

Lake of the Woods District Hospital Foundation  
18th Annual General Meeting  
5:00 pm—Super 8 Minis Hall



# *Annual Report* *2010*



# *Annual Report*

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**2009-2010**

*Helping Your Hospital Help You*

## Who is LWDHF?

The Lake of the Woods District Hospital Foundation (LWDHF) was established in 1992 and continues to be the lifeline between our community and our hospital. LWDHF is governed by an eleven member board and has two employees. Within the board are Finance, Publicity, Governance and Executive committees who meet monthly in addition to our monthly board meeting. We are dedicated to raising funds for the purchase of medical equipment and capital infrastructure.

Since our inception, we have transferred over \$13 million to Lake of the Woods District Hospital (LWDH) which was constructed in 1929 and has had many additions over the years. Our hospital currently houses a staff of 480 in addition to the services of 32 doctors and 18 specialists. LWDH serves a catchment population of 25,000 for primary care and 90,000 for secondary specialist care. In the summer months, these numbers increase to over 70,000 and 150,000 respectfully.

The Ontario Ministry of Health and Long Term Care provide on average, 80% of our hospital's operating costs. This limited funding for healthcare increases the financial pressure for our hospital in addition to the fact that none of this funding covers capital expenses. The funds raised by LWDHF allow our hospital to maintain the high level of quality healthcare that their patients expect and appreciate. With medical technology continually advancing and the daily workings of our hospital creating a need to constantly maintain and improve its interior, our cause is ongoing and endless. Without supporters from the community and beyond, the capital needs of our hospital would be unattainable. By working with our community and our hospital, we can continue to move forward together and ensure the quality of healthcare available in our area doesn't suffer-meaning our patients don't suffer.

The support LWDHF receives from our community is remarkable. Our community has embraced us as a partner in working towards providing the best possible healthcare available. We have adopted our hospital as a cause close to our heart which we continue to nurture and support year after year.

Thank you for helping your hospital help you.

## A Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

## Donor Categories

Lake of the Woods District Hospital Foundation takes pride in acknowledging their donors using our website, our Facebook fan page and listing contributors on our donor board found in LWDH's main lobby.

Our Donor Recognition Board celebrates individuals and organizations according to their level of support. The Donor Recognition Board also celebrates any tributes that are established with our charity.

The board is prominently located at the main entrance of the hospital. All donations and tributes are noted on a cumulative basis, since the Foundation's inception in 1992. It is updated annually.

### Lake of the Woods District Hospital Foundation Donor Categories

<b>Friend</b>	<b>\$ 1,000</b>	<b>to</b>	<b>\$ 1,999</b>
<b>Supporter</b>	<b>\$ 2,000</b>	<b>to</b>	<b>\$ 4,999</b>
<b>Associate</b>	<b>\$ 5,000</b>	<b>to</b>	<b>\$ 9,999</b>
<b>Sponsor</b>	<b>\$ 10,000</b>	<b>to</b>	<b>\$ 24,999</b>
<b>Benefactor</b>	<b>\$ 25,000</b>	<b>to</b>	<b>\$ 99,999</b>
<b>Founder</b>	<b>\$ 100,000</b>	<b>to</b>	<b>\$ 249,000</b>
<b>Silver Founder</b>	<b>\$ 250,000</b>	<b>to</b>	<b>\$ 499,999</b>
<b>Gold Founder</b>	<b>\$ 500,000</b>	<b>to</b>	<b>\$ 999,999</b>
<b>Visionary</b>	<b>\$ 1,000,000 plus</b>		

Alternatively, if you wish your donation to remain anonymous, we will ensure that your contribution is kept private.

When significant donations are made to the Hospital Foundation, special arrangements can be made for additional public recognition. We would be pleased to discuss with you the many ways in which we can suitably thank you for your generosity.

## “Helping your Hospital help you”

The generosity of our community allowed LWDHF to transfer nearly **\$750,000** in our last fiscal year. Some of the items purchased with those transfers are as follows:

❖ Folder/Cross Folder for Laundry	\$197,724
❖ PCR Analyzer, Lab	\$ 61,470
❖ Ultra Sonic Washer, Ophthalmology	\$ 22,000
❖ Digital Holter Monitor, EKG	\$ 46,000
❖ Telemedicine System	\$ 37,000
❖ Whirlpool Tub	\$ 33,910
❖ Arthroscopes, OR	\$ 8,206
❖ Capital Infrastructure	\$181,104
❖ Designated Funds (donor specified)	\$ 13,777

LWDH maintains a continuous 5 year capital “wish list”. Some of the priority items for 2010 are:

❖ Restocking Carts/Exchange System	\$ 50,000
❖ Washer/Decontaminator	\$ 35,000
❖ Propac Monitor	\$ 12,500
❖ Harmonic Scalpel	\$ 50,000
❖ Electronic Med Delivery System	\$500,000
❖ Colon scope	\$ 35,000
❖ Gastro scope	\$ 32,000
❖ Digital Mammography	\$750,000

The needs of the hospital are ongoing. LWDH has identified over **\$8.3 million** in capital needs over the next 5 years.

## 2009/2010 Report from the Chair

June 1, 2010

**Lake of the Woods District Hospital Foundation is dedicated to fundraising in partnership with our community to help meet the medical equipment and facility needs of the Lake of the Woods District Hospital.**

The Hospital Foundation transferred close to \$750,000 dollars to the Hospital this year for equipment purchase and infrastructure work, making it the largest annual transfer since the inception of the Foundation, with the exception of our CT Scanner Campaign.

The generosity of citizens, businesses and summer residents in the Hospital's service area never cease to amaze the Foundation Board. Whether attending and supporting one of our numerous events, making a corporate donation or making a personal donation online or through the mail, they all added up to a great year. Every donation large or small helped your Hospital help you! A couple of the much needed purchases this past year were the PCR Analyzer, which will continue to save the hospital money and staff hours as it efficiently checks for any viruses avoiding lengthy admitting delays or the need for isolation of the incoming patient, and the Telemedicine System, which allows doctor/patient consultation over distance eliminating the need for patient travel.

The Foundation had some exciting changes in office staff as well, hiring Jessica Rheault as the Managing Director November 9<sup>th</sup>, 2009. Jess graduated from Red River College in 2001, receiving her Business Administration-Marketing Major Diploma with Honors. Although Jess had no previous fundraising experience her many years in the service industry along with her credentials, have been invaluable in working with our donors and the Board. Jess has learned quickly and has brought many new ideas and initiatives forward. Jess is passionate about the work of the Hospital Foundation and it shows in her enthusiasm and dedication to her job. Add in her bubbly personality and Jess has been a perfect fit for the position of Managing Director of the Hospital Foundation.

Four weeks after taking on the position of Managing Director, Jess went through the hiring process to fill the vacancy for the Executive Assistant position. Jess selected Lindsay Wenaas from the over 45 applicants and she has been a great addition to the Hospital Foundation Team. Lindsay graduated from University in May of 2009 and returned to Kenora in October. Lindsay had spent several hours volunteering for the Hospital Foundation in November prior to the job posting so it was an easy transition to taking on the full time position. Lindsay's creativity and computer skills have already saved considerable money for the Foundation in designing and printing many of our invitations! Jess and Lindsay are a great team and the Board of Directors feel very fortunate to have them working for the Foundation.

The Hospital Foundation has many initiatives underway for the new fiscal year and looks forward to another successful fundraising year where we strive to meet the ongoing and growing needs of our Hospital. Without the great support of such a committed community we would not be able to work on the list of important equipment that is needed to ensure quality healthcare at the Lake of the Woods District Hospital.

I have had the privilege of working with a tremendous board of directors over the past year. Not only are the directors very active in all the fundraising efforts of the Hospital Foundation, but they are committed to continually improving the general operations of the Foundation Board in every way possible. I would like to thank Donna Wallace, Vice Chair, Stephen Lundin and Gordon Horne, co-Treasurers, Claudette Edie, finance committee, Bill Scribilo, Public Relations Committee Chair, Gary Forsyth, PR committee, Nicole Brown, Cathy Linton, our newest director Mitchell Boulette, Community Service Officer, Treaty Three Police, and finally Brent Preston who retired from the Board upon his relocation to Thunder Bay. Your support throughout the year has made my job easy and so rewarding.

Lake of the Woods District Hospital Foundation, "Helping Your Hospital Help You"!

Yours truly,



Thelma Wilkins-Page, Chair

## LWDHF Board of Directors 2009-2010

### **Thelma Wilkins-Page, Chair**

*Worked with Scotiabank for 20 years; Branch Manager for 10 years.*

I was transferred to Kenora 6 years ago as Branch Manager of the Scotiabank. I have 4 children and 6 grandchildren. Two of the kids loved Kenora so much one has since moved here, and one bought vacation property here! Growing up, my Dad encouraged all his kids to take an active role in the community they called home. It has been a very rewarding way to live life! I have been involved with numerous boards over the years in many capacities and the experience I have gained easily transferred to my roles over the past 5 years on the Hospital Foundation Board. I am able to connect with people and communicate the values of an organization to gain their commitment to "give". We are very fortunate to have such a great health care facility in Kenora and it is rewarding to be part of a great board that works hard to "help your hospital help you".

Current Affiliations include: Past President of the Kenora & District Chamber of Commerce, Director: Lake of the Woods Economic Development Commission.

### **Donna Wallace, Vice-Chair**

*Retired, Registered Nurse. St. Joseph's School of Nursing and Management graduate.*

I was born and raised in Kenora and live with my husband Dennis. We have two children and two grandchildren.

I've worked as a General Duty Nurse, a specialist in Operating Room Nursing and an Operating Room Manager. I was a Shift Supervisor of Nursing at the Lake of the Woods District Hospital for five years. My work has taken me from Vancouver to Ottawa. Recently, I taught university nursing students Operating Room Technique in a workplace setting. I can bring to the Foundation the inside realm of the Hospital.

Current affiliations include the Board of Management of the Kenora District Home for the Aged.

### **Gordon Horne, Co-Secretary/Treasurer**

*Retired, Winnipeg Office Managing Partner KPMG. Bachelor of Commerce, University of Manitoba. Chartered Accountant.*

Current and past affiliations include President of the Institute of Chartered Accountants of Manitoba, Fellow of the Institute of Chartered Accountants of Manitoba, Governor of the Canadian Institute of Chartered Accountants, Served on several Institute of Chartered Accountants committees-professional conduct, discipline.

**Stephen Lundin, Co-Secretary/Treasurer**

*Partner of Hook, Seller & Lundin, Kenora.*

Born and raised in Kenora, I obtained a Bachelor of Arts and a Law degree from the University of Manitoba and was called to the bar in 1990. I have practiced law in Kenora since then, mostly in Family Law, Real Estate and Wills & Estates.

My wife, Marie, and I have a daughter and a son. I am active in the community, having coached both girls and boys minor hockey for many years and fishing local bass tournaments with my son.

I have been on the Foundation Board since 2006. I feel my familiarity with Kenora and its citizens and my legal background are assets I bring to the Board.

**Gary Forsyth, Director**

*President/Partner of The Standard Financial Advantage Inc.*

I currently live in Keewatin with my wife Patti.

My schooling consists of graduating from high school in Kenora in 1979, Business Administration diploma in 1984 from SAIT in Calgary and my Bachelor of Arts from Trent University in 1985.

I've been employed by The Guardian Insurance Company in Calgary, Vice-President/partner for The Sutcliffe Associates Ltd., Senior Vice President of Canada Brokerlink, Senior Vice-President of the Western Financial Group and am currently President/partner of the The Standard Financial Advantage Inc.

Over the years community involvement has entailed coaching (baseball/soccer), Board of Little League Baseball, Board of Kenora Construction Association, Board of Chamber of Commerce, Board of NW Ontario Chamber of Commerce, Board of NW Ontario Brokers Association and Board of Insurance Brokers Association of Ontario.

**Bill Scribilo, Director**

*Broker of Record, Owner, Century 21 Reynard Real Estate Ltd.*

I have lived in Kenora all of my life and have always considered myself fortunate to have been able to live and have a career in such a beautiful part of the world.

My wife Michelle and I were married in 1989 and we have two daughters. After graduating from Beaver Brae high school in 1982 I worked in the service industry for 10 years and enjoyed every minute of it. In 1990 I completed the necessary courses to obtain my Real Estate license. I continued with upgrading my license and in 1993 became a Real Estate Broker. In 2000 Michelle and I purchased Century 21 Reynard Real estate and continue to operate that business today.

I have been a director on the Lake of the Woods District Hospital foundation since 2007 and look forward to continuing this work into the future.

**Cathy Linton, Director**

*Retired teacher from Keewatin-Patricia District School Board; Toronto Teachers College, Lakehead University B.A.*

I came to Northwestern Ontario from Toronto to teach elementary school. I've lived and taught in the communities of Minaki, Kenora and Sioux Narrows. After 32 years teaching, I retired to live in Sioux Narrows with my husband, Woody. I continue to be involved in the community, volunteering and supply teaching at the local elementary school. I bring to the Board of Directors the experience and understanding associated with small community living. I realize the need for community connections in the Lake of the Woods Area and availability of high quality healthcare.

Current affiliations include board member on the Sioux Narrows-Nestor Falls Library Board, Sioux Narrows-Nestor Falls Fire Rescue Service Auxiliary, and Lake of the Woods Amateur Radio Society.

**Claudette Edie, Director**

*Certified General Accountant, Accounting Firm Owner*

Having lived in Kenora most of my life, I truly enjoy our city and living with my family 'at the lake'. I receive a lot of support from husband Keith, my two sons and my daughter as well as two stepchildren. My children were involved in hockey and numerous court sports over the years and along with my husband, we have been involved with the Kenora Badminton club for as long as I can remember.

I am a current board member of the Certified General Accountants Association, Thunder Bay Chapter and have been for over ten years as well as the area liaison for our local CGA students since 1988. I am also a former board member of the Lake of the Woods District Hospital.

I worked for several years in industry in Winnipeg and I graduated as a Certified General Accountant in 1983. I moved to Kenora in 1988 and established a public accounting firm offering taxation, accounting, and business consulting services. For many years I also taught accounting, tax and finance courses for CGA in Brandon and at Confederation College in Kenora.

I bring to the Foundation board, my years of accounting knowledge and the experience gained from my finance position with the local Hospital board.

**Nicole Brown, Director**

*Bachelor of Science in Nuclear Medicine at the University of Cincinnati & MBA from the University of Notre Dame.*

I am a recent transplant to Kenora from Chicago, where I worked as a Director of Radiology. My healthcare background is both clinical and administrative.

My administrative strength lies in capital acquisition, equipment life cycle and management, operational efficiencies and improvements, as well as, discovering and developing value added drivers to improve patient care. In my tenure I've served on numerous committees with the same goals, improved patient safety and care. I also worked side-by-side with Philips Healthcare US on a beta program incorporating LEAN methodology and behavioral management. I believe these skills and experiences will be an asset to the Board and the community.

**Mitchell Boulette, Director**

*Community Services Officer, Treaty Three Police Service*

I am a member of Hollow Water First Nation located in Manitoba. I have lived all over western Canada and have now grown to call Kenora my home. Here I achieved my childhood dream of becoming a Police Officer. I am currently the Community Service Officer for the Treaty Three Police Service and have been a Police Officer since January 2004. I am active in the community whether volunteering or participating in Baseball, Volleyball, Hockey and various Golf tournaments. Other events include shaving my head for *Cops for Cancer* and volunteering for security detail for the Olympic torch run. I believe that my friendly demeanor and outgoing personality will assist in being a quality board member.

**Brent Preston, Past Director**

Brent moved to Thunder Bay to manage two radio stations and tendered his resignation from LWDHF Board in December 2009. Although we will miss Brent's contributions as an active director, we wish him success in his new endeavor and offer our congratulations on his great promotion.

*Thank you for your continued support!*

**Lake of the Woods District  
Hospital Foundation  
Financial Statements  
For the year ended March 31, 2010**

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300 - 301 First Avenue S  
Kenora ON P9N 4E9 Canada

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## Auditors' Report

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**To the Chairman and the Members  
Lake of the Woods District Hospital Foundation**

We have audited the statement of financial position of Lake of the Woods District Hospital Foundation as at March 31, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants, Licensed Public Accountants

Kenora, Ontario  
May 14, 2010

**Lake of the Woods District Hospital Foundation  
Statement of Financial Position**

March 31	2010	2009
<b>Assets</b>		
<b>Current</b>		
Cash (Note 1)	\$ 171,484	\$ 770,145
Accounts receivable	1,308	1,761
Prepaid expenses	6,683	-
Current portion of investments (Note 2)	-	158,064
	<u>179,475</u>	<u>929,970</u>
<b>Investments (Note 2)</b>	<b>1,707,470</b>	<b>716,481</b>
<b>Capital assets (Note 3)</b>	<b>11,490</b>	<b>15,860</b>
	<u>\$ 1,898,435</u>	<u>\$ 1,662,311</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 4,500	\$ 4,500
Due to Lake of the Woods District Hospital	282,611	-
	<u>287,111</u>	<u>4,500</u>
<b>Net Assets</b>		
<b>General Fund</b>		
Externally restricted assets	156,019	731,691
Invested in capital assets	11,490	15,860
Unrestricted net assets	935,369	491,875
	<u>1,102,878</u>	<u>1,239,426</u>
<b>Endowment Fund</b>		
Internally restricted funds endowed by the board	508,446	418,385
	<u>1,611,324</u>	<u>1,657,811</u>
	<u>\$ 1,898,435</u>	<u>\$ 1,662,311</u>

On behalf of the Foundation:

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The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**Lake of the Woods District Hospital Foundation  
Statement of Operations**

For the year ended March 31			2010	2009
	General Fund	Endowment Fund	Total	Total
<b>Revenue</b>				
Donations				
General and fundraising	\$ 551,249	\$ 10,997	\$ 562,246	\$ 595,620
Donated goods and services	57,158	-	57,158	45,518
Investment income	35,980	11,994	47,974	60,554
Unrealized gain (loss) on investments	201,209	67,070	268,279	(467,217)
	<b>845,596</b>	<b>90,061</b>	<b>935,657</b>	<b>234,475</b>
<b>Expenditure</b>				
Amortization	4,370	-	4,370	4,370
Audit and legal	4,613	-	4,613	5,661
Bank charges and fees	6,400	-	6,400	10,989
Contract labour	6,084	-	6,084	5,000
Fundraising costs	122,173	-	122,173	101,818
Postage and office	11,992	-	11,992	14,814
Printing and advertising	5,170	-	5,170	8,104
Professional and consulting fees	30	-	30	1,492
Travel and education	632	-	632	473
Wages and benefits	86,517	-	86,517	87,555
	<b>247,981</b>	<b>-</b>	<b>247,981</b>	<b>240,276</b>
<b>Excess of revenue over expenditure (expenditure over revenue) before transfers</b>	<b>597,615</b>	<b>90,061</b>	<b>687,676</b>	<b>(5,801)</b>
Transfers to Lake of the Woods District Hospital	(734,163)	-	(734,163)	(528,656)
<b>Excess of revenue over expenditure (expenditure over revenue) for the year</b>	<b>\$ (136,548)</b>	<b>\$ 90,061</b>	<b>\$ (46,487)</b>	<b>\$ (534,457)</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**Lake of the Woods District Hospital Foundation  
Statement of Changes in Net Assets**

<b>For the year ended March 31</b>	<b>2010</b>			<b>2009</b>
	<b>General Fund</b>	<b>Endowment Fund</b>	<b>Total</b>	<b>Total</b>
<b>Balance, beginning of year</b>	<b>\$ 1,239,426</b>	<b>\$ 418,385</b>	<b>\$ 1,657,811</b>	<b>\$ 2,192,268</b>
Excess of revenue over expenditure (expenditure over revenue) for the year	(136,548)	90,061	(46,487)	(534,457)
<b>Balance, end of year</b>	<b>\$ 1,102,878</b>	<b>\$ 508,446</b>	<b>\$ 1,611,324</b>	<b>\$ 1,657,811</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**Lake of the Woods District Hospital Foundation  
Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2010</b>	<b>2009</b>
<b>Cash flows from operating activities</b>		
Cash received from general contributions	\$ 562,246	\$ 595,620
Investment income received	47,974	60,491
Cash paid to suppliers	(192,683)	(192,845)
Cash paid to Lake of the Woods District Hospital	(451,552)	(766,624)
	<u>(34,015)</u>	<u>(303,358)</u>
<b>Cash flows from investing activities</b>		
Net sales (purchase) of marketable securities	(564,646)	144,880
Purchase of capital assets	-	(8,372)
	<u>(564,646)</u>	<u>136,508</u>
<b>Decrease in cash</b>	<b>(598,661)</b>	<b>(166,850)</b>
<b>Cash, beginning of year</b>	<b>770,145</b>	<b>936,995</b>
<b>Cash, end of year</b>	<b>\$ 171,484</b>	<b>\$ 770,145</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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## Lake of the Woods District Hospital Foundation Summary of Significant Accounting Policies

**March 31, 2010**

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The financial statements of the Foundation have been prepared in accordance with Canadian generally accepted accounting principles.

**Purpose of the Foundation** The Lake of the Woods District Hospital Foundation was incorporated November 13, 1992 for the purpose of raising, holding and investing funds for capital projects of the Lake of the Woods District Hospital as approved by the hospital's Board of Trustees. The Lake of the Woods District Hospital Foundation is incorporated under the Canada Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

**Fund Accounting** In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors. Transfers between the funds are made when it is considered appropriate and authorized by the Board. These interfund transfers are recorded in the statement of changes in net assets. For financial reporting purposes, the accounts have been classified into the following funds:

### **General Fund**

The General Fund accounts for the Foundation's general fundraising, granting and administrative activities. The General Fund reports both unrestricted resources available for immediate purposes and externally restricted resources. The Foundation's policy with regards to externally restricted donations is as follows;

- the Foundation shall make every effort to honour a donor's gift designation
- the Lake of the Woods District Hospital shall be informed of the restricted donation upon its receipt so that, where possible, it can be worked into the Hospital's capital plan
- the Lake of the Woods District Hospital shall be encouraged to utilize the funds as designated by the donor if it is determined in consultation with the Hospital that the gift is consistent with the Hospital's priorities
- it will be communicated to donors that the Foundation does not have any control or authority over the Hospital's capital budget decisions
- if the Foundation cannot meet the donor restriction request within two years, the Foundation will incorporate the donation into the general account. Donors will be advised of this policy when they offer to make a restricted donation

### **Endowment Fund**

The Endowment Fund includes those funds where either donor or internal restrictions require that the principal be maintained by the Foundation on a permanent basis.

**Lake of the Woods District Hospital Foundation  
Summary of Significant Accounting Policies**

**March 31, 2010**

**Capital Assets** Purchased capital assets are recorded at cost. Amortization is provided on a straight line basis over the assets' useful lives which are estimated to be as follows:

Computer equipment	- 3 years
Donor board	- 5 years
Office equipment	- 5 years
Christmas structures	- 3 years

**Revenue Recognition**

**Recognition of Contributions**

Donations and bequests are recorded on a cash basis.

Unrestricted and restricted contributions are recognized as revenue of the General Fund or the Endowment Fund in the year received.

**Recognition of Pledges**

Because of the uncertainty of the collectibility of pledges, the Foundation recognizes only those pledges for which contributions have been received at the date of the financial statements.

**Contributed Materials and Services**

Contributed materials and services are recognized in the financial statements when the fair value can be reasonably estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased.

**Investment Income**

The investments of the Foundation are recorded at fair market value. Investment income includes dividends, interest and, realized and unrealized gains.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**Lake of the Woods District Hospital Foundation  
Summary of Significant Accounting Policies**

**March 31, 2010**

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**Financial Instruments**

The Organization recognizes and measures financial assets and financial liabilities on the Statement of Financial Position when they become a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded on a settlement date basis. All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on whether the financial instrument has been classified as held-for-trading, loans and receivables, held to maturity, available for sale or other financial liabilities.

**Held-for-Trading**

This category includes derivatives and any financial instruments acquired principally for the purpose of selling or repurchasing in the near term. Any financial instrument can be classified as held for trading as long as reliable fair values are readily available. Transaction costs are expensed in the Statement of Operations. Held-for-Trading instruments are measured at fair value and gains and losses arising from changes in fair value are recorded in the Statement of Operations.

Cash and investments have been classified as held-for-trading.

**Held to Maturity**

Held to maturity investments include financial assets with fixed or determinable payments that the Organization's management has the intention and ability to hold to maturity. They are initially recognized at fair value including direct transaction costs. They are subsequently valued at amortized cost using the effective interest method less any provision for impairment. As at March 31, 2010, the Organization had not designated any instruments in the held to maturity category.

**Available for Sale**

Available for sale assets are financial assets that are designated as available for sale or are not categorized into any of the other categories described above. They are initially recognized at fair value including direct and incremental transaction costs. They are subsequently measured at fair value with gains and losses included in the Statement of Operations. For instruments such as investments in equity instruments that do not have a quoted market price in an active market, they are measured at cost less any provisions for impairment. At year end the Organization had no assets designated as available for sale.

**Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable repayment dates, usually with interest, that are not debt securities or instruments classified as held for trading on initial recognition. Accounts receivable have been included in this category. These instruments are initially recognized at fair value. They are subsequently valued at amortized cost using the effective interest method less any provision for impairment.

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**Lake of the Woods District Hospital Foundation  
Summary of Significant Accounting Policies**

**March 31, 2010**

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**Financial Instruments**

**Other Financial Liabilities**

Other financial liabilities are non-derivative financial liabilities and include accounts payable. These instruments are initially recognized at fair value. Transaction costs are expensed as incurred. They are subsequently measured at amortized cost using the effective interest method.

**Lake of the Woods District Hospital Foundation  
Notes to Financial Statements**

**March 31, 2010**

**1. Cash**

The Foundation's bank accounts are held at a chartered bank and earn interest at prime minus 2%.

**2. Investments**

	2010	2009
Bonds with a total face value of \$705,000 with interest ranging from 2.0% to 5.863%, maturing 2011 to 2036	<b>\$ 786,996</b>	\$ 135,515
Common shares	<b>646,954</b>	330,553
Mutual funds	<b>273,520</b>	274,345
Guaranteed investment certificate	<b>-</b>	134,132
	<b>1,707,470</b>	874,545
Less current portion of investments	<b>-</b>	(158,064)
	<b>\$ 1,707,470</b>	\$ 716,481

**3. Capital Assets**

	2010		2009	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 14,517	\$ 12,707	\$ 14,517	\$ 10,664
Donor board	45,249	41,186	45,249	39,561
Office equipment	9,537	3,920	9,537	3,218
Christmas structures	5,032	5,032	5,032	5,032
	<b>\$ 74,335</b>	<b>\$ 62,845</b>	<b>\$ 74,335</b>	<b>\$ 58,475</b>
Net book value		<b>\$ 11,490</b>		<b>\$ 15,860</b>