

The Women's Auxiliary of the Hospital for Sick Children
Statement of Financial Position
As at January 31, 2014

	The 5 Fifty 5 Shop (page 11)	Projects Fund	General Fund	Other Funds (Note 5)	Total 2014	Total 2013
Assets						
Current						
Cash	\$ 270,626	\$ -	\$ 123,221	\$ -	\$ 393,847	\$ 264,495
Short-term investments (Note 3)	150,603	-	93,293	805	244,701	704,850
Interfund balances	-	27,294	-	-	27,294	7,957
Amounts receivable	17,548	-	14,968	-	32,516	14,521
Inventory	121,773	-	-	-	121,773	101,682
Prepaid expenses	1,507	-	-	-	1,507	1,700
	562,057	27,294	231,482	805	821,638	1,095,205
Capital assets (Note 4)	4,027	-	1,450	-	5,477	15,033
	\$ 566,084	\$ 27,294	\$ 232,932	\$ 805	\$ 827,115	\$ 1,110,238

Liabilities

Accounts payable and accrued liabilities	\$ 12,250	\$ -	\$ -	\$ -	\$ 12,250	\$ 5,733
Donations payable	-	-	82,985	-	82,985	321,395
Interfund balances	-	-	27,294	-	27,294	7,957
	12,250	-	110,279	-	122,529	335,085

Fund balances

Invested in capital assets	4,027	-	1,450	-	5,477	15,033
Other	549,807	27,294	121,203	805	699,109	760,120
	553,834	27,294	122,653	805	704,586	775,153
	\$ 566,084	\$ 27,294	\$ 232,932	\$ 805	\$ 827,115	\$ 1,110,238

Commitments (Note 7)

Approved by the Board

Director

Director

The Women's Auxiliary of the Hospital for Sick Children
Statement of Income and Expenses and Changes in Fund Balances
Year ended January 31, 2014

	The 5 Fifty 5 Shop (page 12)	Projects Fund	General Fund	Other Funds (Note 5)	Total 2014	Total 2013
Income						
Excess of income over expenses	\$ 335,950	\$ -	\$ -	\$ -	\$ 335,950	\$ 368,302
Donations	-	424,809	12,640	21,844	459,293	97,715
Investment	-	16,364	12,389	-	28,753	23,212
Life memberships	-	-	-	-	-	350
Membership fees	-	-	3,335	-	3,335	3,715
Other	-	100	10,000	-	10,100	10,038
	335,950	441,273	38,364	21,844	837,431	503,332
Expenses						
Amortization	-	-	2,902	-	2,902	2,986
Audit and legal	-	-	6,573	-	6,573	6,423
HSKF processing fee	-	-	14,790	1,279	16,069	-
Catering and meetings	-	-	75	-	75	194
Professional development	-	-	415	-	415	767
Miscellaneous	-	-	2,407	-	2,407	1,603
Office supplies	-	-	18,231	-	18,231	18,296
	-	-	45,393	1,279	46,672	30,269
Excess of income over expenses (expenses over income) before undernoted	335,950	441,273	(7,029)	20,565	790,759	473,063
Deduct payments to						
Hospital Projects						
General	-	174,242	-	-	174,242	131,734
Special projects	-	22,164	-	-	22,164	32,607
Bravery Beads	-	22,386	-	-	22,386	10,536
Other	-	550	-	-	550	10,600
Urology Chair (Note 7)	-	390,488	-	-	390,488	265,000
Endowment funds	-	237,500	-	13,996	251,496	10,300
	-	847,330	-	13,996	861,326	460,777
Excess of income over expenses (expenses over income)	335,950	(406,057)	(7,029)	6,569	(70,567)	12,286
Interfund transfers (Notes 2 and 6)	(340,000)	427,656	(81,542)	(6,114)	-	-
Net change in fund balances	(4,050)	21,599	(88,571)	455	(70,567)	12,286
Fund balances, beginning of year	557,884	5,695	211,224	350	775,153	762,867
Fund balances, end of year	\$ 553,834	\$ 27,294	\$ 122,653	\$ 805	\$ 704,586	\$ 775,153

The Women's Auxiliary of the Hospital for Sick Children
Statement of Cash Flows
Year ended January 31, 2014

	The 5 Fifty 5 Shop	Projects Fund	General Fund	Other Funds	Total 2014	Total 2013
				(Note 5)		
Cash provided by (used in)						
Operations						
Excess of income over expenses (expenses over income)	\$ 335,950	\$ (406,057)	\$ (7,029)	\$ 6,569	\$ (70,567)	\$ 12,286
Item not affecting cash Amortization	5,050	-	2,902	-	7,952	7,660
	341,000	(406,057)	(4,127)	6,569	(62,615)	19,946
Net changes in non- cash operating assets and liabilities						
Amounts receivable	(10,138)	-	(7,857)	-	(17,995)	15,842
Inventory	(20,091)	-	-	-	(20,091)	3,085
Prepaid expenses	193	-	-	-	193	-
Accounts payable and accrued liabilities	6,517	-	-	-	6,517	(4,071)
Donations payable	-	-	(238,410)	-	(238,410)	321,395
Interfund balances	(2,262)	(31,966)	34,228	-	-	-
	315,219	(438,023)	(216,166)	6,569	(332,401)	356,197
Investing						
Disposal (purchase) of capital assets	-	-	1,604	-	1,604	(3,941)
Purchase of investments	(150,603)	-	-	(455)	(151,058)	(561,908)
Proceeds on sale of investments	261,658	-	349,549	-	611,207	229,544
	111,055	-	351,153	(455)	461,753	(336,305)
Financing						
Interfund transfers	(340,000)	427,656	(81,542)	(6,114)	-	-
Net change in cash	86,274	(10,367)	53,445	-	129,352	19,892
Cash, beginning of year	184,352	-	80,143	-	264,495	244,603
Cash, end of year	\$ 270,626	\$ (10,367)	\$ 133,588	\$ -	\$ 393,847	\$ 264,495

The Women's Auxiliary of the Hospital for Sick Children
Notes to Financial Statements
January 31, 2014

1. PURPOSE OF THE ORGANIZATION

The Women's Auxiliary of the Hospital for Sick Children, Toronto (the "Auxiliary") is a service organization within The Hospital For Sick Children (the "Hospital") which supports and compliments the staff of the Hospital in providing care and concern for the patients and their families. The Auxiliary raises funds to facilitate projects within the Hospital for which funding is lacking.

The Auxiliary is a registered charity which is exempt from income taxes under the Income Tax Act provided certain disbursement requirements are met.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Auxiliary.

Use of Estimates

The preparation of financial statements 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 amount of revenue and expenses during the year. Actual results could differ from those estimates.

Significant estimates are made in respect of the determination of the valuation of amounts receivable and inventory.

Revenue Recognition

The Auxiliary follows the restricted fund method of accounting for donations and endowments. Donation revenue is recognized when received.

Revenue from The 5 Fifty 5 Shop sales is recognized when title to the goods is transferred to customers, the selling price is fixed and determinable and collectibility is reasonably assured.

Investment income is included in income when received or deemed receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Description of the Funds

The 5 Fifty 5 Shop

The 5 Fifty 5 Shop operates a volunteer-run gift shop within the Hospital to generate funds which are primarily allocated to the Projects Fund.

Projects Fund

The Projects Fund receives funds from The 5 Fifty 5 Shop, distributions from the Hospital for Sick Children Foundation (the "Foundation"), endowments held specifically for the Auxiliary, specific donations and fundraising which are to be expended on approved projects within the Hospital.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Description of the Funds (Cont'd)

General Fund

The General Fund records unrestricted donations, membership fees, investment and other income which is used to cover the administration costs of the Auxiliary.

Remembrance Fund

The Remembrance Fund receives specific donations which are expended to fund special approved projects.

Endowment Fund (Note 5)

Contributed Services

Volunteers contribute an undeterminable, but substantial number of hours during the year to assist the Auxiliary in carrying out its mission. Because of the difficulty in determining their fair market value, contributed services are not recognized in these financial statements.

Inventory

Inventory is valued at the lower of cost and net realizable value, with cost determined on the first-in, first-out basis.

Capital Assets

Capital assets are recorded at cost and are amortized on a straight-line basis at the following rates:

Computer equipment	-	5 years
Leasehold improvements	-	10 years

Capital assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Impaired assets are written down to fair value.

The Women's Auxiliary of the Hospital for Sick Children
Notes to Financial Statements
January 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments

The Auxiliary initially measures its financial assets and liabilities at fair value. The Auxiliary subsequently measures its financial assets and financial liabilities at amortized cost using the straight-line method, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of income over expenses.

Financial assets measured at amortized cost include short-term investments, interfund balances and amounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and donations payable.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the excess of income over expenses. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of income over expenses.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of high interest savings accounts and guaranteed investment certificates. The guaranteed investment certificates mature between June, 2014 and December, 2014.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2014	Net 2013
Computer equipment	\$ 70,721	\$ 66,697	\$ 4,024	\$ 10,682
Leasehold improvements	44,616	43,163	1,453	4,351
	\$ 115,337	\$ 109,860	\$ 5,477	\$ 15,033

During the year, the Auxiliary acquired capital assets in the amount of \$Nil (2013 - \$3,941).

The Women's Auxiliary of the Hospital for Sick Children
Notes to Financial Statements
January 31, 2014

5. OTHER FUNDS

Other funds consist of the following:

	Remembrance Fund	Endowment Fund	Total 2014	Total 2013
Fund balances, beginning of year	\$ 350	\$ -	\$ 350	\$ 100
Donations, net	6,569	13,996	20,565	13,805
Interfund transfers	275	-	275	(3,255)
Transferred to the Foundation	(6,389)	(13,996)	(20,385)	(10,300)
Fund balances, end of year	\$ 805	\$ -	\$ 805	\$ 350

The Endowment Fund was established in 2003 to support the work of the Auxiliary for programs with direct benefit to children and their families. Donations received for this Fund and any general donations which are internally restricted for this Fund are transferred to the Foundation to be held as an endowment fund. To date, the total received and transferred to the Foundation for the endowment fund is \$150,708 (2012 - \$140,408).

6. INTERFUND TRANSFERS

	The 5 Fifty 5 Shop	Projects Fund	General Fund	Remembrance Fund
Transfer to Remembrance Fund	\$ -	\$ -	\$ (275)	\$ 275
Transfer for various projects	(340,000)	338,281	1,719	-
Transfer for the Urology Chair project	-	89,375	(82,986)	(6,389)
	\$ (340,000)	\$ 427,656	\$ (81,542)	\$ (6,114)

7. COMMITMENTS

Chair in Urology and Regenerative Medicine

During the year ended January 31, 2009, the Auxiliary entered into a pledge agreement with the Hospital and the Foundation to raise \$2,000,000 over ten years to support the creation of a new Chair in Urology and Regenerative Medicine at the Hospital. The remaining commitment is \$274,355. Contributions to date are as follows:

	2014	2013
Balance, beginning of year	\$ 1,335,157	\$ 1,070,157
Payment from Projects Fund	390,488	265,000
Balance, end of year	\$ 1,725,645	\$ 1,335,157

8. FINANCIAL INSTRUMENTS

Liquidity Risk

Liquidity risk is the risk that the Auxiliary will encounter difficulty in meeting its obligations as they fall due. The Auxiliary manages liquidity risk by continuously monitoring actual and forecast cash flows. The Auxiliary's financial liabilities includes accounts payable and accrued liabilities.

The 5 Fifty 5 Shop
Statement of Financial Position
As at January 31, 2014

	2014	2013
Assets		
Current		
Cash	\$ 270,626	\$ 184,352
Short-term investments	150,603	261,658
Amounts receivable	17,548	7,410
Inventory, at cost	121,773	101,682
Prepaid expenses	1,507	1,700
	562,057	556,802
Capital assets	4,027	9,077
	\$ 566,084	\$ 565,879

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 12,250	\$ 5,733
Interfund balance - due to Women's Auxiliary of the Hospital for Sick Children	-	2,262
	12,250	7,995
Fund balance	553,834	557,884
	\$ 566,084	\$ 565,879

Note:

The 5 Fifty 5 Shop is a facility operated by The Women's Auxiliary of the Hospital for Sick Children, Toronto, Ontario.

CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2014	Net 2013
Computer equipment	\$ 69,192	\$ 65,165	\$ 4,027	\$ 9,077
Leasehold improvements	15,597	15,597	-	-
	\$ 84,789	\$ 80,762	\$ 4,027	\$ 9,077

The 5 Fifty 5 Shop
Statement of Income and Expenses and Changes in Fund Balance
Year ended January 31, 2014

	2014	2013
Sales		
Shop sales	\$ 795,326	\$ 807,991
CareWear sales	-	53,899
Bazaar sales, net	28,205	32,868
	823,531	894,758
Cost of sales		
Opening inventory	101,682	104,767
Purchases	419,645	442,181
	521,327	546,948
Closing inventory	121,773	101,682
	399,554	445,266
Gross margin	423,977	449,492
Expenses		
Amortization	5,050	4,674
Audit	6,180	6,180
Bank and visa charges	9,398	10,379
Cash over/short	841	114
Miscellaneous	2,342	2,710
Postage	444	575
Salaries and benefits	58,074	51,758
Stationery and supplies	9,574	6,572
	91,903	82,962
Net income from operating activities	332,074	366,530
Investment and other income	3,876	1,772
Excess of income over expenses	335,950	368,302
Fund balance, beginning of year	557,884	505,225
Payment to The Women's Auxiliary of the Hospital for Sick Children	(340,000)	(315,643)
Fund balance, end of year	\$ 553,834	\$ 557,884

Note:

The 5 Fifty 5 Shop is a facility operated by The Women's Auxiliary of the Hospital for Sick Children, Toronto, Ontario.