

**Yukon Hospital Foundation  
Financial Statements  
March 31, 2015**

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## Management Responsibility for Financial Reporting

The financial statements of the Yukon Hospital Foundation are the responsibility of Management, and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations consistently applied and appropriate in the circumstances. The preparation of financial statements necessarily involves the use of estimates and approximations, which have been made using careful judgment. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized in the financial statements.

Management maintains systems of internal controls designed to provide reasonable assurance that assets are safeguarded and that reliable financial information is available on a timely basis. These systems include formal written policies, the careful selection and training of qualified personnel, and an organizational structure that provides for the appropriate delegation of authority and segregation of responsibilities.

The financial statements have been examined by an independent external auditor. The external auditor's responsibility is to express an opinion on whether the financial statements, in all material respects, fairly presents the Foundation's financial position, results of operations and cash flows in accordance with Canadian accounting standards for not-for-profit organizations. The independent Auditor's Report, which follows, outlines the scope of this examination and the auditor's opinion.

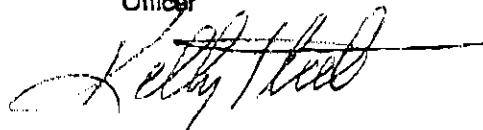
The Foundation's Board of Directors, oversees management's responsibilities for financial reporting.

Karan Forward  
President



Whitehorse Yukon  
June 24, 2015

Kelly Steele  
Officer





## Independent Auditors' Report

To the Directors of the  
Yukon Hospital Foundation

We have audited the accompanying financial statements of Yukon Hospital Foundation, which comprise the statement of financial position as at March 31, 2015, and March 31, 2014 and the statements of operations and fund balances, statement of changes in fund balances and cash flows for the years ended March 31, 2015 and March 31, 2014, and notes, comprising 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.

### *Auditors' 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 auditors' 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 revenues from donations and fundraising events, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of receipts from these sources was limited to a comparison of recorded receipts with bank deposits. We were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenditures, assets, liabilities and net assets.

### *Qualified Opinion*

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2015 and March 31, 2014 and the results of its operations and its cash flows for the years ended March 31, 2015 and March 31, 2014 in accordance with Canadian accounting standards for not-for-profit organizations.

Whitehorse, Yukon  
June 24, 2016

*Crowe Mackay LLP*  
Chartered Accountants

# Yukon Hospital Foundation

## Statement of Financial Position


As at March 31, 2015

	March 31, 2015 \$	March 31, 2014 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash & short term investments	684,024	2,650,592
Accounts receivable	23,532	18,622
Accounts receivable YHC	4,167	3,987
Interest receivable	505	2,472
Prepaid expenses	-	317
	<u>712,228</u>	<u>2,675,990</u>
<b>Capital Assets (note 3)</b>	<u>-</u>	<u>-</u>
	<u>712,228</u>	<u>2,675,990</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	20,302	38,152
Due to Yukon Hospital Corporation	-	500,000
	<u>20,302</u>	<u>538,152</u>
<b>Fund Balances</b>		
Unrestricted	314,098	1,153,573
Investment in Capital Assets (note 3)	-	-
Internally Restricted for capital purchases (note 4)	171,289	867,150
Externally Restricted for capital purchases (note 4)	208,538	97,115
	<u>691,926</u>	<u>2,137,838</u>
	<u>712,228</u>	<u>2,675,990</u>

The accompanying notes are an integral part of the financial statement

Approved on behalf of the Foundation

  
Director

  
Director

**Yukon Hospital Foundation**  
**Statement of Operations**  
For the year ended March 31, 2015

	General Fund		Internally Restricted Fund		Externally Restricted Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues (Schedule)</b>								
Donations	322,870	201,871	-	-	82,500	166,933	405,370	388,804
Special event, net of direct expenses (note B)	245,300	387,953	-	-	-	-	245,300	387,953
Government of Yukon - Other	101,760	133,253	-	-	-	-	101,760	133,253
Other	(3,252)	7,000	-	-	84,250	-	80,998	7,000
Interest	16,909	27,825	-	-	-	-	15,908	27,825
Transfers from externally restricted funds	37,327	77,898	-	-	(37,327)	(77,598)	-	-
	<u>719,903</u>	<u>895,300</u>	<u>-</u>	<u>-</u>	<u>109,423</u>	<u>89,335</u>	<u>829,326</u>	<u>924,635</u>
<b>Expenses (Schedule)</b>								
Fundraising & administrative expenses	219,389	239,190	-	-	-	-	219,389	239,190
	<u>503,514</u>	<u>898,110</u>	<u>-</u>	<u>-</u>	<u>109,423</u>	<u>89,335</u>	<u>912,937</u>	<u>885,445</u>
Excess of revenue over expenses before grants	503,514	898,110	-	-	109,423	89,335	812,937	885,445
Grants to Yukon Hospital Corporation	(2,037,327)	(574,824)	-	-	-	-	(2,037,327)	(574,824)
Grants to P.A.R.T.Y. Program	-	(60,000)	-	-	-	-	-	(60,000)
Grants related to Yukon Cancer Care Fund	(21,822)	(5,000)	-	-	-	-	(21,822)	(5,000)
Excess (deficiency) of revenue over expenses	<u>(1,856,335)</u>	<u>(43,714)</u>	<u>-</u>	<u>-</u>	<u>109,423</u>	<u>89,335</u>	<u>(1,446,812)</u>	<u>48,621</u>
Fund Balances, beginning of year	1,163,673	1,338,447	867,160	747,990	97,116	7,780	2,137,838	2,092,217
Transfer of internally restricted reserve to (from) general interfund transfers	715,881	(139,160)	(715,861)	139,160	-	-	-	-
Fund Balances, end of year	<u>314,098</u>	<u>1,183,573</u>	<u>171,299</u>	<u>887,160</u>	<u>208,538</u>	<u>87,116</u>	<u>691,926</u>	<u>2,137,838</u>

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

# Yukon Hospital Foundation

## Statement of Changes in Fund Balances

For the year ended March 31, 2015

	Externally Restricted for Capital Purchases \$	Internally Restricted for Capital Purchases \$	Investment in Property and Equipment \$	Unrestricted \$	2015 Total \$	2014 Total \$
Balance, beginning of year	97,115	887,150		1,153,573	2,137,838	2,092,217
Excess of revenue over expenses before grants		163,251		302,935	466,186	518,512
Investment in Capital Assets						
Transfers						
Grant to Yukon Hospital Corporation	(37,327)	(857,591)		(1,142,409)	(2,037,327)	(574,824)
Grant to P.A.R.T.Y. Program						(60,000)
Grant for YCCF Funds		(21,521)			(21,521)	(5,000)
Externally restricted reserve - additions	146,750				146,750	166,933
Externally restricted reserve - deductions						
Amortization of Property and Equipment						
Balance, end of year	<u>206,538</u>	<u>171,289</u>		<u>314,099</u>	<u>691,926</u>	<u>2,137,838</u>

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

## Yukon Hospital Foundation Statement of Cash Flows

For The Year Ended March 31, 2015	2015 \$	2014 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenditures	(1,445,912)	45,621
Amortization of property and equipment	-	3,149
(Increase) decrease in accounts receivable	(4,910)	14,010
(Increase) decrease in accounts receivable owing from YHC	(180)	(3,987)
(Increase) decrease in interest receivable	1,967	(2,472)
(Increase) decrease in prepaid expenses	317	514
Increase (decrease) in accounts payable	(517,850)	458,395
	<u>(1,966,568)</u>	<u>515,230</u>
<b>Financing activities</b>		
Purchase of Capital Assets	-	-
	<u>-</u>	<u>-</u>
<b>Increase (decrease) in cash</b>	<b>(1,966,568)</b>	<b>515,230</b>
<b>Cash, beginning of year</b>	<b>2,650,592</b>	<b>2,135,362</b>
<b>Cash, end of year</b>	<b>684,024</b>	<b>2,650,592</b>

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

Approved on behalf of the Foundation

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

## Yukon Hospital Foundation Notes to the Financial Statements

March 31, 2015

The Yukon Hospital Foundation is a society incorporated under the *Societies Act of Yukon*. The purpose of the Foundation is to promote health of people in the Yukon, to raise money for hospital and medical care and services, supervised residential care and continuing care, and rehabilitative care and services. The Foundation also grants funds and provides equipment, services and facilities to health facilities in the Yukon, and in particular to the Yukon Hospital Corporation.

The Foundation is a charitable organization carried on without purpose of gain for its members, with any profits of the society to be used to promote the objectives of the society.

### Basis of presentation

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

### (a) Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions. The Foundation ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

For financial reporting purposes, the accounts have been classified into the following funds:

#### (I) General Fund

The General Fund includes those funds available for immediate use for the general purposes of the Foundation as determined by the Board of Directors.

#### (II) Restricted Funds

The Restricted Fund includes those funds where resources are to be used for an identified purpose as specified by the donor, as stipulated by the fundraising appeal or as determined by the Board of Directors.

### (b) Revenue Recognition

Donations are recorded when cash is received. Outstanding pledges have not been recorded as donations in these financial statements.

Donor restricted donations are recognized as revenue of the Restricted Fund. Unrestricted donations are recognized as revenue in the General Fund.

Revenue for the special event is recognized net of all direct expenses in the fiscal year in which the event takes place.

### (c) Cash

Cash consists of cash on hand and bank deposits.

### (d) Donated services

The Foundation benefits from substantial services in the form of volunteer time. These invaluable services are not reflected in these financial statements.

The Foundation uses the services of the Yukon Hospital Corporation to provide accounting, information and technology support services, office space and use of office equipment. The fair value of these services would be difficult to estimate and therefore are not recorded in these financial statements.

### (e) Financial Instruments

Financial assets and financial liabilities are measured at fair value on initial recognition except for certain related party transactions. Measurement in subsequent periods depends on whether the financial asset or liability has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other liabilities.

Available-for-sale assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as held-for-trading, held-to-maturity, or loans and receivables. Available-for-sale assets are subsequently measured at fair value with unrealized gains and losses recorded in other comprehensive income until realized, at which they will be recognized in net income.

Cash has been classified as available-for-sale. Accounts receivable and due from related parties are classified as loans and receivables and are measured at cost. All current liabilities, due to related party and long-term debt are measured at cost or amortized cost.

### (f) Capital Assets

Capital Assets are recorded at cost with a corresponding increase in the Investment in Capital Assets. Amortization of Capital Assets has been calculated using the straight line method over the estimated useful life of 5 years.

### (g) Measurement of Uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles require management to make assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.



**Yukon Hospital Foundation**  
**Notes to the Financial Statements**

March 31, 2015

			2015		2014	
	Rate	Cost	Accumulated amortization	Net	Net	Net
Digital Signage	20%	15,744	15,744	-	-	-
Promotional Video	20%	17,259	17,259	-	-	-
Website Development	20%	10,300	10,300	-	-	-
		<u>43,303</u>	<u>43,303</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Foundation has control over funds, which have been donated or set aside to assist with specific capital acquisitions for the purposes set out in Note 1. These funds are set up on the balance sheet as an asset with an offsetting net asset restricted for capital purchases.

	2015	2014
Balance, beginning of year	984,256	755,770
Contributions during year (Internally restricted)	183,251	191,841
Contributions during year (Externally restricted)	146,750	166,933
Grants to Yukon Hospital Corporation	(894,819)	(86,079)
Grants to P.A.R.T.Y. Program	-	(60,000)
Grants relating to Yukon Cancer Care Fund	(21,621)	(6,000)
Balance, end of year	<u>377,827</u>	<u>684,265</u>

Included in restricted for capital purchases are the following amounts: Externally Restricted - \$206,538 (2014 - \$97,115), Internally Restricted - \$171,289 (2014 - \$867,150).

During the year, the Foundation raised gross revenues from special events of \$518,699 (2014 - \$639,254) and incurred direct expenses of \$271,299 (2014 - \$251,301). The net revenue of \$245,300 (2014 \$387,953) is included in the statement of operations.

Financial assets consist of cash, funds held in trust and accounts receivable. Financial liabilities consist of accounts payable and committed transfer payments.

The Foundation is exposed to the following risks in respect of certain financial instruments held:

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Foundation is exposed to credit risk through its accounts receivable.

The maximum exposure to credit risk is the carrying value of its accounts receivable.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty meeting obligations associated with its financial liabilities. The Foundation's accounts payable are all due within one year.

(c) Interest rate risk

The Foundation is exposed to the interest rate risk on its bank account. A change in the effective interest rate of 1/2% on its bank balance would result in an approximate impact on income of \$3,400 in 2015.

**Yukon Hospital Foundation**  
**Schedule of Revenue and Expenditure by Category**  
 For the year ended March 31, 2015

	2015	2014
	\$	\$
<b>Revenues</b>		
Donations	405,370	388,804
Fundraising	616,599	639,254
Direct Special Event Expenses	<u>(271,299)</u>	<u>(251,301)</u>
Net Fundraising	245,300	387,953
Government of Yukon	101,750	133,253
Other Revenue	60,998	7,000
Interest	15,908	27,625
	<u>829,326</u>	<u>924,836</u>
<b>Expenses</b>		
Advertising and promotion	14,077	19,786
Amortization	-	3,149
Compensation and benefits	136,783	164,877
Consulting Fees	12,982	-
Bank Charges	115	435
Credit card and gift tool charges	11,277	11,887
Foods	1,839	817
Memberships and publications	625	471
Miscellaneous	734	3,521
Other sundry	1,460	1,460
Postage, courier and delivery	2,848	3,480
Professional fees	23,116	24,883
Recognition	8,867	3,162
Mileage & Other Travel	2,758	932
Stationary supplies	1,908	750
	<u>218,389</u>	<u>238,190</u>
<b>Excess of revenue over expenses before grants</b>	<u>612,937</u>	<u>686,445</u>