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Financial statements of  
St. Mary's Hospital Foundation

March 31, 2017

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Deloitte LLP  
La Tour Deloitte  
1190 Avenue des  
Canadiens-de-Montréal  
Suite 500  
Montréal QC H3B 0M7  
Canada

Tel: 514-393-7115  
Fax: 514-390-4116  
[www.deloitte.ca](http://www.deloitte.ca)

## Independent Auditor's Report

To the Members of  
St. Mary's Hospital Foundation

We have audited the accompanying financial statements of St. Mary's Hospital Foundation (the "Foundation"), which comprise the balance sheet as at March 31, 2017, and the statements of income and expenditures, fund balances 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 part of its revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our audit of this revenue was limited to the amounts recorded in the books of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue and excess of income over expenditures and cash flows from operating activities for the years ended March 31, 2017 and 2016, current assets as at March 31, 2017 and 2016, and fund balances as at March 31, 2017, 2016 and April 1, 2015. Our report on the prior year financial statements had the same qualification.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of St. Mary's Hospital Foundation as at March 31, 2017, 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.

Deloitte LLP<sup>1</sup>

June 8, 2017

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<sup>1</sup> CPA auditor, CA, public accountancy permit No. A125888

**St. Mary's Hospital Foundation**  
**Statement of income and expenditures**  
Year ended March 31, 2017

|                     |                | 2017             |                  |                  | 2016             |
|---------------------|----------------|------------------|------------------|------------------|------------------|
| Notes               | Endowment Fund | Restricted Fund  | General Fund     | Total            | Total            |
|                     | \$             | \$               | \$               | \$               | \$               |
| <b>Income</b>       |                |                  |                  |                  |                  |
|                     | 15,000         | 1,168,188        | 4,135,008        | 5,318,196        | 5,036,744        |
| 3                   | 596,970        | 318,673          | 1,209,674        | 2,125,317        | (324,388)        |
|                     | <b>611,970</b> | <b>1,486,861</b> | <b>5,344,682</b> | <b>7,443,513</b> | <b>4,712,356</b> |
| <b>Expenditures</b> |                |                  |                  |                  |                  |
|                     | —              | —                | 743,571          | 743,571          | 784,083          |
|                     | —              | 27,617           | 657,992          | 685,609          | 637,024          |
|                     | —              | —                | 241,258          | 241,258          | 311,523          |
|                     | —              | —                | 58,590           | 58,590           | 51,270           |
|                     | —              | —                | 9,449            | 9,449            | 9,859            |
|                     | —              | 27,617           | 1,710,860        | 1,738,477        | 1,793,759        |
|                     | <b>611,970</b> | <b>1,459,244</b> | <b>3,633,822</b> | <b>5,705,036</b> | <b>2,918,597</b> |
|                     | —              | (499,467)        | (1,515,150)      | (2,014,617)      | (2,446,094)      |
|                     | —              | (135,000)        | (132,204)        | (267,203)        | (433,732)        |
|                     | <b>611,970</b> | <b>824,777</b>   | <b>1,986,468</b> | <b>3,423,216</b> | <b>38,771</b>    |
| 5                   | —              | —                | (23,445)         | (23,446)         | (17,318)         |
|                     | <b>611,970</b> | <b>824,777</b>   | <b>1,963,023</b> | <b>3,399,770</b> | <b>21,453</b>    |

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

**St. Mary's Hospital Foundation**  
**Statement of changes in fund balances**  
Year ended March 31, 2017

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|   | Endowment        | Restricted Fund  | Invested in capital assets | Unrestricted     | Total             |
|---|------------------|------------------|----------------------------|------------------|-------------------|
|   | \$               | \$               | \$                         | \$               | \$                |
| Balance as at March 31, 2015                    | 7,329,057        | 7,417,487        | 49,324                     | (131,262)        | 14,664,606        |
| Excess (deficiency) of income over expenditures | (247,441)        | 1,087,772        | (9,859)                    | (809,019)        | 21,453            |
| Balance as at March 31, 2016                    | <b>7,081,616</b> | <b>8,505,259</b> | <b>39,465</b>              | <b>(940,281)</b> | <b>14,686,059</b> |
| Excess (deficiency) of income over expenditures | <b>611,970</b>   | <b>824,777</b>   | <b>(9,449)</b>             | <b>1,972,472</b> | <b>3,399,770</b>  |
| Balance as at March 31, 2017                    | <b>7,693,586</b> | <b>9,330,036</b> | <b>30,016</b>              | <b>1,032,191</b> | <b>18,085,829</b> |

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

# St. Mary's Hospital Foundation

## Balance sheet

As at March 31, 2017

|                                   | Notes | 2017              | 2016       |
|-----------------------------------|-------|-------------------|------------|
|                                   |       | \$                | \$         |
| <b>Assets</b>                     |       |                   |            |
| Current assets                    |       |                   |            |
| Cash                              |       | 2,500,198         | 2,440,616  |
| Accounts receivable               |       | 142,465           | 123,009    |
| Prepaid expenses                  |       | 65,915            | 39,829     |
|                                   |       | <b>2,708,578</b>  | 2,603,454  |
| Portfolio investments             | 4     | 18,773,439        | 12,433,247 |
| Investment in a subsidiary        | 5     | —                 | 1,508,023  |
| Capital assets                    | 6     | 30,016            | 39,465     |
|                                   |       | <b>21,512,033</b> | 16,584,189 |
| <b>Liabilities</b>                |       |                   |            |
| Current liabilities               |       |                   |            |
| Accounts payable and accruals     |       | 31,064            | 42,383     |
| Due to St. Mary's Hospital Center |       | 3,362,160         | 1,743,572  |
| Unearned revenue                  |       | 32,980            | 112,175    |
|                                   |       | <b>3,426,204</b>  | 1,898,130  |
| Pledges payable                   | 11    |                   |            |
| <b>Fund balances</b>              |       |                   |            |
| Endowment                         | 8     | 7,693,586         | 7,081,616  |
| Externally restricted             | 9     | 9,330,036         | 8,505,259  |
| General                           |       |                   |            |
| Invested in capital assets        |       | 30,016            | 39,465     |
| Unrestricted                      |       | 1,032,191         | (940,281)  |
|                                   |       | <b>18,085,829</b> | 14,686,059 |
|                                   |       | <b>21,512,033</b> | 16,584,189 |

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

Approved by the Board

\_\_\_\_\_, Director

\_\_\_\_\_, Director

## St. Mary's Hospital Foundation

### Statement of cash flows

Year ended March 31, 2017

|   | Notes | 2017               | 2016        |
|---|-------|--------------------|-------------|
|   |       | \$                 | \$          |
| <b>Operating activities</b>                         |       |                    |             |
| Excess of income over expenditures                  |       | 3,399,770          | 21,453      |
| Adjustments for                                     |       |                    |             |
| Amortization of capital assets                      |       | 9,449              | 9,859       |
| Realized gains                                      |       | (204,454)          | (268,348)   |
| Unrealized change in fair value                     |       | (1,498,211)        | 1,007,161   |
| Net loss of a subsidiary                            | 5     | 23,446             | 17,318      |
|   |       | <b>1,730,000</b>   | 787,443     |
| Changes in non-cash operating working capital items |       |                    |             |
| Accounts receivable                                 |       | (19,456)           | (49,642)    |
| Prepaid expenses                                    |       | (26,086)           | (12,356)    |
| Accounts payable and accruals                       |       | (11,319)           | 36,028      |
| Due to St. Mary's Hospital Center                   |       | 1,618,588          | 1,693,968   |
| Unearned revenue                                    |       | (79,195)           | (20,914)    |
|   |       | <b>3,212,532</b>   | 2,434,527   |
| <b>Investing activities</b>                         |       |                    |             |
| Acquisition of investments                          |       | (11,670,363)       | (2,423,936) |
| Proceeds on sale of investments                     |       | 7,032,836          | 1,937,960   |
| Decrease (increase) in advance to a subsidiary      |       | 1,484,577          | (17,863)    |
|   |       | <b>(3,152,950)</b> | (503,839)   |
| Net increase in cash                                |       | 59,582             | 1,930,688   |
| Cash, beginning of year                             |       | 2,440,616          | 509,928     |
| <b>Cash, end of year</b>                            |       | <b>2,500,198</b>   | 2,440,616   |

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

## **1. Nature of the activities of the Foundation**

The St. Mary's Hospital Foundation (the "Foundation") is incorporated under Part III of the *Companies Act* (Quebec) as a not-for-profit organization and is a registered charity within the meaning of the *Income Tax Act*. Under the *Income Tax Act*, the Foundation is classified as a public foundation and is subject to the articles thereof. The objective of the Foundation is to raise funds for the needs of St. Mary's Hospital Center (the "Hospital"), a McGill affiliated CHAU accredited community hospital, that are not funded by the Ministère de la Santé et des Services sociaux.

## **2. Accounting policies**

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) using the restricted fund method. The significant accounting policies are:

### *Fund accounting*

Donations and other income received by the Foundation are classified into three funds – the Endowment Fund, the Restricted Fund and the General Fund.

The Endowment Fund records donations that are subject to donor stipulations requiring the capital to be maintained. The fund balance consists of original endowment contributions plus cumulative investment income required to be reinvested in endowment capital as per the Foundation's current Capital Funds' Governance Policy.

The Restricted Fund includes resources that are subject to requirements specified by the donors, including investment income earned on endowment funds established for restricted purposes. The fund balance consists of restricted funds received but not yet spent.

The General Fund records all unrestricted activities, which includes sources of funds that are not subject to specific stipulation and are available for operations or as directed by the Board of Directors. Funds invested in capital assets report the capital assets less their accumulated amortization.

### *Investment income*

Investment income is recorded when earned. Investment income is allocated in accordance with the Foundation's Capital Funds' Governance Policy. Unrestricted investment income is recorded in the General Fund. In order to preserve endowment capital against inflation, only a prescribed percentage, as determined by the Board, of the opening fair value of endowment capital is made available for spending and is recorded in the Restricted Fund. Any excess of actual investment income earned on endowments over the prescribed amount is recorded as investment income in the Endowment Fund. In the event of a shortfall, a negative investment income is recorded in the Endowment Fund drawing down on investment income previously accumulated.

### *Donations*

Pledged donations are presented in the notes to the financial statements and are only recorded as income when received.

## **2. Accounting policies (continued)**

### *Donated goods and services*

The value of donated goods and services is recorded as revenue and an expense in the financial statements when the fair value can be reasonably estimated and when the goods and services are normally purchased and would be paid for if not donated.

Furthermore, each year, many volunteers give a lot of their time to the Foundation to make sure that it can provide its services. These services are not recognized in the financial statements.

### *Capital assets*

Capital assets are recorded at cost. Amortization is computed on the straight-line basis over the estimated useful lives of the assets as follows:

|                                |          |
|--------------------------------|----------|
| Office furniture and equipment | 5 years  |
| Leasehold improvements         | 10 years |

### *Investment in a subsidiary*

The Foundation records its investment in its wholly-owned subsidiary, 9030-9329 Québec Inc., which owns the building located at 5300 Côte-des-Neiges, using the equity method.

The Foundation recognizes in net income an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the investee. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in net earnings in the period the reversal occurs.

### *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value, except for related-party balances, when the Foundation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for portfolio investments, which are measured at fair value at the balance sheet date. The fair value of investments is based on closing prices. The fair value of the investment funds is based on fair value confirmation received from the fund manager with whom those instruments are negotiated. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in investment income.

Transaction costs related to portfolio investments are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations as interest income or expense.

**2. Accounting policies (continued)**

*Financial instruments (continued)*

With respect to financial assets measured at cost or amortized cost, the Foundation recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in the statement of operations in the period the reversal occurs.

*Foreign currency translation*

Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing rates of exchange at the balance sheet date. Revenue and expenses are translated at the exchange rates prevailing on the transaction dates. Realized and unrealized exchange gains and losses are included in earnings. The Foundation does not use derivative instruments to mitigate foreign exchange risk.

*Use of estimates*

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Main estimates consist of the fair value of investments. Actual results could differ from these estimates.

**3. Investment income**

Investment income is composed of:

|                                   | <b>2017</b>      | 2016        |
|-----------------------------------|------------------|-------------|
|                                   | \$               | \$          |
| Interest                          | <b>146,768</b>   | 118,084     |
| Dividends and other distributions | <b>275,884</b>   | 296,341     |
| Realized gains                    | <b>204,454</b>   | 268,348     |
| Unrealized change in fair value   | <b>1,498,211</b> | (1,007,161) |
|                                   | <b>2,125,317</b> | (324,388)   |

The allocation of investment income is made in accordance with the Foundation's Capital Funds' Governance policy described in Note 2, resulting in the presentation of investment income in the statement of income and expenditures as follows:

|                 | <b>2017</b>      | 2016      |
|-----------------|------------------|-----------|
|                 | \$               | \$        |
| Endowment Fund  | <b>596,970</b>   | (261,881) |
| Restricted Fund | <b>318,673</b>   | —         |
| General Fund    | <b>1,209,674</b> | (62,507)  |
|                 | <b>2,125,317</b> | (324,388) |

**St. Mary's Hospital Foundation**  
**Notes to the financial statements**  
March 31, 2017

**4. Portfolio investments, at fair value**

|                           | 2017              | 2016              |
|---------------------------|-------------------|-------------------|
|                           | \$                | \$                |
| Cash and cash equivalents | 1,137,788         | 529,713           |
| Bonds – Canadian          | 6,079,781         | 4,083,433         |
| Shares – Canadian         | 5,183,872         | 3,002,886         |
| Shares – foreign          | 6,371,998         | 4,817,215         |
|                           | <b>18,773,439</b> | <b>12,433,247</b> |

*Market risk*

The Foundation is subject to market risk, which is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities traded in the market. These risks include exposure to fluctuations in interest rates and in foreign currencies. The concentration of risk is mitigated because of the Foundation's diversification of its investment portfolio.

*Currency risk*

The Foundation has investments in foreign currencies and is accordingly subject to risk arising from currency rate changes. The fair value of US shares is translated at the currency rate as at March 31, which was 1.3322 in 2017 (1.2971 in 2016) and comprised 51.7% of the foreign shares balance.

*Interest rate risk*

The interest rates and terms of bonds are summarized at their fair values as follows:

|                                       | Maturity         |                |           |                  |
|---------------------------------------|------------------|----------------|-----------|------------------|
|                                       | 0-5 years        | 6-10 years     | +10 years | Total            |
|                                       | \$               | \$             | \$        | \$               |
| As at March 31, 2017 – Canadian bonds |                  |                |           |                  |
| 0.92% – 11.00%                        | 5,258,486        | —              | —         | 5,258,486        |
| 2.40% – 7.88%                         | —                | 821,295        | —         | 821,295          |
|                                       | <b>5,258,486</b> | <b>821,295</b> | <b>—</b>  | <b>6,079,781</b> |

|                                       | Maturity         |                |           |                  |
|---------------------------------------|------------------|----------------|-----------|------------------|
|                                       | 0-5 years        | 6-10 years     | +10 years | Total            |
|                                       | \$               | \$             | \$        | \$               |
| As at March 31, 2016 – Canadian bonds |                  |                |           |                  |
| 0.92% – 6.75%                         | 3,389,024        | —              | —         | 3,389,024        |
| 1.55% – 10.95%                        | —                | 694,411        | —         | 694,411          |
|                                       | <b>3,389,024</b> | <b>694,411</b> | <b>—</b>  | <b>4,083,435</b> |

**4. Portfolio investments, at fair value (continued)**

*Credit risk*

Credit risk concentration exists where a significant portion of the portfolio is invested in securities which have comparable characteristics or obey similar variations relating to economic or political conditions. The credit risk is mainly due to the fact that the Foundation owns bonds. There is a risk that the issuer will be unable to pay their obligations towards the Foundation. The Foundation mitigates this risk through the diversification of its investment portfolio.

**5. Investment in a subsidiary**

|   | 2017               | 2016        |
|---|--------------------|-------------|
|   | \$                 | \$          |
| 9030-9329 Quebec Inc., wholly-owned subsidiary                        |                    |             |
| Advance, non-interest-bearing and without specific terms of repayment | <b>2,633,030</b>   | 4,117,607   |
| Shares, at equity value*  | <b>(2,633,030)</b> | (2,609,584) |
|   | <b>—</b>           | 1,508,023   |

\* Included in this number is an adjustment of \$84,199 to bring the investment carrying value to nil.

The subsidiary is not consolidated in the Foundation's financial statements. The financial summary of the subsidiary as at March 31, 2017 and 2016, and for the years then ended is as follows:

|                          | 2017               | 2016        |
|--------------------------|--------------------|-------------|
|                          | \$                 | \$          |
| Total assets             | <b>2,468,476</b>   | 2,444,606   |
| Total liabilities        | <b>5,185,704</b>   | 5,054,190   |
| Shareholder's deficiency | <b>(2,717,228)</b> | (2,609,584) |
| Total income             | <b>561,806</b>     | 510,042     |
| Total expenses           | <b>669,450</b>     | 527,360     |
| Net loss                 | <b>(107,644)</b>   | (17,318)    |

|                                 | 2017             | 2016      |
|---------------------------------|------------------|-----------|
|                                 | \$               | \$        |
| Cash inflows (outflows)         |                  |           |
| Total operating activities      | <b>67,774</b>    | 201,457   |
| Total investing activities      | <b>(308,290)</b> | (937,174) |
| Total financing activities      | <b>282,027</b>   | 725,451   |
| Net increase (decrease) in cash | <b>41,511</b>    | (10,266)  |

**St. Mary's Hospital Foundation**  
**Notes to the financial statements**  
 March 31, 2017

**6. Capital assets**

|                                | 2017           |                          |                | 2016           |
|--------------------------------|----------------|--------------------------|----------------|----------------|
|                                | Cost           | Accumulated amortization | Net book value | Net book value |
|                                | \$             | \$                       | \$             | \$             |
| Office furniture and equipment | 163,216        | 153,604                  | 9,612          | 15,660         |
| Leasehold improvements         | 31,525         | 11,121                   | 20,404         | 23,804         |
|                                | <b>194,741</b> | <b>164,725</b>           | <b>30,016</b>  | 39,465         |

**7. Transfers between Funds**

The Board of Directors of the Foundation may authorize, from time to time, transfers between funds in accordance with the Hospital's strategic direction. The interfund transfers consist primarily of funds collected through the Foundation's fundraising events that are allocated to specific internal and external projects. There were no transfers in 2017 or 2016.

**8. Endowment**

|   | 2017             | 2016      |
|---|------------------|-----------|
|   | \$               | \$        |
| McGill Chair – Family & Community Medicine Research | 2,309,843        | 2,130,224 |
| McGill Chair – Community Cancer Care                | 3,347,359        | 3,087,059 |
| Family Medicine                                     | 85,509           | 78,859    |
| Oncology  | 195,584          | 180,375   |
| Helene Derouin Renaud                               | 230,574          | 212,644   |
| Johnson Fund for Geriatrics                         | 163,434          | 146,160   |
| Edward Tinmouth                                     | 286,576          | 264,291   |
| Gail Hutchison                                      | 233,355          | 206,078   |
| St George's Lodge                                   | 124,426          | 114,751   |
| Renal Dialysis                                      | 211,605          | 195,150   |
| Hingston Grant/Med Leadership                       | 115,606          | 106,615   |
| J. Desmarais Fund for Nurses                        | 67,814           | 62,541    |
| I.C.U. Fund   | 84,768           | 78,175    |
| Ophthalmology                                       | 67,814           | 62,541    |
| Governors of St. Mary's Legacy                      | 11,901           | 10,976    |
| Arvind K. Joshi Nursing Research Fellowship         | 157,418          | 145,177   |
|   | <b>7,693,586</b> | 7,081,616 |

**St. Mary's Hospital Foundation**  
**Notes to the financial statements**  
 March 31, 2017

**9. Externally restricted**

|  | 2017             | 2016             |
|--|------------------|------------------|
|  | \$               | \$               |
| Campus Development Project             | 6,163,221        | 5,723,816        |
| Disbursable Endowment Interest         | 758,391          | 589,872          |
| Medicine                               | 527,018          | 522,006          |
| Cancer Care Program                    | 455,859          | 340,990          |
| Professional Advancement               | 215,774          | 218,139          |
| Orthopedic Fellowship                  | 131,884          | 120,887          |
| Women's Health and Wellness Initiative | 130,183          | 148,788          |
| Heart & Stroke                         | 114,819          | 116,930          |
| Other                                  | 832,887          | 723,831          |
|  | <b>9,330,036</b> | <b>8,505,259</b> |

**10. Pledges receivable, but not recognized in the financial statements**

At year-end, the Foundation had pledges receivable totalling \$7,679,480, which are receivable up to 2026 as follows:

|            | \$        |
|------------|-----------|
| 2018       | 2,159,830 |
| Thereafter | 5,519,650 |

**11. Pledges payable, but not recognized in the financial statements**

At year-end, the Foundation's outstanding pledges to the Hospital were as follows:

|   | \$               |
|---|------------------|
| NQSIP Implementation                                    | 217,794          |
| 5 <sup>th</sup> Floor In-Patient Cancer Care Renovation | 2,386,831        |
| Women's Health Initiative                               | 29,750           |
| McGill Chair  | 235,000          |
| Rosby Cancer Network                                    | 2,700,000        |
| Medical research, support and grants                    | 1,105,000        |
|   | <u>6,674,375</u> |

The timing of disbursement of these pledges will depend on the timing of the Hospital's execution of its plans in these areas and subject to the cash availability of the Foundation. In addition, the Foundation has pledged up to \$10,000,000 related to the West Wing Expansion project, should it occur. The exact amount to be disbursed may vary from the amount pledged.

## **12. Financial instruments**

### *Credit risk*

The Foundation is exposed to credit risk to the extent that its donors and debtors may experience financial difficulty and would be unable to meet their obligations. However, the Foundation has a large number of diverse donors and debtors, which minimizes concentration of credit risk.

### *Liquidity risk*

The Foundation's objective is to have sufficient liquidity to meet its liabilities when due. The Foundation monitors its cash balances and cash flows generated from operations to meet its requirements. As at March 31, 2017, the most significant financial liabilities are accounts payable and accruals and due to St. Mary's Hospital Center.

## **13. Comparative information**

Certain prior comparative information has been reclassified to conform to the current year's presentation.

**St. Mary's Hospital Foundation**  
**Schedule of donations made to St. Mary's Hospital Center**  
Year ended March 31, 2017

|  | 2017             | 2016             |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>From restricted funds</b>           |                  |                  |
| Cancer care                            | 226,025          | 165,788          |
| Medicine                               | 17,621           | 15,078           |
| Pharmacy fund                          | 9,036            | 43,375           |
| Professional advancement               | 40,175           | 44,520           |
| Psychiatry                             | 3,100            | —                |
| Renal dialysis                         | 529              | 4,765            |
| Ophthalmology                          | 7,445            | 9,735            |
| Intensive care unit                    | —                | 2,152            |
| Geriatrics                             | 750              | 893              |
| Family Medicine                        | 961              | 500              |
| Clinical teaching unit – 5 south       | 4,689            | 7,571            |
| Other projects – outside events        | 159,936          | 1,017            |
| Diabetic clinic                        | 4,200            | 700              |
| Women's Health and Wellness Initiative | 25,000           | —                |
|  | <b>499,467</b>   | <b>296,094</b>   |
| <b>From unrestricted general funds</b> |                  |                  |
| Medical research, support and grants   | 1,515,150        | 2,150,000        |
|  | <b>1,515,150</b> | <b>2,150,000</b> |
|  | <b>2,014,617</b> | <b>2,446,094</b> |