

DYING WITH DIGNITY
FINANCIAL STATEMENTS
DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

To the Directors of Dying With Dignity

We have audited the accompanying financial statements of Dying With Dignity, which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011 and the statements of operations, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011 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, 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.

Auditor's responsibility

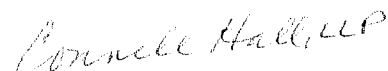
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Dying With Dignity as at December 31, 2012, December 31, 2011 and January 1, 2011, and its financial performance, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.



March 22, 2013
Toronto, Ontario

Connell Hall LLP
Licensed Public Accountants

DYING WITH DIGNITY
(a not-for-profit organization)
BALANCE SHEET
DECEMBER 31, 2012

ASSETS

	December 31 <u>2012</u>	December 31 <u>2011</u> (Note 2)	January 1 <u>2011</u> (Note 2)
Current			
Cash (Note 4)	\$ 81,069	\$ 117,815	\$ 33,709
Short term deposits and investments (Note 5)	215,383	20,826	-
Amounts receivable	352	-	11
Amounts receivable - HST	2,817	10,110	5,168
Prepaid expenses and deposits	9,564	7,005	6,822
	<u>309,185</u>	<u>155,756</u>	<u>45,710</u>
Investments (Note 5)	-	87,491	148,861
Capital assets (Note 6)	<u>7,191</u>	<u>10,191</u>	<u>4,028</u>
	<u>\$ 316,376</u>	<u>\$ 253,438</u>	<u>\$ 198,599</u>

LIABILITIES

Current			
Accounts payable and accrued liabilities	\$ 11,144	\$ 29,256	\$ 17,404
Due to Receiver General - payroll source deductions payable	-	4,124	5,502
	<u>11,144</u>	<u>33,380</u>	<u>22,906</u>

NET ASSETS

Unrestricted	<u>305,232</u>	<u>220,058</u>	<u>175,693</u>
	<u>\$ 316,376</u>	<u>\$ 253,438</u>	<u>\$ 198,599</u>

Commitments (Note 7)

Approved on behalf of the Board

mg westley

Director

[Signature]

Director

(See accompanying notes to the financial statements)

DYING WITH DIGNITY
 (a not-for-profit organization)
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
	<u>Unrestricted</u>	<u>Unrestricted</u> (Note 2)
Balance, beginning of year	\$ 220,058	\$ 175,693
Excess (deficiency) of revenues over expenses	<u>85,174</u>	<u>44,365</u>
Balance, end of year	<u>\$ 305,232</u>	<u>\$ 220,058</u>

(See accompanying notes to the financial statements)

DYING WITH DIGNITY
(a not-for-profit organization)
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u> (Note 2)
Operating revenues		
Donations	\$ 286,533	\$ 151,939
Bequests	13,963	125,152
Memberships	88,978	61,199
Interest and other income	21,610	11,804
	<u>411,084</u>	<u>350,094</u>
Operating expenses		
Salaries and benefits	156,916	149,315
Contracted services	14,677	16,057
Communications	62,061	43,344
Occupancy (Note 7)	18,694	29,991
General and administration	15,187	23,047
Computer and equipment rental	7,733	4,525
Volunteer and staff development	2,889	2,668
Meetings	5,134	3,087
Legal and audit	4,230	5,356
Travel	28,195	21,666
Bank charges	7,194	3,693
Amortization of capital assets	3,000	2,980
	<u>325,910</u>	<u>305,729</u>
Excess (deficiency) of revenue over expenses	<u>\$ 85,174</u>	<u>\$ 44,365</u>

(See accompanying notes to the financial statements)

DYING WITH DIGNITY
(a not-for-profit organization)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u> (Note 2)
Cash flows from operating activities		
Revenue received	\$ 406,307	\$ 346,374
Payments to suppliers and employees	<u>(340,764)</u>	<u>(297,389)</u>
	<u>65,543</u>	<u>48,985</u>
Cash flows provided from investing activities		
(Purchase) disposition of investments	(107,066)	40,544
Interest and investment income	4,777	3,720
(Purchase) of capital assets	-	(9,143)
	<u>(102,289)</u>	<u>35,121</u>
Net increase (decrease) in cash	(36,746)	84,106
Cash, beginning of year	<u>117,815</u>	<u>33,709</u>
Cash, end of year	<u>\$ 81,069</u>	<u>\$ 117,815</u>

(See accompanying notes to the financial statements)

DYING WITH DIGNITY
(a not-for-profit organization)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012

1. Organization and operations

Dying With Dignity was incorporated without share capital as a not-for-profit organization in 1980. Its mandate is to provide:

- (a) education about end of life options and the importance of advance care planning;
- (b) support for individuals at the end of their lives, including support at the bedside of those who wish to determine the nature and timing of their death, and
- (c) information about the choice of dying movement, and the reasons why appropriately regulated medically assisted dying should be legalized in Canada.

Under the Income Tax Act, as a not-for-profit organization, Dying With Dignity is exempt from income taxes.

2. Summary of significant accounting policies

- (a) Adoption of Canadian accounting standards for not-for-profit organizations

Effective January 1, 2012, the organization adopted the requirements of the Canadian Institute of Chartered Accountants (CICA) Handbook - Accounting, electing to adopt the new Canadian accounting standards for not-for-profit organizations ("ASNPO"). These are the organization's first financial statements prepared in accordance with ASNPO, which have been applied retrospectively. The accounting policies, described as follows, have been applied in preparing the financial statements for the year ended December 31, 2012, the comparative information presented in these financial statements for the year ended December 31, 2011, and in the preparation of an opening ASNPO statement of financial position at January 1, 2011 (the organization's date of transition).

The organization previously issued financial statements for the year ended December 31, 2011 using generally accepted accounting principles for not-for-profit organizations as prescribed by CICA Handbook - Accounting XFI. The adoption of ASNPO had no impact on the previously reported assets, liabilities and net assets of the organization and accordingly, no adjustments have been recorded in the comparative statement of financial position and the cash flow statement. Certain of the organization's disclosures included in these financial statements reflect the new disclosure requirements of ASNPO.

- (b) Revenue recognition

Donations and membership fees are recognized as revenues when received.

Revenues from publication sales are recognized when the sale is completed and collection has been reasonably assured.

- (c) Investments

The organization's investments, consisting of money market funds, guaranteed investment certificates and preferred shares are initially and subsequently measured at fair value. Changes

DYING WITH DIGNITY
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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012

2. Summary of significant accounting policies (continued)

(c) Investments (continued)

in fair value are recognized in net income in the period incurred. Transaction costs that are directly attributable to the acquisition of these investments are recognized in net income in the period incurred.

(d) Capital assets

Capital assets, which consist of computer equipment, are amortized on a straight line basis over 5 years.

(e) Use of estimates

The preparation of financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3. Financial instruments

It is the opinion of management that the organization is not exposed to significant interest rate, liquidity or credit risk. The organization is somewhat exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization, when it holds investments of preferred shares, is exposed to market risk as such investments are subject to price changes in the open market. The organization does not use derivative financial instruments to alter the effects of this risk.

4. Cash

	December 31 <u>2012</u>	December 31 <u>2011</u>	January 1 <u>2011</u>
Operating account	\$ 24,700	\$ 7,240	\$ 17,097
Interest earning savings accounts	<u>56,369</u>	<u>110,575</u>	<u>16,612</u>
	<u>\$ 81,069</u>	<u>\$ 117,815</u>	<u>\$ 33,709</u>

5. Investments

Investments consist of preferred shares, money market funds and guaranteed investment certificates having maturity dates and average interest rates as follows:

DYING WITH DIGNITY
(a not-for-profit organization)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012

5. Investments (continued)

	December 31 <u>2012</u>	December 31 <u>2011</u>	January 1 <u>2011</u>
(a) Short term deposits and investments			
2013 - 4.59%	\$ 25,859	\$ -	\$ -
2013 - 4.0%	62,786	-	-
Money market funds	<u>126,738</u>	<u>20,826</u>	<u>-</u>
	<u>\$ 215,383</u>	<u>\$ 20,826</u>	<u>\$ -</u>
(b) Investments			
2013 - 4.59%	\$ -	\$ 24,719	\$ 23,637
2013 - 4.0%	-	62,772	62,779
Preferred shares	<u>-</u>	<u>-</u>	<u>62,445</u>
	<u>\$ -</u>	<u>\$ 87,491</u>	<u>\$ 148,861</u>

Balances at December 31, 2012, December 31, 2011 and January 1, 2011 are stated at fair value as reported by RBC Dominion Securities, the investment managers.

6. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	December 31 2012 Net <u>Book Value</u>	December 31 2011 Net <u>Book Value</u>	January 1 2011 Net <u>Book Value</u>
Computers	<u>\$ 14,897</u>	<u>\$ 7,706</u>	<u>\$ 7,191</u>	<u>\$ 10,191</u>	<u>\$ 4,028</u>

7. Lease commitments

The minimum annual rent under a lease agreement for premises that expires August 2013 is as follows:

2013	<u>\$ 12,462</u>
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The lease agreement contains a 60-day cancellation clause. Dying With Dignity is also responsible for its share of property taxes, maintenance and other occupancy costs, which are adjusted annually by the landlord.