

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION
Financial Statements
Year Ended March 31, 2021

POWER & ASSOCIATES

CHARTERED PROFESSIONAL ACCOUNTANTS

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

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Year Ended March 31, 2021

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POWER & ASSOCIATES

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of The Janeway Children's Hospital Foundation

Qualified Opinion

We have audited the financial statements of The Janeway Children's Hospital Foundation (the Foundation), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in fund balances 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 Foundation as at March 31, 2021, 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 Foundation derives revenue from donations, 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 Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2021, current assets and unrestricted net assets as at March 31, 2021. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

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 Foundation 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 year ended March 31, 2020 were audited by another auditor who expressed a qualified opinion on those financial statements for the reasons described in the *Basis for Qualified Opinion* section dated August 12, 2020.

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.

(continues)

Independent Auditor's Report to the Directors of The Janeway Children's Hospital Foundation *(continued)*

In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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.

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 Foundation'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 Foundation'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 Foundation 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.

St. John's, Newfoundland and Labrador
May 18, 2021


CHARTERED PROFESSIONAL ACCOUNTANTS

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION
Statement of Financial Position
As at March 31, 2021

	General	Restricted	Endowment	Total	Total
	Fund	Fund	Fund	2021	2020
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 991,691	\$ -	\$ -	\$ 991,691	\$ 733,420
Prepaid Expenses	39,759	-	-	39,759	58,132
Receivables	284,207	-	-	284,207	413,506
HST receivable	25,289	-	-	25,289	19,339
Due from Endowment Fund	-	-	-	-	42,094
Investments (Note 2)	3,513,949	1,921,688	2,258,933	7,694,570	7,022,985
Total current assets	4,854,895	1,921,688	2,258,934	9,035,516	8,289,476
Long-term receivables					
	400,000	-	-	400,000	600,000
Capital assets, net of amortization (Note 3)	55,794	-	-	55,794	65,817
Total assets	5,310,689	1,921,688	2,258,933	9,491,310	8,955,293
LIABILITIES AND FUND BALANCES					
Current liabilities					
Accounts payable and accrued liabilities	90,013	-	-	90,013	94,045
Employee benefits payable	33,485	-	-	33,485	31,210
Due to Eastern Regional Health Authority (Note 6)	42,254	-	-	42,254	370,034
Due to General Fund	-	-	-	-	42,094
	165,752	-	-	165,752	537,383
Fund balances					
Unrestricted	5,144,937	-	-	5,144,937	5,170,604
Internally restricted	-	-	2,113,185	2,113,186	1,695,719
Externally restricted	-	1,921,688	145,748	2,067,435	1,551,587
	5,310,689	1,921,688	2,258,933	9,325,558	8,417,910
Commitments (Note 7)					
Impact of Covid-19 (Note 12)					
Total liabilities and fund balances	\$ 5,310,689	\$ 1,921,688	\$ 2,258,933	\$ 9,491,310	\$ 8,955,293

See the accompanying notes to the financial statements.

On behalf of the Board:

Director

Director

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Statement of Operations

Year Ended March 31, 2021

	General Fund		Restricted Fund		Endowment Fund		Totals	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue:								
Miracle Network Telethon projects and donations	\$ 2,110,272	\$ 2,626,670	\$ 159,099	\$ 14,918	\$ -	\$ -	\$ 2,269,370	\$ 2,693,805
Interest and other investment income (loss)	770,126	(144,416)	-	-	345,081	(55,410)	1,115,207	(199,827)
Major Gifts	100,000	94,000	529,460	1,826,411	-	-	629,460	1,920,411
Janeway Festive 50/50	318,975	-	-	-	-	-	318,975	-
Planned Giving	96,672	29,756	-	-	-	-	96,672	29,756
Jamarama	91,387	92,164	-	-	-	-	91,387	92,164
Tribute	33,833	54,450	2,214	1,910	-	150	36,047	56,510
Frontline Fund	-	-	28,687	-	-	-	28,687	-
Leaders Who Care	-	-	20,000	72,612	-	-	20,000	72,612
Christmas Appeal	9,425	90,126	-	425	-	-	9,425	90,551
	3,530,690	2,894,966	739,459	1,916,276	345,081	(55,260)	4,615,230	4,755,982
Expenses:								
Salaries and benefits (Note 9)	514,620	585,141	-	-	-	-	514,620	585,141
Miracle Network Telethon (schedule 1)	469,801	711,932	-	-	-	-	469,801	715,860
General and administration (schedule 2)	249,852	272,419	-	-	24,287	24,266	274,139	296,686
Janeway Festive 50/50	251,761	-	-	-	-	-	251,761	-
Christmas Appeal	-	22,141	-	-	-	-	-	22,141
Major Gifts	15,155	2,258	-	-	-	-	15,155	2,258
Jamarama	13,064	5,397	-	-	-	-	13,064	5,397
Leaders Who Care	-	-	-	16,945	-	-	-	16,945
Tribute	-	290	-	-	-	-	-	290
Planned Giving	-	550	-	-	-	-	-	550
	1,514,252	1,604,057	-	16,945	24,287	24,266	1,538,539	1,645,269
Excess (deficiency) of revenue over expenses before contributions	2,016,438	1,290,909	739,459	1,899,331	320,794	(79,527)	3,076,691	3,110,713
Contributions to Janeway Hospital (Note 4)	1,882,927	2,315,635	218,910	911,691	-	-	2,101,837	3,227,326
Contributions to other pediatric initiatives (Note 4)	67,206	67,460	-	-	-	-	67,206	67,460
	1,950,133	2,383,095	218,910	911,691	-	-	2,169,043	3,294,786
Excess (deficiency) of revenue over expenses	\$ 66,305	\$ (1,092,186)	\$ 520,549	\$ 987,640	\$ 320,794	\$ (79,527)	\$ 907,647	\$ (184,073)

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION
Statement of Changes in Fund Balances
Year ended March 31

	General Fund	Restricted Fund	Endowment Fund	2021	2020
Fund balances, beginning of the year	5,170,604	1,405,839	1,841,467	8,417,910	8,601,983
Excess (deficiency) or revenues over expenses	66,305	520,549	320,794	907,647	(184,073)
Interfund transfers (Note 8):					
Internally restricted	(96,672)	-	96,672	-	-
Reimbursement of the General Fund (Note 8a)	4,700	(4,700)	-	-	-
Fund balances, end of the year	5,144,937	1,921,688	2,258,933	9,325,557	8,417,910

See the accompanying notes to the financial statements.

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION
Statement of Cash Flows
Year Ended March 31, 2021

	General Fund	Restricted Fund	Endowment Fund	2021	2020
Cash provided by (used in):					
Operating activities:					
Excess (deficiency) or revenues over expenses	\$ 66,305	\$ 520,549	\$ 320,794	\$ 907,647	\$ (184,073)
Adjustments for:					
Interfund transfers	(91,972)	(4,700)	96,672	-	-
Amortization	11,013	-	-	11,013	10,012
Unrealized gains	(768,551)	-	(345,081)	(1,113,631)	244,108
Net change in non-cash working capital balances related to operations (Note 5)	528,042	(515,721)	-	12,321	(492,128)
	(255,163)	-	72,385	(182,650)	(448,061)
Investing activities:					
Proceeds on sale of investments	514,425	-	24,287	538,712	749,266
Purchase of Investments	-	-	(96,672)	(96,672)	-
Purchase of capital assests	(991)	-	-	(991)	-
	513,434	-	(72,385)	441,048	749,266
Increase (decrease) in cash and cash equivalents	258,271	-	-	258,399	301,205
Cash and cash equivalents, beginng of year	733,420	-	-	733,420	432,215
Cash and cash equivalents, end of year	\$ 991,691	\$ -	\$ -	\$ 991,691	\$ 733,420

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

The Janeway Children's Hospital Foundation (the "Foundation") is a registered charitable organization created to raise funds to meet the financial needs of the Janeway Children's Health and Rehabilitation Centre for capital projects, equipment, programs and research directly related to the health and welfare of Newfoundland and Labrador children, while promoting public awareness of these needs.

As a registered charity, the Foundation is exempt from income tax and may issue charitable donation receipts.

1. Significant accounting policies:

These financial statements are prepared in accordance with Part III of the Chartered Professional Accountants of Canada Accounting Handbook - Accounting Standards for Not-for-Profit Organizations, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies set out below.

(a) Fund accounting:

The Foundation applies the restricted fund method of accounting for contributions.

The General Fund contains all of the operating assets, liabilities, revenues and expenses of the Foundation related to the Foundation's mandate to raise funds to meet the financial needs of the Janeway Children's Health and Rehabilitation Centre for capital projects, equipment, programs and research.

The Restricted Fund represents donations received from donors for a designated purpose. These donations are disbursed for the designated purpose.

The Endowment Fund represents donations received from donors which have been designated as a contribution to the Foundation's Little Red Wagon endowment program. Also included in the fund balance are any bequests that have not been designated for a specific purpose. Donations of this nature have been internally restricted by the Board of Directors as additional contributions to the endowment program. Externally restricted donations are held in perpetuity in bank and investments accounts, with earnings on those contributions disbursed based on the recommendations from the Board of Directors.

(b) Revenue recognition:

The Foundation follows the restricted fund method of accounting for contributions, which include grants and donations. Corporate gifts, grants and bequests are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received since pledges cannot be reasonably estimated and ultimate collection is not reasonably assured. Pledges not collected in the year amount to \$28,149 (2020 - \$11,297).

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(b) Revenue recognition (continued):

Unrestricted contributions are recognized as revenue in the General Fund when initially recorded in the accounts. Externally restricted contributions, except endowment contributions, are recorded in revenue within the Restricted Fund when initially recognized in the accounts. Externally restricted endowment contributions are recognized in revenue within the Endowment Fund when initially recognized in the accounts.

Investment income consists of interest and realized and unrealized gains and losses. Investment income earned on Endowment Fund assets is recognized as income of the Fund in the year that it is earned. Investment income earned on assets in the General Fund and Restricted Fund is considered to be unrestricted, and is recognized as revenue in the General Fund. Investment income earned on assets in the Endowment Fund is considered to be internally restricted, except for the portion that relates to administrative costs incurred by the general fund. A transfer between the Endowment Fund and the General Fund is made to reimburse the General Fund for those costs.

In the event that a restricted contribution is received subsequent to the disbursement of the funds for which the restriction relates, the restricted contribution is recognized in the Restricted Fund when initially recognized in the accounts and then transferred to the general fund to reimburse the general fund for the earlier disbursement.

Investment losses are recorded in a manner consistent with investment income.

The Foundation reports revenue on its 50/50 campaign on a gross basis as it has concluded it is acting as a principal.

(c) Capital contributions:

Capital contributions are recorded as deferred contributions and amortized to income on the same basis as the amortization expense related to the capital assets purchased. Capital contributions for capital assets that are not amortized are recorded as direct increases in fund balances. Capital contributions for the year were \$nil (2020 - \$nil).

(d) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and short-term investments with maturities of three months or less.

(e) Vacation pay and other benefits:

Vacation pay and other benefits are recorded in the accounts of the Foundation on an accrual basis.

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

1 Significant accounting policies (continued):

(f) Pension costs:

Employees of the Foundation are members of the Public Service Pension Plan (PSPP) administered by the Public Service Pension Plan Corporation and the Government Money Purchase Plan (GMPP) administered by the Government of Newfoundland and Labrador, collectively (the "Plans").

PSPP is a defined benefit pension plan covering full-time employees of the Province of Newfoundland and Labrador, the Legislature and various crown corporations, agencies and commissions created by or under a statute of the Province. As there is insufficient information available at the employer level to account for this plan as a defined benefit plan the Foundation accounts for PSPP as a defined contribution plan. PSPP's deficit is disclosed on the Public Service Pension Plan website. There are no significant changes in the contractual elements of PSPP.

GMPP is a defined contribution plan covering employees of the government of Newfoundland and Labrador that are not eligible to participate in other plans sponsored by the Government of Newfoundland and Labrador.

Contributions to the Plans are required from both the employees and the Foundation. The annual contributions to pensions are recognized as an expense in the period.

(g) Financial instruments:

Financial instruments, including employee advances, accounts payable and accrued liabilities and balances due to the Eastern Regional Health Authority ("Eastern Health"), are initially recorded at their fair value and are subsequently measured at cost, net of provisions for impairment.

Investments not quoted in an active market are initially measured at fair value and are subsequently measured at amortized cost. Investments quoted in an active market are recorded at fair value. Changes in fair value are recognized in the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(h) Use of accounting estimates:

In preparing the Foundation's financial statements in conformity with Canadian accounting standards for not-for-profit organizations, management is required 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 the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of management estimates include the collectability of receivables. Actual results could differ from these estimates.

2. Investments:

	2021	2020
Great West Life Managed Money Portfolio:		
Cash and cash equivalents	796,007	3
Fixed income	529,119	509,824
Balanced	1,041,214	939,710
Canadian equity	1,124,051	815,094
Canadian specialty	-	794,923
Foreign equity	1,131,992	839,476
Asset allocation fund	813,254	725,969
	5,435,637	4,624,999
Great West Life Segregated Fund Policy:		
Cash and cash equivalents	96,672	-
Fixed income	198,876	204,864
Balanced	416,432	385,998
Canadian equity	453,926	339,061
Canadian specialty	312,317	309,736
Foreign equity	462,511	351,873
Asset allocation fund	318,198	292,029
	2,258,934	1,883,561
Scotiabank		
BNS Long Term Redeemable GIC		
2.7% interest rate, Matured on June 8, 2020		514,425
	-	514,425
Total	7,694,570	7,022,985

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

* Asset allocation funds invest in other funds. These funds are broadly diversified and may hold bonds, stocks, foreign content, real estate, and short-term securities.

Included in interest and other investment income for the year ended March 31, 2021 is an unrealized gain of \$1,113,631 (2020 – an unrealized loss of \$244,108) and a realized loss \$7,368 (2020 – realized gain \$25,980).

3. Capital assets:

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Major equipment	175,320	156,548	18,772	21,390
Computers and software	9,452	9,452	-	-
Donor Wall	74,044	37,022	37,022	44,427
	258,815	203,022	55,794	65,817

4. Contributions to Healthcare:

	2021	2020
Contributions to the Janeway Hospital:		
Janeway Children's Health & Rehabilitation Centre - Capital equipment	1,726,164	2,624,296
Janeway Research	230,609	139,164
Education	105,059	119,440
Program support	40,006	344,426
	2,101,837	3,227,326
Contributions to other pediatric initiatives:	67,206	67,460
	2,169,043	3,294,786

5. Supplemental cash flow information:

The net change in non-cash working capital balances related to operations consists of the following:

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

	2021	2020
Trade receivables	329,299	(722,751)
HST receivable	(5,814)	4,944
Prepaid expenses	18,373	41,602
Accounts payable and accrued liabilities	1,697	2,468
Due to Eastern Regional Health Authority	(331,234)	216,734
Accrued severance	-	(35,125)
	12,321	(492,128)

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

6. Related party transactions:

Eastern Health is a related party. The Foundation operates for the purpose of accumulating funds to assist Eastern Health with the purchase of medical equipment used in the provision of patient care at the Janeway Hospital.

During the year, the Foundation contributed \$2,101,837 (2020 - 3,227,326) to Eastern Health, of which \$nil (2020- \$278,834) was payable at year end.

Eastern Health provides payroll processing services for the Foundation. At year end, \$42,254 (2020 - \$91,200) was payable to Eastern Health related to salary and benefits for the Foundation's employees.

Included in the prepaid expense balance, are employee advances of \$3,980 (2020 - \$3,980).

Eastern Health also provided IT support services and insurance coverage for the Foundation's Board of Directors, at no cost to the Foundation. These in-kind contributions have not been reflected in these financial statements.

Transactions between the Foundation and Eastern Health are measured at their exchange amount and the amount is non-interest bearing and has no set terms of payment.

7. Commitments:

At the end of the year, the Foundation had cumulative commitments of:

	2021	2020
<u>Eastern Health:</u>		
Equipment	7,690,888	8,576,998
Programs	311,123	565,333
Research	223,700	270,000
Education	100,000	100,000
<u>Other:</u>		
Other hospital and therapeutic support programs	50,000	50,000
	<u>8,375,711</u>	<u>9,562,331</u>

Subsequent to year end, the Foundation disbursed \$7,500 in previously committed funds. The outstanding commitments from the current and prior years of approximately \$8,375,711 are expected to be disbursed in future fiscal years of the Foundation. These funds are expected to be disbursed up to 2024, the timing of which is not determinable by the Foundation.

In fiscal 2019 the Foundation signed a three year contract for production services. Future payments under this contract are as follows:

Fiscal 2022 – \$89,796

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

8. Interfund transfers:

During the year, the Foundation transferred \$96,672 from the general fund to the endowment fund related to unrestricted bequests. The Foundation also transferred \$4,700 from the restricted fund to the general fund to reimburse the general fund for payments previously made, for which designated gifts were subsequently received.

(a) Externally restricted funds:

Each year the hospital provides a list of priority needs to the Foundation. The needs are historically funded over a three year period. From time to time, to address urgent requirements for the Hospital, the Foundation will advance the Hospital funds prior to securing a donor for the requested item. These disbursements are shown as a Contribution to Healthcare from the general fund. As a result, the timing of the receipt of restricted donations and the item they are intended to fund do not always align in a single fiscal year. If a donor is subsequently found, the donation is recorded as restricted and a transfer is made between the restricted fund and the general fund to reimburse it for the related contribution.

9. Pension contributions:

Contributions to the pension fund during the year were \$27,117 (2020 - \$30,618).

10. Financial risks:

(a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligation. The Foundation's credit risk is primarily attributable to cash and cash equivalents and investments. The Foundation's cash and cash equivalents and investments are distributed among bank and investments accounts. The Foundation does not expect any liquidity issues or credit losses on these instruments.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they become due. With the current cash and future liquidity position expected by management into the foreseeable future, they do not expect to require additional funds to meet cash flow needs.

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Notes to Financial Statements

Year ended March 31, 2021

10. Financial risks (continued):

(c) Interest rate risk

The Foundation is exposed to interest rate risk with respect to its managed money portfolio investments because the fair value will fluctuate due to changes in market interest rates.

(d) Other price risk

The Foundation is exposed to other price risk through changes in market prices (other than changes arising from interest rate or currency risks) in connection with its investments in managed money portfolio investments.

(e) Currency risk

Certain underlying investments are in other jurisdictions, however the funds are denominated in Canadian dollars and therefore the Foundation bears no currency risk.

11. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation in the current year. The changes do not affect prior year earnings.

12. Impact of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social impact.

At the time of approval of these financial statements, the Janeway Children's Hospital Foundation has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic.

- Closure of administrative buildings based on public health recommendations;
- Work from home requirements for those able to do so;
- The postponement or modification of major fundraising events, resulting in a decline in donations; and
- The reduction of costs wherever possible, but particularly in direct fundraising expenditures, to address the decline in donations.

Uncertainty continues to exist around the impact of Covid-19 on future periods. An estimate of the financial effect is not practicable at this time.

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Schedule 1 – Miracle Network Telethon Expenses

Year ended March 31, 2021

	2021	2020
Broadcasting and production costs	244,778	356,257
Affiliation fees	128,606	152,740
Advertising	53,997	104,313
Printing	22,727	25,906
Postage	11,533	14,597
Telephone	4,680	9,995
Consumables	2,288	6,151
Merchandise	471	28,705
Donor Recognition	421	1,288
Travel	301	19,376
General administration	-	2,605
Ball drop		3,928
	469,801	715,860

THE JANEWAY CHILDREN'S HOSPITAL FOUNDATION

Schedule 2 – General and Administration Expenses

Year ended March 31, 2021

	2021	2020
Professional fees	87,303	94,395
Rent	65,280	63,736
Bank and credit card charges	31,451	19,619
Software maintenance	30,786	28,290
Investment fees	24,287	24,266
Amortization	11,013	10,012
Printing	8,696	13,156
Office supplies	8,117	11,335
Telephone	4,592	4,998
Advertising	2,335	2,887
Memberships	199	1,333
Postage	80	13,447
Conferences and Training	-	4,107
Travel	-	5,105
	274,139	296,686