

**ALMONTE GENERAL  
HOSPITAL FOUNDATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2019**

Independent Auditor's Report  
Statement of Financial Position  
Statement of Changes in Net Assets  
Statement of Operations  
Statement of Cash Flows  
Notes to the Financial Statements



# KELLY HUIBERS McNEELY

PROFESSIONAL CORPORATION

## INDEPENDENT AUDITOR'S REPORT

To the Board of  
Almonte General Hospital Foundation

### Qualified Opinion

We have audited the accompanying financial statements of Almonte General Hospital Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2019, and the statements of changes in net assets, operations 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 paragraph, the financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

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 the 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 opinion.

In common with many not-for-profit organizations, the Foundation derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, deficiency of revenue over expenditures, and cash flows from operations for the years ended March 31, 2019 and 2018, current assets as at March 31, 2019 and 2018, and net assets as at the beginning and the end of the years ended March 31, 2019 and 2018. Our audit opinion on the financial statements for the year ended March 31, 2018 was also qualified because of the possible effects of this limitation in scope.

### Responsibilities of Management and Those Charged with Governance 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.

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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.

*Kelly Huibers McNeely*  
*Professional Corporation*

Carleton Place, Ontario  
June 27, 2019

Authorized to practise public accounting by  
The Chartered Professional Accountants of Ontario


# ALMONTE GENERAL HOSPITAL FOUNDATION

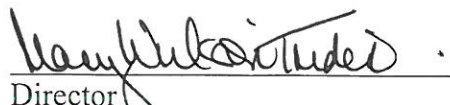
## STATEMENT OF FINANCIAL POSITION

As at March 31, 2019

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 343,421	\$ 56,701
Investments (note 3)	434,807	343,142
Donation receivable	55,750	70,000
Prepaid expenses	13,542	960
	<b>\$ 847,520</b>	<b>\$ 470,803</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 10,997	\$ 3,000
Deferred revenue	13,110	15,588
Due to Almonte General Hospital	<u>214,290</u>	<u>33,590</u>
	<u>238,397</u>	<u>52,178</u>
<b>NET ASSETS</b>		
Unrestricted	10,327	21,478
Externally restricted (note 4)	<u>598,796</u>	<u>397,147</u>
	<u>609,123</u>	<u>418,625</u>
	<b>\$ 847,520</b>	<b>\$ 470,803</b>

APPROVED BY THE BOARD

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

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

ALMONTE GENERAL HOSPITAL FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2019

	Unrestricted	Externally Restricted	2019 Total	2018 Total
NET ASSETS				
- BEGINNING OF YEAR	\$ 21,478	\$ 397,147	\$ 418,625	\$ 524,690
Excess (deficiency) of revenue over expenditures	(11,151)	201,649	190,498	(106,065)
NET ASSETS - END OF YEAR	\$ 10,327	\$ 598,796	\$ 609,123	\$ 418,625

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



# ALMONTE GENERAL HOSPITAL FOUNDATION

## STATEMENT OF OPERATIONS

For the year ended March 31, 2019

	2019	2018
REVENUE		
Donations and fundraising	\$ 1,029,177	\$ 757,346
Investment income	<u>5,079</u>	<u>4,405</u>
	<u>1,034,256</u>	<u>761,751</u>
EXPENDITURES		
Bank charges	4,990	3,465
Consulting and professional fees	19,056	7,031
Fundraising, advertising and recognition	151,793	75,566
Information technology	3,748	3,676
Office	6,404	5,021
Salaries and benefits	223,765	204,700
Special events	<u>55,037</u>	<u>20,664</u>
	<u>464,793</u>	<u>320,123</u>
OPERATING INCOME	569,463	441,628
GRANT TO ALMONTE GENERAL HOSPITAL	378,965	547,693
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ 190,498</u>	<u>\$ (106,065)</u>

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

ALMONTE GENERAL HOSPITAL FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended March 31, 2019

	2019	2018
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ 190,498	\$ (106,065)
Net change in non-cash working capital items:		
Donation receivable	14,250	(70,000)
Prepaid expenses	(12,582)	2,547
Accounts payable and accrued liabilities	7,997	-
Deferred revenue	(2,478)	(10,923)
Due to Almonte General Hospital	<u>180,700</u>	<u>(5,897)</u>
	378,385	(190,338)
INVESTING ACTIVITIES		
Change in investments, net, including unrealized gains	<u>(91,665)</u>	<u>24,526</u>
CHANGE IN CASH	286,720	(165,812)
CASH - BEGINNING OF YEAR	56,701	222,513
CASH - END OF YEAR	<u>\$ 343,421</u>	<u>\$ 56,701</u>

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

# ALMONTE GENERAL HOSPITAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2019

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### 1. PURPOSE OF THE FOUNDATION

The Almonte General Hospital Foundation ("the Foundation") was incorporated on March 23, 2001 without share capital under the laws of Ontario. It is a registered charity under the laws of the Income Tax Act.

The purpose of the Foundation is to raise money for projects and equipment for the Almonte General Hospital.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The principal accounting policies of the Foundation are summarized as follows:

#### Revenue Recognition

The Foundation follows the deferral method of accounting. Donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Fundraising revenue is recognized as revenue in the period in which the related event has occurred provided the amount has been received or the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Investments

Investments are recorded at fair value with changes in the market value being recorded as part of investment income in the Statement of Operations.

#### Accounting Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenditures during the reporting periods. Actual results could differ from these estimates.



# ALMONTE GENERAL HOSPITAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2019

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

#### Contributed Services

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

### 3. INVESTMENTS

	2019	2018
Cash held with broker	\$ 65,017	\$ 4,442
Mutual funds - investment savings accounts	369,790	297,700
Guaranteed investment certificate with interest at Prime less 2.6% and matured March 28, 2019	-	41,000
	<u>\$ 434,807</u>	<u>\$ 343,142</u>

### 4. EXTERNALLY RESTRICTED NET ASSETS

Externally restricted net assets reflect the value of designated donations which have not been distributed to the Hospital as at the end of the year.

### 5. FINANCIAL INSTRUMENTS

The Foundation's financial instruments consist of cash, investments, donation receivable, accounts payable and accrued liabilities and amount due to Almonte General Hospital. It is Management's opinion that, unless otherwise stated, the fair value of these instruments is not materially different than their cost and that the Foundation is not exposed to significant interest rate, market or credit risk.

### 6. COMPARATIVE FIGURES

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