

The Georgetown Hospital Foundation
Financial Statements
For the year ended March 31, 2015

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Independent Auditor's Report

To the Members of Georgetown Hospital Foundation

We have audited the accompanying financial statements of Georgetown Hospital Foundation, which comprise the statement of financial position as at March 31, 2015 and the statements of changes in net assets, operations 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 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 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation. We were unable to determine whether any adjustments might be necessary to donations, excess of revenue over expenses, assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Georgetown Hospital Foundation as at March 31, 2015 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 9, 2015

The Georgetown Hospital Foundation
Statement of Financial Position

As at March 31	2015	2014
ASSETS		
Cash and cash equivalents	\$ 911,057	\$ 672,961
Accounts receivable	27,322	14,504
	\$ 938,379	\$ 687,465
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 15,468	\$ 13,477
Deferred revenue	53,700	-
Due to Halton Healthcare Services Corporation (note 5)	51,702	10,243
	120,870	23,720
Net Assets		
Donor restricted funds	205,499	293,484
Unrestricted funds	612,010	370,261
	817,509	663,745
	\$ 938,379	\$ 687,465

On behalf of the Board of Directors:

_____ Chair



_____ Treasurer

The Georgetown Hospital Foundation
Statement of Changes in Net Assets

	Donor Restricted Funds	Unrestricted Funds	Total
March 31, 2015			
Balance, beginning of year	\$ 293,484	\$ 370,261	\$ 663,745
	(note 3)		
Excess of revenue over expenditure for the year	412,015	966,276	1,378,291
Allocation to donor restricted funds	250,000	(250,000)	-
Donations and grants distributed (note 2)	(750,000)	(474,527)	(1,224,527)
Balance, end of year	\$ 205,499	\$ 612,010	\$ 817,509
March 31, 2014			
Balance, beginning of year	\$ 383,943	\$ 500,288	\$ 884,231
	(note 3)		
Excess of revenue over expenditure for the year	669,541	1,247,219	1,916,760
Allocation to donor restricted funds	1,040,000	(1,040,000)	-
Donations and grants distributed (note 2)	(1,800,000)	(337,246)	(2,137,246)
Balance, end of year	\$ 293,484	\$ 370,261	\$ 663,745

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

The Georgetown Hospital Foundation
Statement of Operations

For the year ended March 31	2015	2014
Revenue		
Fundraising, special events and donations (note 4)	\$ 1,504,660	\$ 2,089,512
Investment income	10,081	13,078
Parking operations	629,557	601,711
	2,144,298	2,704,301
Expenditures		
Fundraising	610,977	523,076
Parking operations	155,030	264,465
	766,007	787,541
Excess of revenue over expenditures for the year	\$ 1,378,291	\$ 1,916,760

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

The Georgetown Hospital Foundation
Statement of Cash Flows

For the year ended March 31	2015	2014
Cash flows from operating activities		
Excess of revenue over expenditure	\$ 1,378,291	\$ 1,916,760
Changes in non-cash working capital items		
Accounts receivable	(12,818)	78,300
Accounts payable and accrued liabilities	1,991	7,277
Deferred revenue	53,700	-
Due to Halton Healthcare Services Corporation	41,459	(29,502)
	1,462,623	1,972,835
Cash flows from investing and financing activities		
Donations and grants distributed	(1,224,527)	(2,137,246)
Increase (decrease) in cash and cash equivalents during the year	238,096	(164,411)
Cash and cash equivalents, beginning of year	672,961	837,372
Cash and cash equivalents, end of year	\$ 911,057	\$ 672,961
Represented by		
Cash	\$ 467,484	\$ 234,955
Cash equivalents	443,573	438,006
	\$ 911,057	\$ 672,961

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

The Georgetown Hospital Foundation

Notes to the Financial Statements

March 31, 2015

1. Significant Accounting Policies

Nature and Purpose of Organization

The Georgetown Hospital Foundation ("Foundation") is associated with Halton Healthcare Services Corporation ("HHS"). Operations commenced on January 2, 2006, on the day the operations of the Georgetown Hospital were transferred to HHS. According to the Corporation's by-laws, all resources of the Foundation must be provided to or used for the benefit of the Georgetown site of HHS. The Foundation is incorporated, without share capital, under the Ontario Corporations Act and is a registered charity under the Income Tax Act and, as such, is exempt from income taxes.

Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted and 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.

Parking revenue is recognized when the service is provided. Investment income is recognized when earned.

Deferred Revenue

Deferred revenue represents amounts received in advance relating to restricted revenue from external sources. These amounts will be recognized as revenue in the ensuing fiscal year corresponding with the period in which the related expenses are incurred.

Cash Equivalents

Cash equivalents are carried in the financial statements at fair value. Fair value is estimated based on cost plus accrued interest. Interest is recognized on an accrual basis and included in investment income on the statement of changes in net assets. Cash equivalents are defined as highly liquid investments and consist of an investment savings account which are managed in accordance with the Foundation's Statement of Investment Objectives and Policies.

Contributed Services

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditure during the reporting period. Actual results could differ from management's best estimates, as additional information becomes available in the future.

Donor Restricted Funds

The donor restricted funds are to be used for specific purposes as specified by the donor.

The Georgetown Hospital Foundation
Notes to the Financial Statements

March 31, 2015

1. Significant Accounting Policies (continued)

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, investments and investments for endowment and donor restricted endowment are reported at fair value, all other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate that asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instruments for those measured at amortized cost.

Risks arising from financial instruments

(a) Interest rate risk

The Foundation has limited interest rate risk through its cash holdings in its interest bearing bank account.

The Georgetown Hospital Foundation
Notes to the Financial Statements

March 31, 2015

2. Donations and Grants Distributed

The following summarizes the total donations and grants distributed to Halton Healthcare Services Corporation.

	2015	2014
Capital campaign	\$ 750,000	\$ 1,800,000
Net revenue from parking operations	474,527	337,246
	\$ 1,224,527	\$ 2,137,246

3. Donor Restricted Funds

	2015	2014
Donor designated funds	\$ 118,272	\$ 60,435
Capital campaign	87,227	233,049
	\$ 205,499	\$ 293,484

4. Fundraising, Special Events and Donations Revenue

	2015	2014
Unrestricted donations and revenue from fundraising	\$ 1,082,975	\$ 1,354,298
Donor designated	59,437	5,103
Capital campaign	362,248	730,111
	\$ 1,504,660	\$ 2,089,512

5. Due to Halton Healthcare Services Corporation

During the year ended March 31, 2015, the Foundation had several transactions with HHS. These transactions are in the normal course of operations and include reimbursements of funds disbursed on the Foundation's behalf. These amounts are repaid on a cost recovery basis.

The amount due to HHS is non-interest bearing, unsecured and will be repaid subsequent to year-end.

6. Commitments

The Foundation made a pledge to grant to HHS \$6,750,000 by March 31, 2017 for the Georgetown hospital site expansion. At March 31, 2015, \$5,550,000 (2014 - \$4,800,000) has been paid.