

**Brockville and District Hospital Foundation**  
**Financial Statements**  
*March 31, 2024*

# Brockville and District Hospital Foundation Contents

*For the year ended March 31, 2024*

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## Management's Responsibility

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

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed of Directors who are neither management nor employees of the Foundation. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Committee is also responsible for recommending the appointment of the Foundation's external auditors.

MNP LLP is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

May 28, 2024

  
Executive Director

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, 2024, 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, 2024, 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.

## 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 (deficiency) of revenue over expenses and cash flows from operations for the years ended March 31, 2024 and 2023, current assets and deferred contributions as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 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 and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 28, 2024

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

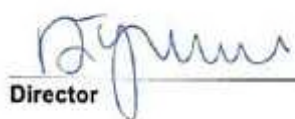
# Brockville and District Hospital Foundation

## Statement of Financial Position

*As at March 31, 2024*

	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash	10,817,802	2,737,890
Accrued receivables	44,998	11,470
Harmonized sales tax recoverable	13,588	11,586
Current portion of government funding receivable (Note 3)	212,500	212,500
Current portion of promissory notes receivable (Note 4)	25,000	50,000
Short-term guaranteed investment certificates (Note 5)	2,148,226	10,837,740
Prepaid expenses	52,386	7,328
	13,314,500	13,868,514
<b>Government funding receivable (Note 3)</b>	<b>1,062,500</b>	<b>1,275,000</b>
<b>Long-term guaranteed investment certificates (Note 5)</b>	<b>4,000,000</b>	<b>300,000</b>
<b>Promissory notes receivable (Note 4)</b>	<b>50,000</b>	<b>-</b>
<b>Capital assets (Note 6)</b>	<b>74</b>	<b>283</b>
	18,427,074	15,443,797
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 7)	1,060,633	511,248
Deferred contributions for donor recognition costs (Note 8)	11,150	11,150
	1,071,783	522,398
<b>Deferred contributions for future expenditures of Brockville General Hospital (Note 9)</b>	<b>9,606,868</b>	<b>7,650,294</b>
	10,678,651	8,172,692
<b>Net Assets</b>		
Investment in capital assets	74	283
Internally restricted for palliative care expenditures of Brockville General Hospital	600,703	600,703
Internally restricted for COVID-19 expenditures of Brockville General Hospital	-	14,148
Internally restricted for equipment expenditures of Brockville General Hospital	806,391	533,119
Externally restricted endowments	125,905	124,302
Unrestricted	6,215,350	5,998,550
	7,748,423	7,271,105
	18,427,074	15,443,797

Approved on behalf of the Board of Directors

  
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 Director

  
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 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, 2024*

	<b>2024</b>	2023
<b>Revenue</b>		
Recognition of deferred contributions for Brockville General Hospital donations <i>(Note 9)</i>	3,597,868	1,449,805
Unrestricted contributions	344,279	433,553
Recognition of deferred contributions for fundraising expenses <i>(Note 9)</i>	124,589	110,501
<b>Total revenue</b>	<b>4,066,736</b>	1,993,859
<b>Donations to Brockville General Hospital</b> <i>(Schedule 1)</i>	<b>3,597,868</b>	1,449,806
<b>Administrative</b>		
Salaries, employee benefits and contract services	436,204	464,610
Professional fees	59,933	119,211
Office expenses, supplies and telephone	31,984	37,764
Bank charges and payroll service costs	19,742	16,020
Board and staff travel, education, and meetings	5,453	9,533
Directors' and officers' liability insurance	4,812	6,232
Miscellaneous	3,162	6,082
Amortization	209	209
Bad debt expense (recovery)	-	(37,500)
	<b>561,499</b>	622,161
<b>Fundraising</b>		
Fundraising activities	137,698	135,288
Advertising	29,753	27,426
Direct and allocated contract services	11,874	11,376
Donor recognition	6,606	1,288
	<b>185,931</b>	175,378
<b>Total expenses</b>	<b>4,345,298</b>	2,247,345
<b>Deficiency of revenue over expenses before investment income (expenses)</b>	<b>(278,562)</b>	(253,486)
<b>Investment income (expenses)</b>		
Interest and dividends	759,324	393,908
Realized losses on investments	(3,444)	(1,274)
	<b>755,880</b>	392,634
<b>Excess of revenue over expenses</b>	<b>477,318</b>	139,148

*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, 2024*

	<i>Investment in capital assets</i>	<i>Internally restricted - Palliative care</i>	<i>Internally restricted - COVID-19</i>	<i>Internally restricted - Equipment</i>	<i>Externally restricted endowments</i>	<i>Unrestricted</i>	<b>2024</b>	<i>2023</i>
<b>Balance, beginning of year</b>	283	600,703	14,148	533,119	124,302	5,998,550	7,271,105	7,131,957
<b>Excess of revenue over expenses</b>	(209)	-	-	-	1,603	475,924	477,318	139,148
<b>Transfers (Note 10)</b>	-	-	(14,148)	273,272	-	(259,124)	-	-
<b>Net assets, end of year</b>	74	600,703	-	806,391	125,905	6,215,350	7,748,423	7,271,105

*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, 2024

	2024	2023
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	477,318	139,148
Realized losses on investments	3,444	1,274
Change in accrued interest on guaranteed investment certificates	39,514	(217,192)
Deferred contributions for future expenditures of Brockville General Hospital recognized as revenues	(3,722,457)	(1,560,306)
Amortization	209	209
	<b>(3,201,972)</b>	<b>(1,636,867)</b>
Changes in working capital accounts		
Accrued receivables	(33,528)	(10,231)
Harmonized sales tax recoverable	(2,002)	(2,117)
Prepaid expenses	(45,058)	(1,096)
Government funding receivable	212,500	212,500
Accounts payable and accrued liabilities	549,385	468,235
	<b>(2,520,675)</b>	<b>(969,576)</b>
<b>Financing</b>		
Contributions received for future expenditures of Brockville General Hospital	5,672,617	2,852,383
<b>Investing</b>		
Purchase of guaranteed investment certificates	(4,000,000)	(33,406,987)
Proceeds on disposal of guaranteed investment certificates	8,950,000	32,506,987
Advances of promissory notes receivable	(25,000)	-
Proceeds on disposal of investments held by investment custodians	2,970	8,695
	<b>4,927,970</b>	<b>(891,305)</b>
<b>Increase in cash resources</b>	<b>8,079,912</b>	<b>991,502</b>
<b>Cash resources, beginning of year</b>	<b>2,737,890</b>	<b>1,746,388</b>
<b>Cash resources, end of year</b>	<b>10,817,802</b>	<b>2,737,890</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, 2024

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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. 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, accounts with banks and cash held by investment custodians.

#### **Capital assets**

Purchased 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 %

#### **Long-lived assets**

Long-lived assets consist of 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.

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

For the year ended March 31, 2024

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

#### **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 \$11,235 recognized in the 2024 fiscal year (2023 - \$9,108).

#### **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.

#### **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 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 its 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 financial instrument at fair value, which it has done for its investments held by investment custodians.

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

*For the year ended March 31, 2024*

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

The Foundation subsequently measures all of its financial assets and financial liabilities at amortized cost except for investments held by investment custodians which are measured at elected fair value determined by reference to published price quotes.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at elected fair value are immediately recognized in the excess of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost

**Financial asset impairment**

The Foundation assesses impairment of all of its financial assets measured at 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.

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 the excess of revenue over expenses in the year the reversal occurs.

**3. 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 fourth instalment of \$212,500 during the year. The remaining \$1,275,000 is scheduled to be received in annual instalments of \$212,500 over the next six years.

**4. 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 in May 2024, October 2025 and June 2028.

**5. Guaranteed investment certificates**

	<b>2024</b>	<b>2023</b>
Redeemable guaranteed investment certificates with interest rates ranging from 3.71% to 5.65% and maturity dates ranging from May 2024 to June 2025 (2023 - interest rates of 3.12% to 5.33%, maturity dates of May 2023 to November 2027)	<b>2,650,000</b>	7,300,000
Cashable guaranteed investment certificate with interest rate of 5.33% and maturity date of November 2027 (2023 - interest rate of 4.21%, maturity date of November 2023)	<b>3,000,000</b>	3,000,000
Non-redeemable guaranteed investment certificate with interest rate of 3.30% and maturity date of April 2024 (2023 - interest rates of 2.62% to 3.30%, maturity dates of April 2023 to April 2024)	<b>300,000</b>	600,000
Accrued interest	<b>198,226</b>	237,740
	<b>6,148,226</b>	11,137,740
Less long-term portion	<b>(4,000,000)</b>	(300,000)
Short-term portion	<b>2,148,226</b>	10,837,740

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

*For the year ended March 31, 2024*

### 6. Capital assets

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2024 Net book value</b>	<b>2023 Net book value</b>
Computer hardware and software	9,232	9,232	-	-
Other equipment and furniture	5,516	5,442	74	283
	<b>14,748</b>	<b>14,674</b>	<b>74</b>	<b>283</b>

Cost and accumulated amortization as at March 31, 2023 was \$14,748 and \$14,465, respectively.

### 7. Accounts payable and accrued liabilities

	<b>2024</b>	<b>2023</b>
Due to Brockville General Hospital	1,013,818	463,602
Trade payables and accrued liabilities	46,815	47,646
	<b>1,060,633</b>	<b>511,248</b>

### 8. 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.

### 9. 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.

Balance, beginning of year	7,650,294	6,355,418
Externally restricted contributions received	5,672,617	2,852,383
Allocation of investment return on endowment fund (Note 11)	6,414	2,799
Amount recognized as revenue based on donations to Brockville General Hospital	(3,597,868)	(1,449,805)
Amount recognized as revenue based on fundraising expenses	(124,589)	(110,501)
	<b>9,606,868</b>	<b>7,650,294</b>

### 10. 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 \$259,124 (2023 - \$299,869) 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.

# Brockville and District Hospital Foundation

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 11. Externally restricted endowments

	<b>2024</b>	2023
E.B. Connell education endowment	<b>119,207</b>	117,604
Other endowment	<b>6,698</b>	6,698
	<b>125,905</b>	124,302

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, 2024 the funds available to provide financial assistance for educational purposes totaled \$50,343 (2023 - \$37,429).

### 12. 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, 2024*

<b>Year ended March 31, 2024</b>	<i>Specific Equipment and Covid-19</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>

Year ended March 31, 2023	<i>Specific Equipment and Covid-19</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	280,491	2,941,852	98,099	3,004,744	30,232	6,355,418
Externally restricted contributions received	38,580	1,802,927	43,921	960,455	6,500	2,852,383
Investment return on endowment	-	-	-	-	2,799	2,799
Amount recognized as revenue based on donations to Brockville General Hospital	(35,248)	(662,455)	-	(750,000)	(2,102)	(1,449,805)
Amount recognized as revenue based on fundraising expenses	-	(39,217)	-	(71,284)	-	(110,501)
<b>Balance, end of year</b>	<b>283,823</b>	<b>4,043,107</b>	<b>142,020</b>	<b>3,143,915</b>	<b>37,429</b>	<b>7,650,294</b>