

**Brockville and District Hospital Foundation**  
**Financial Statements**  
*March 31, 2025*

# Brockville and District Hospital Foundation

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For the year ended March 31, 2025

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To the Board of Directors of Brockville and District Hospital Foundation:

### Qualified Opinion

We have audited the financial statements of Brockville and District Hospital Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in net assets, cash flows and the related schedule 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, 2025, 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

In common with many charitable 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 unrestricted contributions, excess of revenue over expenses and cash flows from operations for the years ended March 31, 2025 and 2024, current assets and deferred contributions as at March 31, 2025 and 2024, and net assets as at April 1 and March 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in 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 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 qualified opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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.

Brockville, Ontario

May 27, 2025

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants


**MNP**


**Brockville and District Hospital Foundation**  
**Statement of Financial Position**

*As at March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
<b>Current</b>		
Cash	8,919,789	10,817,802
Accrued receivables	23,336	44,998
Harmonized sales tax recoverable	12,629	13,588
Current portion of government funding receivable (Note 4)	212,500	212,500
Current portion of promissory notes receivable (Note 5)	50,000	25,000
Short-term guaranteed investment certificates (Note 6)	1,129,231	2,148,226
Prepaid expenses	5,885	52,386
	<b>10,353,370</b>	<b>13,314,500</b>
<b>Government funding receivable (Note 4)</b>	<b>850,000</b>	<b>1,062,500</b>
<b>Long-term guaranteed investment certificates (Note 6)</b>	<b>3,000,000</b>	<b>4,000,000</b>
<b>Promissory notes receivable (Note 5)</b>	<b>-</b>	<b>50,000</b>
<b>Implementation of software services (Note 7)</b>	<b>53,360</b>	<b>-</b>
<b>Tangible capital assets (Note 8)</b>	<b>43,917</b>	<b>74</b>
	<b>14,300,647</b>	<b>18,427,074</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 9)	1,799,136	1,060,633
Deferred contributions for donor recognition costs (Note 10)	-	11,150
	<b>1,799,136</b>	<b>1,071,783</b>
<b>Deferred contributions for future expenditures of Brockville General Hospital (Note 11)</b>	<b>4,510,185</b>	<b>9,606,868</b>
	<b>6,309,321</b>	<b>10,678,651</b>
<b>Net Assets</b>		
Investment in tangible capital assets	43,917	74
Internally restricted for palliative care expenditures of Brockville General Hospital	600,703	600,703
Internally restricted for equipment expenditures of Brockville General Hospital	806,391	806,391
Externally restricted endowments	127,439	125,905
Unrestricted	6,412,876	6,215,350
	<b>7,991,326</b>	<b>7,748,423</b>
	<b>14,300,647</b>	<b>18,427,074</b>

Approved on behalf of the Board of Directors

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

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

# Brockville and District Hospital Foundation

## Statement of Operations

*For the year ended March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Revenue</b>		
Recognition of deferred contributions for Brockville General Hospital donations <i>(Note 11)</i>	<b>8,497,000</b>	3,597,868
Unrestricted contributions	<b>294,292</b>	344,279
Recognition of deferred contributions for fundraising expenses <i>(Note 11)</i>	<b>184,464</b>	124,589
Government funding	<b>10,456</b>	-
<b>Total revenue</b>	<b>8,986,212</b>	4,066,736
<b>Donations to Brockville General Hospital</b> <i>(Schedule 1)</i>	<b>8,497,000</b>	3,597,868
<b>Administrative</b>		
Salaries, employee benefits and contract services	<b>489,751</b>	436,204
Professional fees	<b>96,256</b>	59,933
Office expenses, supplies and telephone	<b>44,852</b>	31,984
Bank charges and payroll service costs	<b>21,785</b>	19,742
Board and staff travel, education, and meetings	<b>10,252</b>	5,453
Miscellaneous	<b>6,243</b>	3,162
Amortization of tangible capital assets	<b>818</b>	209
Directors' and officers' liability insurance	-	4,812
	<b>669,957</b>	561,499
<b>Fundraising</b>		
Fundraising activities	<b>113,893</b>	137,698
Donor recognition	<b>77,581</b>	6,606
Advertising	<b>31,466</b>	29,753
Direct and allocated contract services	<b>5,250</b>	11,874
	<b>228,190</b>	185,931
<b>Total expenses</b>	<b>9,395,147</b>	4,345,298
<b>Deficiency of revenue over expenses before investment income (expenses)</b>	<b>(408,935)</b>	(278,562)
<b>Investment income (expenses)</b>		
Interest and dividends	<b>653,627</b>	759,324
Realized losses on investments	<b>(1,789)</b>	(3,444)
	<b>651,838</b>	755,880
<b>Excess of revenue over expenses</b>	<b>242,903</b>	477,318

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

**Brockville and District Hospital Foundation**  
**Statement of Changes in Net Assets**

*For the year ended March 31, 2025*

	<i>Investment in tangible capital assets</i>	<i>Internally restricted - Palliative care</i>	<i>Internally restricted - Equipment</i>	<i>Externally restricted endowments</i>	<i>Unrestricted</i>	<b>2025</b>	<b>2024</b>
<b>Balance, beginning of year</b>	74	600,703	806,391	125,905	6,215,350	7,748,423	7,271,105
<b>Excess of revenue over expenses</b>	(818)	-	-	1,534	242,187	242,903	477,318
<b>Transfers (Note 12)</b>	44,661	-	-	-	(44,661)	-	-
<b>Net assets, end of year</b>	43,917	600,703	806,391	127,439	6,412,876	7,991,326	7,748,423

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

# Brockville and District Hospital Foundation

## Statement of Cash Flows

*For the year ended March 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	242,903	477,318
Realized losses on investments	1,789	3,444
Change in accrued interest on guaranteed investment certificates	88,995	39,514
Deferred contributions for future expenditures of Brockville General Hospital recognized as revenue	(8,670,164)	(3,722,457)
Amortization of tangible capital assets	818	209
Purchase of implementation activities for software services	(53,360)	-
	<b>(8,389,019)</b>	<b>(3,201,972)</b>
Changes in working capital accounts		
Accrued receivables	21,662	(33,528)
Harmonized sales tax recoverable	959	(2,002)
Prepaid expenses	46,501	(45,058)
Government funding receivable	212,500	212,500
Accounts payable and accrued liabilities	738,503	549,385
Deferred contributions for donor recognition costs	(11,150)	-
	<b>(7,380,044)</b>	<b>(2,520,675)</b>
<b>Financing</b>		
Contributions received for future expenditures of Brockville General Hospital	3,567,345	5,672,617
<b>Investing</b>		
Purchase of tangible capital assets	(44,661)	-
Purchase of guaranteed investment certificates	(20,000)	(4,000,000)
Proceeds on disposal of guaranteed investment certificates	1,950,000	8,950,000
Advances of promissory notes receivable	-	(25,000)
Repayment of promissory notes receivable	25,000	-
Proceeds on disposal of investments held by investment custodians	4,347	2,970
	<b>1,914,686</b>	<b>4,927,970</b>
<b>Increase (decrease) in cash resources</b>	<b>(1,898,013)</b>	<b>8,079,912</b>
<b>Cash resources, beginning of year</b>	<b>10,817,802</b>	<b>2,737,890</b>
<b>Cash resources, end of year</b>	<b>8,919,789</b>	<b>10,817,802</b>

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

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

For the year ended March 31, 2025

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### 1. Incorporation and nature of the organization

Brockville and District Hospital Foundation was incorporated without share capital under the laws of the Corporations Act (Ontario) and is a non-profit corporation established for the purpose of receiving and maintaining a fund or funds and applying all or part of the principal and income therefrom to or for the benefit of Brockville General Hospital or such other charitable organizations registered under the Income Tax Act which, in the judgement of the Foundation's directors, will enhance or improve medical research and education or will otherwise advance the purpose of the Brockville General Hospital.

The Foundation is a registered charity under the Income Tax Act and is exempt from income taxes, provided certain requirements of the income tax act are met. In the opinion of management these requirements have been met.

### 2. Change in accounting policies

#### ***Customer's accounting for cloud computing arrangements***

Effective April 1, 2024, the Foundation adopted the new guideline AcG-20 *Customer's Accounting for Cloud Computing Arrangements*. Applying the new guideline results in the recognition, measurement, and disclosure of cloud computing arrangements, including the allocation of the arrangement consideration to significant separable elements of cloud computing arrangement.

There was no material impact on the financial statements from the application of the new accounting guideline.

### 3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board of Canada and include the following significant accounting policies:

#### ***Revenue recognition***

The Foundation follows the deferral method of accounting for contributions, which include donations, fundraising proceeds, grants and government funding.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are recognized. Related expenses include donations to Brockville General Hospital and other charitable organizations.

Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is comprised of interest, realized gains and losses on the sale of investments and unrealized gains and losses on investments. Investment income is recognized on an accrual basis and unrealized gains and losses are accrued on investments owned at year end.

#### ***Promissory notes receivable***

Promissory notes receivable are accounted for at amortized cost using the effective interest rate method.

#### ***Cash and cash equivalents***

Cash is comprised of cash on hand and balances with banks.

#### ***Customer's accounting for cloud computing arrangement***

Software services expensed in the current year total \$36,725 (2024 - \$23,466). These expenses have been recognized in office expenses, supplies and telephone expense.

Expenditures that are directly attributable to implementing the software service are capitalized to implementation of software services and will expensed over the expected period of use of three years once the implementation is completed..

**Brockville and District Hospital Foundation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2025*

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3. **Significant accounting policies** *(Continued from previous page)*

***Tangible capital assets***

Purchased tangible capital assets are recorded at acquisition cost. Amortization is provided using the straight-line method at rates intended to amortize assets over their estimated useful lives using the following annual rates:

Computer hardware and software	20 %
Other equipment and furniture	5% to 6.67 %
Leasehold improvements	10 years

***Long-lived assets***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policy.

The Foundation writes down long-lived assets held for use when conditions indicate that the asset no longer has any long-term service potential to the Foundation. The assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Foundation determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

***Contributed materials and services***

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Foundation's operations and would otherwise have been purchased.

Volunteers contribute a substantial amount of hours each year to assist the Foundation in carrying out its activities. Due to the difficulty in determining the fair value of these services, volunteer services are not recognized in the financial statements.

Brockville General Hospital provides office space and certain administrative services at no charge to the Foundation. Due to the difficulty in determining the fair value of these services, the expenses are not recognized in the financial statements.

There were contributed materials and services of \$27,267 recognized in the 2025 fiscal year (2024 - \$11,235).

***Allocation of expenses***

The Foundation engages in fundraising programs. The costs of each program include the costs of personnel and other expenses that are directly related to providing the program. The Foundation also incurs a number of general support expenses that are common to the administration of the Foundation and each of its programs.

The Foundation allocates certain general support expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Corporate governance and general management expenses are not allocated, but personnel costs are allocated based on the hours spent on the specific fundraising programs.

***Foreign currency translation***

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the year end date and non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenue and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in excess of revenue over expenses.

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

For the year ended March 31, 2025

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### 3. Significant accounting policies (Continued from previous page)

#### **Measurement uncertainty (use of 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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. The recognition of deferred contributions is based on management's interpretation of external restrictions imposed by donors and contributors.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the years in which they become known.

#### **Financial instruments**

The Foundation recognizes financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument.

#### **Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Foundation may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Foundation has not made such an election during the year.

The Foundation subsequently measures all financial assets and liabilities at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

#### **Financial asset impairment**

The Foundation assesses impairment of all its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty; or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Foundation reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Foundation reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

### 4. Government funding receivable

The Foundation signed a funding agreement with the United Counties of Leeds and Grenville in the fiscal year ended March 31, 2021 for \$2,125,000 and received the fifth instalment of \$212,500 during the year. The remaining \$1,062,500 is scheduled to be received in annual instalments of \$212,500 over the next five years.

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## Brockville and District Hospital Foundation Notes to the Financial Statements

For the year ended March 31, 2025

### 5. Promissory notes receivable

The promissory notes receivable are non-interest bearing, repayable in full within five years of the original issue and are due to be collected in \$25,000 repayments. These terms are contingent on the continued employment of the borrowers. If the borrower ends employment with the Brockville General Hospital within two years, the loan becomes due immediately with interest at a rate of prime plus 2% from the time of initial advance.

### 6. Guaranteed investment certificates

	2025	2024
Redeemable guaranteed investment certificates with interest rates ranging from 4.10% to 5.49% and maturity dates ranging from June 2025 to November 2027 (2024 - interest rates of 3.71% to 5.65%, maturity dates of May 2024 to November 2027)	4,020,000	5,650,000
Non-redeemable guaranteed investment certificate. Matured April 2024.	-	300,000
Accrued interest	109,231	198,226
	4,129,231	6,148,226
Less long term portion	(3,000,000)	(4,000,000)
	1,129,231	2,148,226

### 7. Implementation of software services

	2025	2024
<b>Expenditures on Implementation Activities</b>		
Directly attributable expenditures on implementation activities for Salesforce CRM.	53,360	-

The implementation of software services was not complete as at March 31, 2025. As such, no portion of directly attributable expenditures on implementation activities were expensed during the year.

### 8. Tangible capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer hardware and software	9,232	9,232	-	-
Other equipment and furniture	10,470	5,598	4,872	74
Leasehold improvements	39,707	662	39,045	-
	59,409	15,492	43,917	74

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

*For the year ended March 31, 2025*

### 9. Accounts payable and accrued liabilities

	2025	2024
Due to Brockville General Hospital	1,748,812	1,013,818
Trade payables and accrued liabilities	50,324	46,815
	1,799,136	1,060,633

### 10. Deferred contributions for donor recognition costs

Deferred contributions for donor recognition costs represent unspent externally restricted donations for donor recognition at the Brockville General Hospital's Phase II Redevelopment Project, which were utilized during the year.

### 11. Deferred contributions for future expenditures of Brockville General Hospital

Deferred contributions for future expenditures of Brockville General Hospital represent unspent externally restricted donations, bequests and fundraising proceeds for specific future expenditures of Brockville General Hospital as summarized in the schedule to the financial statements.

	2025	2024
Balance, beginning of year	9,606,868	7,650,294
Externally restricted contributions received	3,567,345	5,672,617
Allocation of investment return on endowment fund (note 13)	6,136	6,414
Amount recognized as revenue based on donations to Brockville General Hospital	(8,497,000)	(3,597,868)
Amount recognized as revenue based on fundraising expenses	(173,164)	(124,589)
	4,510,185	9,606,868

### 12. Restrictions on net assets

Internally restricted net assets are accumulated for purposes as identified by the Board of Directors. During the year transfers were approved of \$44,661 (2024 - \$259,124) from unrestricted net assets to internally restricted net assets. Internally restricted funds are not available for other purposes without approval of the Board of Directors.

### 13. Externally restricted endowments

	2025	2024
E.B. Connell education endowment	120,741	119,207
Other endowment	6,698	6,698
	127,439	125,905

The externally imposed restrictions on the E.B. Connell education endowment are as follows:

- i) the principal is to be maintained intact;
- ii) 20% of the annual investment return is to be added to the principal each year; and
- iii) 80% of the annual investment return is to be used, upon request by the Brockville General Hospital, to provide financial assistance for educational purposes pursuant to an agreement between the donor and Brockville General Hospital. As at March 31, 2025 the funds available to provide financial assistance for educational purposes totaled \$66,479 (2024 - \$50,343) and are included in deferred contributions.

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

For the year ended March 31, 2025

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### 14. Financial instruments

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### ***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Foundation is exposed to interest rate cash flow risk with respect to its cash and cash resources which earn interest at a rate which fluctuates with bank prime. The Foundation is exposed to interest rate price risk on its promissory notes receivable and guaranteed investment certificates as they are at fixed rates.

The Foundation manages its interest rate exposure of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. The Foundation's primary objectives with respect to its fixed income investments is to ensure the security of principal amounts invested, provide for a high degree of liquidity and achieve a satisfactory investment return.

#### ***Liquidity risk***

Liquidity risk is the risk that the Foundation will not be able to meet a demand for cash or fund its obligations as they come due. The Foundation meets its liquidity requirements by monitoring its cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

**Brockville and District Hospital Foundation**  
**Schedule 1 - Schedule of Changes in Deferred Contributions**

*For the year ended March 31, 2025*

<b>Year ended March 31, 2025</b>	<i>Specific Equipment</i>	<i>Urgent Equipment and Programs</i>	<i>Cardiac Equipment</i>	<i>Palliative Care</i>	<i>Education</i>	<i>Total</i>
Balance, beginning of year	357,834	5,747,565	134,124	3,317,002	50,343	9,606,868
Externally restricted contributions received	1,437,459	1,296,535	4,777	818,574	10,000	3,567,345
Investment return on endowment	-	-	-	-	6,136	6,136
Amount recognized as revenue based on donations to Brockville General Hospital	(808,317)	(6,748,223)	-	(940,460)	-	(8,497,000)
Amount recognized as revenue based on fundraising expenses	(24,180)	(66,431)	-	(82,553)	-	(173,164)
<b>Balance, end of year</b>	<b>962,796</b>	<b>229,446</b>	<b>138,901</b>	<b>3,112,563</b>	<b>66,479</b>	<b>4,510,185</b>

<b>Year ended March 31, 2024</b>	<i>Specific Equipment</i>	<i>Urgent Equipment and Programs</i>	<i>Cardiac Equipment</i>	<i>Palliative Care</i>	<i>Education</i>	<i>Total</i>
Balance, beginning of year	283,823	4,043,107	142,020	3,143,915	37,429	7,650,294
Externally restricted contributions received	112,146	4,437,484	5,350	1,111,137	6,500	5,672,617
Investment return on endowment	-	-	-	-	6,414	6,414
Amount recognized as revenue based on donations to Brockville General Hospital	(38,135)	(2,699,487)	(13,246)	(847,000)	-	(3,597,868)
Amount recognized as revenue based on fundraising expenses	-	(33,539)	-	(91,050)	-	(124,589)
<b>Balance, end of year</b>	<b>357,834</b>	<b>5,747,565</b>	<b>134,124</b>	<b>3,317,002</b>	<b>50,343</b>	<b>9,606,868</b>