

HEMOPHILIA ONTARIO
Financial Statements
December 31, 2024

HEMOPHILIA ONTARIO
Index to Financial Statements
Year Ended December 31, 2024

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
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, 2024, 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, 2024, 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 these financial statements.

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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
May 7, 2025

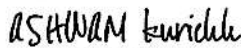
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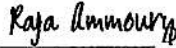
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

HEMOPHILIA ONTARIO
Statement of Financial Position
As at December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash (Note 4)	\$ 96,031	\$ 134,142
Accounts receivable	-	7,135
Harmonized Sales Tax recoverable	30,668	21,981
Prepaid expenses and other assets	33,772	45,351
	160,471	208,609
INVESTMENTS (Notes 3 and 4)	959,187	910,382
	\$ 1,119,658	\$ 1,118,991
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 101,961	\$ 44,725
Deferred contributions (Note 5)	181,020	93,145
	282,981	137,870
NET ASSETS		
UNRESTRICTED	16,677	31,121
INTERNALLY RESTRICTED (Note 4)	820,000	950,000
	836,677	981,121
	\$ 1,119,658	\$ 1,118,991
 SUBSEQUENT EVENT (Note 9)		

APPROVED ON BEHALF OF THE BOARD

Signed by:

 _____ Director
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Signed by:

 _____ Director
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See the accompanying notes to these financial statements

HEMOPHILIA ONTARIO
Statement of Changes in Net Assets
Year Ended December 31, 2024

	Internally Restricted	Unrestricted	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 950,000	\$ 31,121	\$ 981,121	\$ 1,088,313
Deficiency of revenues over expenses	-	(144,444)	(144,444)	(107,192)
Transfer (Note 4)	(130,000)	130,000	-	-
NET ASSETS - END OF YEAR	\$ 820,000	\$ 16,677	\$ 836,677	\$ 981,121

See the accompanying notes to these financial statements

HEMOPHILIA ONTARIO
Statement of Operations
Year Ended December 31, 2024

	Hemophilia Programs 2024	AIDS Bureau Program 2024	City of Toronto 2024	Total 2024	Total 2023
REVENUES					
Grants	\$ -	\$ 237,370	\$ -	\$ 237,370	\$ 214,930
Ontario Municipal Foundation	-	-	33,003	33,003	31,673
Programs and events	4,400	-	-	4,400	29,200
Fundraising and gaming activities	227,741	-	-	227,741	260,117
Bingo and Provincial Nevada	95,385	-	-	95,385	88,277
Donations	36,779	-	-	36,779	76,052
Individuals and bequests	36,458	-	-	36,458	36,605
Federal Health Charities	16,053	-	-	16,053	6,331
Other contributions	51,972	-	-	51,972	43,170
Dividend and interest (Note 6)	468,788	237,370	33,003	739,161	786,355
EXPENSES					
Program supplies and services (Note 7)	395,130	81,074	33,003	509,207	495,602
Staffing costs (Note 7)	155,596	154,296	-	309,892	306,931
Office supplies and other	73,215	2,000	-	75,215	68,130
Travel	18,658	-	-	18,658	23,714
Board and committee meetings	12,947	-	-	12,947	28,713
Professional fees	12,733	-	-	12,733	12,159
Staff and volunteer development	9,328	-	-	9,328	15,591
Insurance	7,207	-	-	7,207	5,840
Building occupancy	7,084	-	-	7,084	6,573
	691,898	237,370	33,003	962,271	963,253
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(223,110)	-	-	(223,110)	(176,898)
OTHER INCOME	78,666	-	-	78,666	69,706
Investment gains (Note 6)					
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (144,444)	\$ -	\$ -	\$ (144,444)	\$ (107,192)

See the accompanying notes to these financial statements

HEMOPHILIA ONTARIO
Statement of Cash Flows
Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (144,444)	\$ (107,192)
Item not affecting cash:		
Unrealized gains on investments	(64,158)	(61,479)
	<u>(208,602)</u>	<u>(168,671)</u>
Changes in non-cash working capital items:		
Accounts receivable	7,135	(5,135)
Harmonized Sales Tax recoverable	(8,687)	1,133
Prepaid expenses and other assets	11,579	24,708
Accounts payable and accrued liabilities	57,236	12,629
Deferred contributions	87,875	3,047
	<u>155,138</u>	<u>36,382</u>
Cash flows used by operating activities	<u>(53,464)</u>	<u>(132,289)</u>
INVESTING ACTIVITIES		
Proceeds from sale of investments	65,000	86,270
Purchase of investments	(49,647)	-
Cash flow from investing activities	<u>15,353</u>	<u>86,270</u>
DECREASE IN CASH	(38,111)	(46,019)
CASH - BEGINNING OF YEAR	<u>134,142</u>	<u>180,161</u>
CASH - END OF YEAR	<u>\$ 96,031</u>	<u>\$ 134,142</u>

See the accompanying notes to these financial statements

HEMOPHILIA ONTARIO
Notes to Financial Statements
Year Ended December 31, 2024

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. They 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 includes interest, dividends, realized and unrealized gains (losses) on investments. These amounts, except for unrealized gains (losses), are recognized as revenues when earned, per independent investment brokers.

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, based on broker's statements.

The financial assets subsequently measured at amortized cost include cash. 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, 2024

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.

3. INVESTMENTS

Investments consist of the following:

	2024	2023
Equities		
Global	\$ 270,958	\$ 256,601
Canadian	199,324	191,736
U.S.	119,109	100,786
Fixed income		
Canadian	224,523	208,894
Global	142,777	134,982
Cash and cash equivalents	2,496	17,383
	\$ 959,187	\$ 910,382

4. INTERNALLY RESTRICTED NET ASSETS

In 2021, the Board of Directors approved an allocation of excess funds to the internally restricted net assets.

During fiscal 2024, the Board passed a motion to transfer \$130,000 (2023 - \$130,000) 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 \$335,000;
- 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 \$285,000.

Investments include amounts to support this internally restricted amount.

HEMOPHILIA ONTARIO
Notes to Financial Statements
Year Ended December 31, 2024

5. DEFERRED CONTRIBUTIONS

Deferred contributions are as follows:

	<u>2024</u>	<u>2023</u>
Contributions for future programs and expenses	\$ 85,887	\$ 40,906
Unspent proceeds from gaming activities:		
Bingo	89,028	48,893
Provincial Nevada	<u>6,105</u>	<u>3,346</u>
	<u>\$ 181,020</u>	<u>\$ 93,145</u>

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	\$ 93,145	\$ 90,098
Add: amounts received during the year	411,001	351,442
Less: amounts recorded as revenues during the year	<u>(323,126)</u>	<u>(348,395)</u>
Balance, end of year	<u>\$ 181,020</u>	<u>\$ 93,145</u>

6. INVESTMENT INCOME (LOSS)

	<u>2024</u>	<u>2023</u>
Dividend and interest	<u>\$ 51,972</u>	<u>\$ 43,170</u>
Realized gain (loss)	\$ 14,509	\$ 8,228
Unrealized gain (loss)	<u>64,157</u>	<u>61,479</u>
Total investment gains (losses)	<u>\$ 78,666</u>	<u>\$ 69,707</u>

7. ALLOCATION OF EXPENSES

Program expenses reported in the Statement of Operations include allocations of staffing costs of \$110,712 (2023 - \$99,473).

HEMOPHILIA ONTARIO
Notes to Financial Statements
Year Ended December 31, 2024

8. 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 for statement purposes.

Other price risk is the risk 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.

9. SUBSEQUENT EVENTS

Subsequent to year end, the Organization was named in a legal claim from a former employee. The claim is still in its early stages and therefore the outcome or possible liability, if any, is not determinable at this time. Accordingly, no amount has been included in these financial statements related to this matter.
