

**KILLICK HOSPICE CARE INC.**

**Financial Statements**

**Year Ended March 31, 2025**

**KILLICK HOSPICE CARE INC.**  
**Index to Financial Statements**  
**Year Ended March 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Killick Hospice Care Inc.

### *Qualified Opinion*

We have audited the financial statements of Killick Hospice Care Inc. (the "organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2025, current assets and net assets as at March 31, 2025.

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 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 qualified audit opinion.

### *Other Matter*

The financial statements for the three month period ended March 31, 2024 were prepared by another practitioner and are unaudited.

### *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 ASNPO, 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.

(continues)



## Independent Auditor's Report to the Members of Killick Hospice Care Inc. (continued)

### *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.

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.

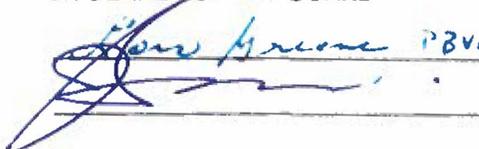
*Noseworthy Chapman*

Chartered Professional Accountants  
St. John's, NL  
November 7, 2025

**KILLICK HOSPICE CARE INC.**  
**Statement of Financial Position**  
**March 31, 2025**

	General Fund	Capital Fund	2025	2024 (3 months) (unaudited) Note 12
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 417,776	\$ -	\$ 417,776	\$ 2,151,170
Accounts receivable	-	-	-	62,412
Due from Capital Fund	1,826,315	-	1,826,315	-
Pledges receivable	119,500	-	119,500	280,548
Government funding receivable	727,404	-	727,404	409,929
Prepaid expenses	65,820	-	65,822	284,677
	3,156,815	-	3,156,817	3,188,736
<b>CAPITAL ASSETS (Note 3)</b>		10,197,084	10,197,084	9,357,631
<b>PLEDGES RECEIVABLE - LONG TERM (Note 4)</b>	16,250	-	16,250	130,000
	\$ 3,173,065	\$ 10,197,084	\$ 13,370,151	\$ 12,676,367
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT</b>				
Accounts payable and accrued liabilities (Note 5)	\$ 121,678	\$ -	\$ 121,678	\$ 162,420
Callable debt due in one year (Note 6)	-	77,092	77,092	-
Accrued interest payable	10,494	-	10,494	33,198
Wages payable	33,226	-	33,226	16,954
Employee deductions payable	-	-	-	45,955
Deferred lottery income	11,800	-	11,800	-
Due to General Fund	-	1,826,315	1,826,315	-
	177,198	1,903,407	2,080,605	258,527
Callable debt (Note 6)	-	5,364,426	5,364,426	5,500,000
	177,198	7,267,833	7,445,031	5,758,527
<b>DEFERRED CONTRIBUTIONS (Note 7)</b>	-	2,164,195	2,164,194	2,236,477
<b>DEFERRED GOVERNMENT ASSISTANCE (Note 8)</b>	-	3,486,187	3,486,187	3,631,445
<b>DEFERRED GRANT</b>	7,500	-	7,500	7,500
	184,698	12,918,215	13,102,912	11,633,949
<b>FUND BALANCES</b>	2,988,367	(2,721,129)	267,239	1,042,418
	\$ 3,173,065	\$ 10,197,086	\$ 13,370,151	\$ 12,676,367

ON BEHALF OF THE BOARD

 P.B.V. Director  
 \_\_\_\_\_ Director

See notes to financial statements

**KILLICK HOSPICE CARE INC.**

**Statement of Revenues and Expenditures and Changes in Net Assets  
Year Ended March 31, 2025**

	General Fund 2025	General Fund Note 12 2024 (3 months) (Unaudited)	Capital Fund 2025	Capital Fund Note 13 2024 (3 months) (Unaudited)	Killick Hospice Care Inc. 2025	Killick Hospice Care Inc. Note 12 2024 (3 months) (Unaudited)
<b>REVENUES</b>						
Government funding	\$ 2,575,431	\$ 409,929	\$ -	\$ -	\$ 2,575,431	\$ 409,929
Donations - general	457,515	9,557	-	-	457,515	9,557
Government assistance - capital campaign (Note 8)	-	-	145,258	-	145,258	-
Donations - capital campaign (Note 7)	-	-	90,175	-	90,175	-
Food sales	30,488	38	-	-	30,488	38
Grants	7,500	-	-	-	7,500	-
Room rental and other revenue	2,152	54	-	-	2,152	54
	<b>3,073,086</b>	<b>419,578</b>	<b>235,433</b>	<b>-</b>	<b>3,308,519</b>	<b>419,578</b>
<b>EXPENDITURES</b>						
Advertising and promotion	145,592	-	-	-	145,592	-
Amortization	-	-	559,949	-	559,949	-
Business taxes, licenses and memberships	-	330	-	-	-	330
Clinical expenses	147,557	-	-	-	147,557	-
Conferences, training and meetings	11,787	1,500	-	-	11,787	1,500
Credit card and other service charges	1,679	967	-	-	1,679	967
Equipment	11,994	-	-	-	11,994	-
Facility operations	104,529	6,940	-	-	104,529	6,940
Food and beverage expenses	76,930	1,772	-	-	76,930	1,772
Fund development	7,122	414	1,455	-	8,576	414
Fundraising events and expenses	10,660	-	-	-	10,660	-
Insurance	36,130	11,704	-	-	36,130	11,704
Interest on callable debt	-	-	361,961	75,951	361,961	75,951
Office and administrative	22,634	6,275	-	-	22,634	6,275
Professional fees	203,983	16,061	-	-	203,983	16,061
Repairs and maintenance	34,185	1,763	-	-	34,185	1,763
Salaries, wages and benefits	2,172,097	268,379	-	-	2,172,097	268,379
Software, licenses and subscriptions	45,242	3,292	-	-	45,242	3,292
Telephone and Internet	31,283	2,849	-	-	31,283	2,849
Utilities	93,776	1,713	-	-	93,776	1,713
Volunteer related expenses	3,154	244	-	-	3,154	244
	<b>3,160,334</b>	<b>324,203</b>	<b>923,365</b>	<b>75,951</b>	<b>4,083,698</b>	<b>400,154</b>

See notes to financial statements

**KILLICK HOSPICE CARE INC.**

**Statement of Revenues and Expenditures and Changes in Net Assets (continued)  
Year Ended March 31, 2025**

	General Fund 2025	General Fund 2024 (3 months) <i>(Unaudited)</i>	Capital Fund 2025	Capital Fund 2024 (3 months) <i>(Unaudited)</i>	Killick Hospice Care Inc. 2025	Killick Hospice Care Inc. 2024 (3 months) <i>(Unaudited)</i>
<b>NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(87,248)	95,375	(687,932)	(75,951)	(775,179)	19,424
<b>NET ASSETS - BEGINNING OF YEAR</b>	3,075,615	2,980,240	(2,033,197)	(1,957,246)	1,042,418	1,022,994
<b>NET ASSETS - END OF YEAR</b>	\$ 2,988,367	\$ 3,075,615	\$ (2,721,129)	\$ (2,033,197)	\$ 267,239	\$ 1,042,418

See notes to financial statements

**KILLICK HOSPICE CARE INC.****Statement of Cash Flows****Year Ended March 31, 2025**

	General Fund	Capital Fund	March 31 2025	March 31, 2024 (3 months) (unaudited)
<b>OPERATING ACTIVITIES</b>				
Cash receipts from customers, donors and funders	\$ 3,323,676	\$ 17,892	\$ 3,341,568	\$ 269,502
Cash paid to suppliers and employees	(3,230,755)	(24,161)	(3,254,916)	(1,124,294)
Interest paid	-	(361,961)	(361,961)	(75,951)
Cash flow used by operating activities	92,921	(368,230)	(275,309)	(930,743)
<b>INVESTING ACTIVITIES</b>				
Purchase of capital assets	-	(1,399,602)	(1,399,602)	(82,867)
Capital funding received from Atlantic Canada Opportunities Agency	-	-	-	50,000
Cash flow used by investing activities	-	(1,399,602)	(1,399,602)	(32,867)
<b>FINANCING ACTIVITIES</b>				
Advances from (to) Fund	(1,826,315)	1,826,315	-	-
Proceeds from callable debt financing	-	-	-	3,100,000
Repayment of callable debt	-	(58,483)	(58,483)	-
Cash flow (used by) from financing activities	(1,826,315)	1,767,832	(58,483)	3,100,000
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(1,733,394)	-	(1,733,394)	2,136,390
Cash - beginning of year	2,151,170	-	2,151,170	14,780
<b>CASH - END OF YEAR</b>	\$ 417,776	\$ -	\$ 417,776	\$ 2,151,170

See notes to financial statements

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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1. PURPOSE OF THE ORGANIZATION

Killick Hospice Care Inc. (the "organization"), operating as Lionel Kelland Hospice, is a registered charity in Newfoundland and Labrador. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act and may issue charitable donation receipts.

The organization operates the first family-centred, community-based residential hospice in Newfoundland and Labrador, operating in Grand Falls-Windsor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Cash

Cash includes cash on hand and balances with financial institutions, net of overdrafts.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	4%	declining balance method
Equipment	20%	declining balance method
Computer equipment	55%	declining balance method
Furniture and fixtures	20%	declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset costs.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Construction in progress is not amortized until the capital asset is substantially complete and ready to use which occurred as of April 2024 when the building was granted an occupancy permit and the first resident was accepted into the facility on April 4, 2024.

Revenue recognition

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recognized in the period the rent is earned, provided it can be reasonably estimated and collection is reasonably assured.

Revenue from the sale of food is recognized at the time of sale, when the significant risks and rewards of ownership have transferred and there are no significant obligations remaining, the sales price is fixed and determinable, persuasive evidence of an arrangement exists and collectability is reasonably assured.

Fund accounting

The organization follows the deferral method of accounting for contributions.

*(continues)*

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Killick Hospice Care Inc.'s capital assets and capital campaign.

Employee future benefits

During the year, the organization was accepted by the Provincial Government into a defined contribution plan for its employees. Employees of the organization are covered by the Government Money Pension Plan administered by the Province of Newfoundland and Labrador. Contributions to the plans are required from both the employees and the organization. The organization's pension costs are charged to operations as contributions are due. Contributions are a defined amount based upon a set percentage of salary. Current year pension expenditures totaled \$42,448 (2024 - \$2,077).

Contributed assets and services

Donated assets and services are recorded at their fair market value at the time of the donation. During the year, \$56,382 in capital assets and \$6,880 in general operating supplies expenses were donated (2024 - \$2,500).

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Pledges

Pledges which are legally enforceable (less an allowance for amounts considered uncollectible) are recorded as receivable in the year made. Pledges to support current operations are recorded as operating fund receipts. Pledges made for the acquisition of property or to support future operations are recorded as deferred amounts in their respective fund.

Government assistance

Government assistance for acquiring capital assets is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related capital assets. Government assistance for current expenses is recorded as a reduction of the related expenses. Government assistance not attributable to specific expenses is recognized as other income.

Callable debt

The organization's demand loans are classified as current liabilities because the lender has the right to demand repayment within one year.

Financial instruments

The organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash
- pledges receivable
- accrued government funding receivable
- accounts payable and accrued liabilities
- callable debt

*(continues)*

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

Financial instruments are recorded as fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, accounts receivable, pledges receivable and accrued government funding receivable. Financial liabilities measured at amortized cost include accounts payable and callable debt.

Measurement uncertainty

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

- providing for amortization of capital assets
- the estimated useful lives of assets
- the allowance for doubtful accounts
- the recoverability of capital assets

Management does not expect these significant estimates to change materially in the near term.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value <i>(Unaudited)</i>
Land	\$ 140,800	\$ -	\$ 140,800	\$ 140,800
Buildings	9,860,581	392,519	9,468,062	8,493,775
Equipment	245,603	49,121	196,482	236,647
Computer equipment	52,960	29,128	23,832	49,404
Furniture and fixtures	457,289	89,381	367,908	437,005
	<b>\$ 10,757,233</b>	<b>\$ 560,149</b>	<b>\$ 10,197,084</b>	<b>\$ 9,357,631</b>

4. PLEDGES RECEIVABLE

The long term pledges receivable in the amount of \$16,250 are anticipated to be received by 2027.

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2025</b>	2024 <i>(Unaudited)</i>
Accounts payable	\$ 43,656	\$ 142,306
Pension plan contributions payable	10,849	20,114
Accruals	51,924	-
Harmonized sales tax payable	14,643	-
Other	606	-
	<b>\$ 121,678</b>	<b>\$ 162,420</b>

**6. CALLABLE DEBT**

	<b>2025</b>	2024 <i>(Unaudited)</i>
Bank of Montreal loan bearing interest at prime plus .5% per annum (prime rate at March 31, 2025: 4.95%) , repayable in interest only payments until due in full at maturity. The loan matures on February 28, 2028 and is secured as described below. Loan is callable on demand.	<b>\$ 2,400,000</b>	\$ 2,400,000
Bank of Montreal loan bearing interest at 5.91% per annum, repayable in monthly blended payments of \$22,346. The loan matures on July 31, 2026 and is secured as described below. Loan is callable on demand.	<b>3,041,518</b>	3,100,000
	<b>5,441,518</b>	5,500,000
Principal due in one year	<b>(77,092)</b>	-
	<b>\$ 5,364,426</b>	<b>\$ 5,500,000</b>

Principal repayment terms are approximately:

2026	\$ 77,092
2027	2,964,426
2028	2,400,000
	<b>\$ 5,441,518</b>

The security for the Bank of Montreal loans is as follows:

- an assignment of cash collateral provided by a third party in the amount of \$2,400,000 held in a term deposit with BMO (the cash collateral provided is not an asset of Killick Hospice Care Inc.);
- a \$2,400,000 corporate guarantee provided by a third party;
- insurance for the full insurable or replacement value with loss payable to BMO;
- a registered first-ranking all indebtedness mortgage in the amount of \$3,100,000 registered over 3 St. Catherine Street, Grand Falls-Windsor, NL (carrying amount at March 31, 2025: \$9,567,418);

*(continues)*

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

6. CALLABLE DEBT *(continued)*

- delivery of an up to date or existing survey/certificate of location of mortgaged property(ies) and all buildings located on the mortgaged property(ies), prepared by a surveyor or title insurance from an approved title insurance provider in respect of 3 St. Catherine Street Grand Falls-Windsor, NL naming BMO as beneficiary;
- assignment of rents over 3 St. Catherine Street, Grand Falls-Windsor, NL; and
- registered general security agreement providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the organization with a first ranking for accounts receivable, inventory/warehouse receipts, machinery and equipment.

7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred donations related to capital assets represent the unamortized portion of restricted contributions used to construct and renovate the hospice building. The changes in the deferred contributions balance for the period are as follows:

	2025	2024 <i>(Unaudited)</i>
Beginning balance	\$ 2,236,477	\$ 2,236,477
Add: restricted capital donations	17,892	-
Less: amount recognized as revenue during the year	(90,175)	-
	<b>\$ 2,164,194</b>	<b>\$ 2,236,477</b>

During the year, the building became operational, and therefore, restricted contributions are being amortized to revenue on the same basis as the related capital assets.

8. DEFERRED GOVERNMENT ASSISTANCE RELATED TO CAPITAL ASSETS

Deferred government assistance related to capital assets represent the unamortized portion of restricted contributions used to construct and renovate the hospice building. The changes in the deferred government assistance balance for the period are as follows:

	2025	2024 <i>(Unaudited)</i>
Opening balance	\$ 3,631,445	\$ 3,581,445
Add: funding received from Atlantic Canada Opportunities Agency	-	50,000
Less: amount recognized as revenue during the year	(145,258)	-
	<b>\$ 3,486,187</b>	<b>\$ 3,631,445</b>

During the year, the building became operational, and therefore, restricted contributions are being amortized to revenue on the same basis as the related capital assets.

9. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

*(continues)*

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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9. FINANCIAL INSTRUMENTS *(continued)*

***Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from donor pledges. An allowance for doubtful accounts would be established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of donors which minimizes concentration of credit risk.

***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, callable debt and accounts payable.

***Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to interest rate risk.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness.

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

10. ECONOMIC DEPENDENCE

The organization receives grant funding from Newfoundland and Labrador Health Services and is dependent on this funding for its continuing operations.

**KILLICK HOSPICE CARE INC.**  
**Notes to Financial Statements**  
**Year Ended March 31, 2025**

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11. CHANGE IN ACCOUNTING POLICY

During 2025, the organization implemented fund accounting. As a result of this change, there were no retrospective restatement changes to the 2024 figures required; however, the capital fund figures were separated as appropriate. As a result, the general fund expenditures decreased (capital fund expenditures increased) by \$75,951. Additionally, the general fund net assets increased (capital fund net deficiency increased) by \$2,722,654.

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.