH</b>	<b>(46,019)</b>	<b>(19,207)</b>
<b>CASH - BEGINNING OF YEAR</b>	<u><b>180,161</b></u>	199,368
<b>CASH - END OF YEAR</b>	<u><b>\$ 134,142</b></u>	<u><b>\$ 180,161</b></u>

*See the accompanying notes to these financial statements*

**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**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).

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**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 and include the following significant accounting policies.

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 and collection is reasonably assured.

Investment income is recognized as revenues when earned. Investment income includes realized and unrealized gains or losses, 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. The impairment loss is measured as the difference between the carrying value and estimated recoverable amount. 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 deficiency 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.

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**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**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 and allocation of expenses to programs based on time. These estimates are reviewed periodically and adjustments are made to revenues and expenses as appropriate in the year they become known.

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**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.

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**4. INVESTMENTS**

Investments consist of the following:

	2023	2022
Equities		
Global	\$ 256,601	\$ 264,962
Canadian	191,736	189,676
U.S.	100,786	102,851
Fixed income		
Canadian	208,894	217,239
Global	134,982	141,375
Cash and cash equivalents	17,383	19,070
	\$ 910,382	\$ 935,173

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**HEMOPHILIA ONTARIO**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**5. DEFERRED CONTRIBUTIONS**

Deferred contributions are as follows:

	2023	2022
Contributions for future programs and expenses	\$ 40,906	\$ 45,414
Unspent proceeds from gaming activities:		
Bingo	48,893	42,907
Provincial Nevada	3,346	1,777
	\$ 93,145	\$ 90,098

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

The continuity of deferred contributions is as follows:

Balance, beginning of year	\$ 90,098	\$ 141,178
Add: amounts received during the year	351,442	352,476
Less: amounts recorded as revenues during the year	(348,395)	(403,556)
Balance, end of year	\$ 93,145	\$ 90,098

**6. INTERNALLY RESTRICTED NET ASSETS**

In 2021, the Board of Directors approved an allocation of \$1,100,000 to the internally restricted net assets. During fiscal 2023, the board passed a motion to transfer \$150,000 from the internally restricted net assets to the unrestricted net assets and adjust the purpose of the internally restricted net assets as follows:

- Operational reserve of \$400,000;
- Staffing reserve to address loss of Ministry of Health Aids Bureau funding of \$200,000; and
- Member needs (scholarships, medical supplies and procedures, travel, mental health supports) of \$350,000.

Cash and investments include amounts to support this internally restricted amount.

**7. INVESTMENT INCOME (LOSS)**

	2023	2022
Dividend and interest	\$ 43,170	\$ 39,444
Realized gain (loss)	\$ 8,227	\$ (31,390)
Unrealized gain (loss)	61,479	(106,738)
Total investment gains (losses)	\$ 69,706	\$ (138,128)

**8. ALLOCATION OF EXPENSES**

Program expenses reported in the Statement of Operations include allocations of human resource expenses of \$99,473 (2022 - \$133,510).