DYING WITH DIGNITY CANADA

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Directors of:
Dying With Dignity Canada

We have audited the accompanying financial statements of Dying With Dignity Canada, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in fund balance 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, 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 judgement, 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 and fair presentation 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 on 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 Canada as at December 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Toronto, Canada
March 26, 2018

RZN, LLP

Chartered Professional Accountants & Licensed Public Accountants

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DYING WITH DIGNITY CANADA

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

ASSETS

	2017	2016
	$	$
CURRENT		
Cash	113,782	139,452
Marketable securities (Note 4)	339,963	376,087
Accounts receivable	1,131	-
Prepaid and deposits	16,457	13,034
	471,333	528,573
LOAN RECEIVABLE (Note 5)	35,736	35,736
PROPERTY AND EQUIPMENT (Note 6)	-	-
	507,069	564,309

The accompanying notes are an integral part of these financial statements.

DYING WITH DIGNITY CANADA

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

LIABILITIES

	2017	2016
	$	$
CURRENT		
Accounts payable and accrued liabilities	40,074	34,566
Deferred revenue (Note 7)	1,640	1,640
	41,714	36,206

FUND BALANCE

	2017	2016
FUND BALANCE - Per statement	465,355	528,103
	507,069	564,309

LEASE OBLIGATION (Note 8)

The accompanying notes are an integral part of these financial statements.

THESE FINANCIAL STATEMENTS ARE
APPROVED BY AND ON BEHALF OF
THE BOARD OF DIRECTORS

JACK PASHT, CHAIR
OF THE BOARD OF DIRECTORS

Veronica D

VERONICA DOLENC, TREASURER,
MEMBER OF THE BOARD OF DIRECTORS

DYING WITH DIGNITY CANADA

STATEMENT OF CHANGES IN FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 $	2016 $
FUND BALANCE, BEGINNING OF YEAR	528,103	522,780
Excess of (expenses over revenues) revenues over expenses	(62,748)	5,323
FUND BALANCE, END OF YEAR	465,355	528,103

The accompanying notes are an integral part of these financial statements.

DYING WITH DIGNITY CANADA

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 $	2016 $
REVENUES		
Donations	716,822	626,392
Bequests	15,000	80,475
Contributions in kind	127,275	33,404
Miscellaneous	3,398	13,172
Investment earnings and gains	14,303	7,004
	876,798	760,447
EXPENSES		
Advertizing and promotion	125,602	82,382
Amortization of property and equipment	-	4,054
Bank changes	14,542	12,358
Computer	10,470	11,277
Financial support	2,000	7,500
Insurance	7,776	3,332
Meetings	10,683	18,102
Office and general	12,862	13,122
Professional fees	133,058	11,465
Professional services	65,754	142,486
Rent and occupancy (Note 8)	54,435	58,896
Salaries and benefits	467,414	353,515
Telecommunication	22,851	16,039
Travel	12,099	20,596
	939,546	755,124
EXCESS OF (EXPENSES OVER REVENUES) REVENUES OVER EXPENSES	(62,748)	5,323

The accompanying notes are an integral part of these financial statements.

DYING WITH DIGNITY CANADA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of (expenses over revenues) revenues over expenses	(62,748)	5,323
Add: Amortization of property and equipment	-	4,054
	(62,748)	9,377
Accounts receivable	(1,131)	8,891
Prepaid expenses and deposits	(3,423)	1,463
Accounts payable and accrued liabilities	5,508	(1,437)
Deferred revenue	-	(14,287)
Cash flows provided by (used in) operating activities	(61,794)	4,007
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from marketable securities - net	36,124	49,084
Other investments - net	-	24,718
Cash flows provided by (used in) investing activities	36,124	73,802
CASH FLOW FROM FINANCING ACTIVITIES		
Advances under loan receivable - net	-	(25,736)
Cash flows provided by (used in) financing activities	-	(25,736)
INCREASE (DECREASE) IN CASH	(25,670)	52,073
CASH, BEGINNING OF YEAR	139,452	87,379
CASH, END OF YEAR	113,782	139,452

The accompanying notes are an integral part of these financial statements.

1. NATURE OF ORGANIZATION

Dying with Dignity Canada ("the Organization") was incorporated without share capital as a not-for-profit organization in 1980. It is a national not-for-profit organization committed to improving quality of dying, protecting end-of-life rights, and helping Canadians avoid unwanted suffering. Its mandate is to:

- defend human rights by advocating for assisted dying rules that respect the Canadian Constitution and the Charter of Rights and Freedoms.

- provide personal support to adults suffering greatly from a grevious and irremediable medical condition who wish to die on their own terms.

- educate Canadians about all of their legal end-of-life options, including the constitutional right to medical assistance in dying (MAID), and the importance of advance care planning.

- support healthcare practitioners who assess for and provide MAID.

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

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accompanying financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO").

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial statement items subject to significant management judgement include revenue recognition, the net realizable values of short-term deposits and accounts receivable, the valuation and the amortization rates of property and equipment and the completeness of accounts payable and accrued liabilities and deferred revenues.

Revenue recognition

Revenue and expenditures are recorded in the books of the Organization on the accrual basis of accounting. Contributions that are received in the current year, but which explicitly pertain to expenses in future years, are accrued and amortized as revenue as the corresponding expenses are incurred. Donation revenues and memberships are recognized when received.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Contributed services

Volunteers assist the Organization in carrying out its activities and its social functions. Because of the difficulty of determining their fair values, these contributed services are not recognized in the financial statements. The Organization also receives contributions in kind. These contributions would be purchased by the Organization and have calculable fair value. The value of these contributions are recognized in the accompanying statement of operations.

Leases

Lease obligations are classified as either capital or operating leases. Leases that transfer ownership upon conclusion of the lease or substantially all of the benefits and inherent risks of ownership of property and equipment to the Organization are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

Comparative figures

Certain comparative figures have been reclassified to confirm with the current year's basis of presentation.

Financial instruments

Financial assets and financial liabilities are recognized when the Organization becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. Financial liabilities are derecognized when they are extinguished, discharged, cancelled or expire. Trade-date accounting is used. At initial recognition, the Organization classifies its financial instruments depending on the purpose for which the instruments were acquired, as follows:

The Organization measures cash and marketable securities at fair value with changes in fair value recognized in operations.

The Organization's other financial instrument assets are classified as loans and receivables, which are measured at amortized cost.

Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Organization's risk management policies are established to identify and analyze the risks faced by the Organization, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Organization's activities. There have been no changes to the Organization's exposure to risks in respect of its financial instruments, and there have been no changes in respect of management's objectives, policies and processes in the management of its financial instruments from that of the prior reporting period.

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

Fair values

Unless otherwise noted, it is management's opinion that the carrying value of the Organization's financial instruments approximates fair value due to their short-term to maturity and other terms which management believes approximate those in the current market place.

Liquidity risk

The Organization is exposed to liquidity risk to the extent that it must meet its financial obligations as they fall due. The Organization's approach to managing liquidity risk is to ensure that it has sufficient cash and other current financial assets to meet its obligations when due without incurring losses or damage to the Organization's reputation. Management forecasts cash flows to identify financing requirements. These requirements are then addressed through cash management. As at December 31, 2017, the Organization had accounts payable and accrued liabilities of $40,074 (2016 - $34,556).

4. MARKETABLE SECURITIES

The Organization's marketable securities comprise mutual funds in publicly traded entities and are presented on the accompanying statement of financial position net of an impairment allowance of $Nil (2016 - $Nil).

5. LOAN RECEIVABLE

The Organization's loan receivable is due from End of Life Planning Canada and is non-interest bearing and available to a maximum of $100,000. The value of the loan is based upon the cash surrender value of certain life insurance policies. Repayment in 24 equal monthly instalments was expected to commence January 2017, although no payments have been received as at the date that management approved the accompanying financial statements.

6. PROPERTY AND EQUIPMENT

Computer equipment:

	2017 $	2016 $
Cost	26,619	26,619
Accumulated amortization	26,619	26,619
	-	-

7. DEFERRED REVENUE

Deferred revenue comprises donations and payments received in anticipation of future travel and software expenses received in the current year to be recognized in the subsequent year. Changes in the deferred revenue balance are as follows:

	2017 $	2016 $
Deferred revenue, beginning of year	1,640	15,927
Funding and payments received in advance in the year	-	-
Revenue recognized in the year *(before costs)*	-	(14,287)
Deferred revenue, end of year	1,640	1,640

8. LEASE OBLIGATION

The Organization leases its offices in Toronto, Ontario, under operating leases expiring in August 2020. The Organization has options for a renewal of these leases until 2024 at rates to be determined. The annual minimum rental payments, exclusive of occupancy costs, are as follows:

2018	$49,176
2019	43,932
2020	19,983
	$113,091