

Financial Statements of

**CHILDREN'S HEALTH FOUNDATION
OF VANCOUVER ISLAND**

Years ended March 31, 2013 and 2012



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INDEPENDENT AUDITORS' REPORT

To the Members of Children's Health Foundation of Vancouver Island

Report on the Financial Statements

We have audited the accompanying financial statements of Children's Health Foundation of Vancouver Island, which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations and changes in fund balances and cash flows for the years ended March 31, 2013 and March 31, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Children's Health Foundation of Vancouver Island as at March 31, 2013, March 31, 2012 and April 1, 2011, and its results of operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

Chartered Accountants

June 26, 2013
Victoria, Canada

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

	General Fund	Restricted Funds	Endowment Fund	March 31, 2013	March 31, 2012	April 1, 2011
				(Schedule 1)	(Schedule 2)	
Assets						
Current assets:						
Cash	\$ 103,610	201,045	-	304,655	421,415	334,934
Accounts receivable	36,476	7,762	-	44,238	346,037	74,373
Prepaid expenses	43,219	8,220	-	51,439	19,197	19,495
	183,305	217,027	-	400,332	786,649	428,802
Investments (note 2)	29,176,889	8,981,987	97,495	38,256,371	35,410,541	37,827,428
Cash surrender value, life insurance policy	38,940	-	-	38,940	36,603	34,262
Capital assets (note 3)	790,070	8,751,116	-	9,541,186	10,099,765	8,030,171
	\$ 30,189,204	17,950,130	97,495	48,236,829	46,333,558	46,320,663
Liabilities						
Current liabilities:						
Payable to Vancouver Island Health Authority	\$ 866,691	-	-	866,691	447,885	383,000
Accounts payable and accrued liabilities (note 4)	193,540	164,936	-	358,476	432,746	481,520
Deferred revenue	-	41,031	-	41,031	33,234	-
	1,060,231	205,967	-	1,266,198	913,865	864,520
Deferred contributions	-	-	-	-	175,076	340,697
	1,060,231	205,967	-	1,266,198	1,088,941	1,205,217
Fund Balances						
Invested in capital assets	790,070	8,751,116	-	9,541,186	10,099,765	8,030,171
Unrestricted	28,338,903	-	-	28,338,903	24,807,368	25,674,676
Internally restricted	-	-	-	-	1,838,946	1,880,408
Externally restricted	-	8,993,047	-	8,993,047	8,401,043	9,432,696
Endowment	-	-	97,495	97,495	97,495	97,495
	29,128,973	17,744,163	97,495	46,970,631	45,244,617	45,115,446
Commitments and contingencies note 5)						
	\$ 30,189,204	17,950,130	97,495	48,236,829	46,333,558	46,320,663

See accompanying notes to financial statements.

Approved by the Board:

 Director

 Director

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Statements of Operations and Changes in Fund Balances

Years ended March 31, 2013 and 2012

	General Fund	Restricted Funds	Endowment Fund	2013	2012
					(Schedule 3)
Revenue:					
Bequests and donations	\$ 1,250,783	\$1,104,999	\$ -	\$ 2,355,782	\$ 2,615,749
Investment income	2,796,954	55,172	-	2,852,126	275,353
Rentals and cost recovery	-	830,678	-	830,678	751,162
	4,047,737	1,990,849	-	6,038,586	3,642,264
Expenses:					
Grants and programs	274,267	1,991,486	-	2,265,753	1,981,209
Amortization of capital assets	26,164	595,038	-	621,202	491,716
Administration	792,560	-	-	792,560	568,200
Donor development	439,827	-	-	439,827	283,870
Investment counsel and management	193,230	-	-	193,230	188,098
	1,726,048	2,586,524	-	4,312,572	3,513,093
Excess (deficiency) of revenue over expenses	2,321,689	(595,675)	-	1,726,014	129,171
Fund balances, beginning of year	25,611,098	19,536,024	97,495	45,244,617	45,115,446
Other interfund transfers (Schedule 4)	1,196,186	(1,196,186)	-	-	-
Fund balances, end of year	\$ 29,128,973	\$17,744,163	\$ 97,495	\$ 46,970,631	\$ 45,244,617

See accompanying notes to financial statements.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Statements of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 1,726,014	\$ 129,171
Add amortization which does not involve cash	621,202	491,716
Unrealized loss (gain) on investments	(1,800,409)	817,767
Changes in non-cash operating working capital:		
Accounts receivable and prepaid expenses	269,557	(271,366)
Current liabilities	352,333	49,346
Deferred contributions	(175,076)	(165,621)
	<u>993,621</u>	<u>1,051,013</u>
Investing activities:		
Additions to capital assets	(62,623)	(2,561,310)
Net decrease (increase) in investments	(1,045,421)	1,599,119
Increase in cash surrender value, life insurance policy	(2,337)	(2,341)
	<u>(1,110,381)</u>	<u>(964,532)</u>
Increase (decrease) in cash	(116,760)	86,481
Cash, beginning of year	421,415	334,934
Cash, end of year	<u>\$ 304,655</u>	<u>\$ 421,415</u>

See accompanying notes to financial statements.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

Children's Health Foundation of Vancouver Island (the "Foundation") is a registered charity under the Income Tax Act and is incorporated under the Society Act (British Columbia). The primary purpose of the Foundation is to raise and invest funds to support the health and well-being of children and youth in need on Vancouver Island and the Gulf Islands. On October 1, 2012, the Foundation's name was changed from Queen Alexandra Foundation for Children to Children's Health Foundation of Vancouver Island.

On April 1, 2012, the Foundation adopted Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO") in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with these standards.

In accordance with the transitional provisions in ASNPO, the Foundation has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying ASNPO.

There were no transitional adjustments to fund balances as at April 1, 2011. The excess of revenue over expenses for the year ended March 31, 2012 decreased by \$817,767 as a result of the transition to ASNPO due to the retrospective change in accounting for unrealized gains or losses on investments. Previously, changes in unrealized gains and losses were recorded as direct increases or decreases in fund balances.

1. Significant accounting policies:

The financial statements of the Foundation have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Fund accounting:

The General Fund includes investment income, bequests, legacies and unspecified donations received for which there are no restrictions attached by the donor and restricted contributions for which there is no applicable restricted fund.

The Endowment Fund includes resources contributed for endowment. Investment income earned on the resources of the Endowment Fund is reported in the appropriate restricted funds.

The Restricted Funds include resources subject to restrictions by the donor and amounts internally restricted by the board of directors.

(i) GR Pearkes Child Development Fund:

This fund is administered by the Foundation and relates to externally restricted funds of the former GR Pearkes Foundation, which was merged with the Foundation.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

1. Significant accounting policies (continued):

(a) Fund accounting (continued):

(ii) Western Communities Centres Fund – West Shore and Sooke:

This fund was established to receive externally restricted donations towards the Western Communities facilities and was used primarily to fund the capital costs of the buildings. As of April 1, 2012, there are separate funds for each location to account for the operation of each facility.

(iii) Jeneece Place Fund:

This fund was established to receive externally restricted donations for the construction and operation of Jeneece Place. The purpose of Jeneece Place is to provide a home away from home for families who have to travel to Victoria for medical care.

(iv) HerWay Home Fund:

This fund was established to receive externally restricted donations towards the creation of HerWay Home and is being used to fund the costs of this program. The HerWay Home program is operated by VIHA. The purpose of HerWay Home is to create a child-focused, women-centered, family-oriented drop-in and outreach program for pregnant women and new moms with substance use challenges and their children.

(v) Special purpose funds:

The Foundation administers funds of special donors in Named Funds. The Named Funds include Lisa Huus and David Mason Scholarship funds, Women's Institute Fund, Lavender Fund, Maude Vantreight, Family First, Hoensen, Dr Hara and Jason Funds and Youth Enrichment Funds. These funds have restrictions by the donors that prescribe the allocation of the resources to specific programs, such as scholarships, child development and education.

During the year, the following funds were established in order to administer funds for programs operated by the Foundation or the Queen Alexandra Centre: Bear Essentials, Community Respite, Equipment, Family Support Services, Orthotics/Prosthetics/Seating, Programs and Summer Camp. A Designated Donor fund was also established to administer funds received from donors that are specifically designated for non-recurring programs or capital assets.

The Foundation established the internally restricted Children's Research Initiatives Fund to support research projects which assist children, youth and their families. This fund was closed during the year and transferred to the General Fund.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

1. Significant accounting policies (continued):

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value and changes in fair value are recognized in excess of revenue over expenses in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Capital assets:

Land:

In 1996 the Foundation recorded the transfer of three parcels of land from the Queen Alexandra Centre for Children's Health (the "Centre"). Two of the parcels are leased to VIHA under restrictive use conditions at \$1 per year for 60 years. Accordingly, the value of these two parcels is nominal and was recorded at an amount of \$1. During 2009 the third parcel was sold. During 2009 the Foundation acquired a fourth parcel of land adjacent to the Centre site and recorded the acquisition at cost.

In 2011 the Foundation entered into an agreement with VIHA which grants a license of occupation of land for the purposes of constructing and operating Jeneece Place. The term of the agreement is for 60 years, subject to various conditions of use.

The remaining land is recorded at cost.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

1. Significant accounting policies (continued):

(c) Capital assets (continued):

Buildings and equipment:

Purchased buildings and equipment are recorded at cost. Assets are amortized over their estimated useful lives using the following methods and rates:

Asset	Basis	Rate
Buildings	straight-line	20 years
Equipment	straight-line	10 years
Computer and office equipment	declining balance	20% to 100%

When a capital asset no longer contributes to the Foundation's ability to provide services its carrying value is written down to its residual value.

(d) Revenue recognition:

The Foundation follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. Restricted contributions for scholarships and bursaries are recognized as revenue in the appropriate restricted fund when received or receivable. Contributions for endowment are recognized as revenue in the Endowment Fund when received or are receivable.

Investment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund. Unrestricted investment income including realized and unrealized gains or losses on investments is recognized as revenue of the General Fund.

Bequests, legacies and unspecified donations are recorded when received by the Foundation.

Rental revenue is recorded on a straight-line basis over the term of the rental agreement as rental services are provided to the tenant.

Donations of life insurance policies are recorded as revenue when the funds are received by the Foundation. The cash surrender value of the life insurance policies and changes in the cash surrender value are recorded for those policies in which the Foundation is the beneficiary. The annual change in the aggregate cash value is recorded in the statement of operations.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

1. Significant accounting policies (continued):

(e) Contributed services and materials:

Volunteers contributed time during the year to assist the Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services and materials are not recognized in the financial statements.

(f) 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 amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Investments:

	March 31, 2013	March 31, 2012	April 1, 2011
Cash and money market securities	\$ 4,229	\$ 135,717	\$ 1,856,992
Fixed income funds	16,830,863	17,001,588	16,206,101
Canadian equity funds	10,766,181	12,609,582	14,161,305
Global and international equity funds	10,655,098	5,663,654	5,603,030
	<u>\$ 38,256,371</u>	<u>\$ 35,410,541</u>	<u>\$ 37,827,428</u>

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

3. Capital assets:

			March 31, 2013
	Cost	Accumulated amortization	Net book value
Western Communities properties:			
Sooke Child Youth and Family Centre:			
Land	\$ 120,000	\$ -	\$ 120,000
Building	2,151,822	968,602	1,183,220
Equipment	36,923	22,738	14,185
	2,308,745	991,340	1,317,405
West Shore Child Youth and Family Centre:			
Land	870,000	-	870,000
Building	6,432,836	2,467,909	3,964,927
Equipment	175,846	125,569	50,277
	7,478,682	2,593,478	4,885,204
Total Western Communities	9,787,427	3,584,818	6,202,609
Jeneece Place:			
Building	2,535,991	147,757	2,388,234
Equipment	181,358	21,085	160,273
	2,717,349	168,842	2,548,507
Total restricted funds	12,504,776	3,753,660	8,751,116
Gordon Head and Queen Alexandra Centre:			
Land	587,501	-	587,501
Buildings	278,277	88,327	189,950
Computer and office equipment	104,728	92,109	12,619
	970,506	180,436	790,070
	\$ 13,475,282	\$ 3,934,096	\$ 9,541,186

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

3. Capital assets (continued):

			March 31, 2012	April 1, 2011
	Cost	Accumulated amortization	Net book value	Net book value
Western Communities properties:				
Sooke Child Youth and Family Centre:				
Land	\$ 120,000	\$ -	\$ 120,000	\$ 120,000
Building	2,151,822	861,011	1,290,811	1,398,402
Equipment	28,227	19,366	8,861	11,684
	2,300,049	880,377	1,419,672	1,530,086
West Shore Child Youth and Family Centre:				
Land	870,000	-	870,000	870,000
Building	6,432,836	2,146,267	4,286,569	4,608,211
Equipment	164,806	108,072	56,734	70,634
	7,467,642	2,254,339	5,213,303	5,548,845
Total Western Communities	9,767,691	3,134,716	6,632,975	7,078,931
Jeneece Place:				
Building	2,510,051	20,957	2,489,094	133,005
Equipment	176,915	2,949	173,966	-
	2,686,966	23,906	2,663,060	133,005
Total restricted funds	12,454,657	3,158,622	9,296,035	7,211,936
Gordon Head and Queen Alexandra Centre:				
Land	587,501	-	587,501	587,501
Buildings	278,277	74,413	203,864	217,778
Computer and office equipment	92,225	79,860	12,365	12,956
	958,003	154,273	803,730	818,235
	\$13,412,660	\$ 3,312,895	\$ 10,099,765	\$ 8,030,171

The Foundation owns real property in four areas of southern Vancouver Island.

The two properties in Sooke and West Shore provide facilities for local community service agencies to deliver services to children, youth and their families in these communities.

Jeneece Place is situated on the grounds of the Victoria General Hospital in the Town of View Royal.

The Gordon Head properties represent the land and buildings of the Queen Alexandra Centre and properties adjacent to the Centre.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$35,144 (2012 - \$17,072), which includes amounts payable for payroll deductions, workers' compensation, and medical service plan premiums.

5. Commitments and contingencies:

(a) The Foundation is committed to future payments under property management agreements. Future minimum management fees under these agreements are as follows:

2014	\$ 121,740
2015	121,740
2016	21,740

(b) The Foundation has entered into a Memorandum of Understanding to provide funding to Her Way Home, a project with the Vancouver Island Health Authority to support the life-long health of children. Estimated funding will be as follows:

2014	\$ 735,000
2015	735,000
2016	441,000
2017	294,000
Provision for carry-over of unused funds	601,303

A funding agreement for the Her Way Home project has not been finalized and may differ from the estimated funding outlined in the Memorandum of Understanding.

(c) In 2002, the Foundation received a \$2,000,000 capital grant from the Ministry of Children and Family Development under the Human Resource Facility Act. The capital funding was provided to assist with the development of child and family services in Sooke and West Shore. The capital funding was used for the construction of facilities in the Western Communities. Based on the restrictions within the Human Resource Facility agreements, if the Western Communities properties are sold or cease to be used for the purpose the funding was provided for, at that time the Ministry may ask for repayment of the assistance based on the current value of the property. Allocation of the capital grant for each property is \$666,000 for Sooke and \$1,334,000 for Wale Road and is included in invested in capital assets.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

6. Employee pension plan:

The Foundation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available later in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. During the year, the Foundation paid \$52,877 (2012 - \$30,629) for employer contributions to the plan.

7. Financial instruments:

(a) Foreign currency risk:

The Foundation holds investments in equities outside of Canada which are subject to foreign exchange risk. At March 31, 2013, the Foundation held foreign investments with a fair value of \$10,655,098 (2012 - \$5,663,654).

(b) Interest rate risk:

The Foundation's exposure to interest rate risk relates to its investments in fixed income funds. The fair value of these funds is directly impacted by changes in interest rates.

(c) Credit risk:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The Foundation manages the risk associated with the concentration of credit risk through its policy of dealing with high credit quality financial institutions. Investments are managed by external advisors in accordance with the Foundation's Investment Policy specifying the required asset mix and minimum required credit ratings of investments within the portfolio.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Years ended March 31, 2013, and 2012

7. Financial instruments (continued):

(d) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.

There has been no change to risk exposures from 2012 related to foreign currency, interest rate, credit or liquidity risks.

QUEEN ALEXANDRA FOUNDATION FOR CHILDREN

Statement of Financial Position

Schedule 1

March 31, 2012

	General Fund	Restricted Funds	Endowment	March 31, 2012
Assets				
Current assets:				
Cash	\$ 206,853	\$ 214,562	\$ -	\$ 421,415
Accounts receivable	339,483	6,554	-	346,037
Prepaid expenses	11,932	7,265	-	19,197
	558,268	228,381	-	786,649
Investments (note 2)	25,146,385	10,166,661	97,495	35,410,541
Cash surrender value, life insurance policy	36,603	-	-	36,603
Capital assets (note 3)	803,730	9,296,035	-	10,099,765
	\$ 26,544,986	\$ 19,691,077	\$ 97,495	\$ 46,333,558
Liabilities				
Current liabilities:				
Payable to Vancouver Island Health Authority	\$ 447,885	\$ -	\$ -	\$ 447,885
Accounts payable and accrued liabilities (note 4)	305,797	126,949	-	432,746
Deferred revenue	5,130	28,104	-	33,234
	758,812	155,053	-	913,865
Deferred contributions	175,076	-	-	175,076
	933,888	155,053	-	1,088,941
Fund Balances				
Invested in capital assets	803,730	9,296,035	-	10,099,765
Unrestricted	24,807,368	-	-	24,807,368
Internally restricted	-	1,838,946	-	1,838,946
Externally restricted	-	8,401,043	-	8,401,043
Endowment	-	-	97,495	97,495
	25,611,098	19,536,023	97,495	45,244,617
	\$ 26,544,986	\$ 19,691,077	\$ 97,495	\$ 46,333,558

See accompanying notes to financial statements.

QUEEN ALEXANDRA FOUNDATION FOR CHILDREN

Statement of Financial Position

Schedule 2

April 1, 2011

	General Fund	Restricted Funds	Endowment	April 1, 2011
Assets				
Current assets:				
Cash	\$ 85,174	\$ 249,760	\$ -	\$ 334,934
Accounts receivable	68,355	6,018	-	74,373
Prepaid expenses	8,180	11,315	-	19,495
	161,709	267,093	-	428,802
Investments (note 2)	26,465,508	11,264,425	97,495	37,827,428
Cash surrender value, life insurance policy	34,262	-	-	34,262
Capital assets (note 3)	818,235	7,211,936	-	8,030,171
	\$ 27,479,714	\$ 18,743,454	\$ 97,495	\$ 46,320,663
Liabilities				
Current liabilities:				
Payable to Vancouver Island Health Authority	\$ 383,000	\$ -	\$ -	\$ 383,000
Accounts payable and accrued liabilities	263,106	218,414	-	481,520
Deferred revenue	-	-	-	-
	646,106	218,414	-	864,520
Deferred contributions	340,697	-	-	340,697
	986,803	218,414	-	1,205,217
Fund Balances				
Invested in capital assets	818,235	7,211,936	-	8,030,171
Unrestricted	25,674,676	-	-	25,674,676
Internally restricted	-	1,880,408	-	1,880,408
Externally restricted	-	9,432,696	-	9,432,696
Endowment	-	-	97,495	97,495
	26,492,911	18,525,040	97,495	45,115,446
	\$ 27,479,714	\$ 18,743,454	\$ 97,495	\$ 46,320,663

See accompanying notes to financial statements.

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Schedule of Operations and Changes in Fund Balances

Schedule 3

Years ended March 31, 2013 and 2012

	2013				2012			
	Total	General Fund	Restricted Funds	Endowment Fund	Total	General Fund	Restricted Funds	Endowment
Revenue:								
Bequests and donations	\$ 2,355,782	\$ 1,250,783	\$ 1,104,999	\$ -	\$ 2,615,749	\$ 1,054,135	\$ 1,561,614	\$ -
Investment income	2,852,126	2,796,954	55,172	-	275,353	269,917	5,436	-
Rentals and cost recovery	830,678	-	830,678	-	751,162	-	751,162	-
	6,038,586	4,047,737	1,990,849	-	3,642,264	1,324,052	2,318,212	-
Expenses:								
Grants and programs	2,265,753	274,267	1,991,486	-	1,981,209	846,189	1,135,020	-
Amortization of capital assets	621,202	26,164	595,038	-	491,716	19,508	472,208	-
Administration	792,560	792,560	-	-	568,200	568,200	-	-
Donor development	439,827	439,827	-	-	283,870	283,870	-	-
Investment counsel and management	193,230	193,230	-	-	188,098	188,098	-	-
	4,312,572	1,726,048	2,586,524	-	3,513,093	1,905,865	1,607,228	-
Excess (deficiency) of revenue over expenses	1,726,014	2,321,689	(595,675)	-	129,171	(581,813)	710,984	-
Fund balances, beginning of year	45,244,617	25,611,098	19,536,024	97,495	45,115,446	26,492,911	18,525,040	97,495
Other interfund transfers	-	1,196,186	(1,196,186)	-	-	(300,000)	300,000	-
Fund balances, end of year	\$ 46,970,631	\$ 29,128,973	\$ 17,744,163	\$ 97,495	\$ 45,244,617	\$ 25,611,098	\$ 19,536,024	\$ 97,495

CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Schedule of Changes in Restricted and Endowment Fund Balances

Schedule 4

Years ended March 31, 2013 and 2012

	Balance beginning of year	Bequests and donations	Investment income allocation	Rentals and cost recovery	Grants and programs	Amortization	Excess (deficiency) of revenue over expenses	Interfund Transfers	Transfer from (to) General Fund	Invested in capital assets	Balance end of year
Restricted											
Internally restricted:											
Children's Research Initiatives Fund	\$ 1,838,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,838,946)	\$ -	\$ -
Externally restricted:											
Named funds											
Family First Fund	53,170	-	3,828	-	-	-	3,828	-	-	-	56,998
Dr. Hara Fund	272,539	-	-	-	-	-	-	-	-	-	272,539
Hoensen Fund	259,610	-	18,692	-	-	-	18,692	-	-	-	278,302
Lisa Huus Scholarship Fund	73,139	690	11,762	-	(8,000)	-	4,452	-	-	-	77,591
Jason Fund	5,607	-	-	-	-	-	-	(5,607)	-	-	-
Lavender Fund	163,521	28,235	-	-	-	-	28,235	-	-	-	191,756
David Mason Scholarship Fund	210,706	-	15,085	-	(2,000)	-	13,085	-	-	-	223,791
Maude Vantreight Fund	59,145	-	4,258	-	-	-	4,258	-	-	-	63,403
Women's Institute Fund	23,339	300	1,547	-	(2,000)	-	(153)	-	-	-	23,186
Youth Enrichment Fund	15,854	-	-	-	-	-	-	(15,854)	-	-	-
Program funds											
Bear Essentials Fund	-	47,317	-	-	(51,963)	-	(4,646)	6,573	-	-	1,927
Community Respite Fund	-	-	-	-	(55,000)	-	(55,000)	-	55,000	-	-
Equipment Fund	-	47,399	-	-	(262,251)	-	(214,852)	-	214,852	-	-
Family Support Services Fund	-	-	-	-	(34,000)	-	(34,000)	-	34,000	-	-
GR Pearkes Child Development Fund	6,122,454	470,068	-	-	(119,000)	-	351,068	-	-	-	6,473,522
HerWay Home Fund	132,323	5,818	-	-	(133,697)	-	(127,879)	-	-	-	4,444
Jeneece Place Fund	880,533	440,352	-	72,563	(308,457)	(144,936)	59,522	5,607	200,000	114,552	1,260,214
Donor Designated Fund	-	7,694	-	-	(17,250)	-	(9,556)	-	12,750	-	3,194
Orthotics / Prosthetics / Seating Fund	-	290	-	-	(180,000)	-	(179,710)	-	179,710	-	-
Programs Fund	-	6,573	-	-	-	-	6,573	(6,573)	-	-	-
Summer Camp	-	50,263	-	-	(45,000)	-	5,263	-	-	-	5,263
Western Communities Centres Fund - Sooke	-	-	-	163,529	(178,753)	(111,139)	(126,363)	-	10,116	102,443	(13,804)
Western Communities Centres Fund - West Shore	129,103	-	-	594,586	(594,115)	(338,963)	(338,492)	-	(47,814)	327,924	70,721
	8,401,043	1,104,999	55,172	830,678	(1,991,486)	(595,038)	(595,675)	-	642,760	544,919	8,993,047
Total restricted	\$ 10,239,989	\$ 1,104,999	\$ 55,172	\$ 830,678	\$ (1,991,486)	\$ (595,038)	\$ (595,675)	\$ -	\$ (1,196,186)	\$ 544,919	\$ 8,993,047
Endowment											
Lisa Huus Endowment Fund	\$ 97,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,495