

Mount Sinai Hospital Foundation of Toronto

Financial Statements
March 31, 2015



June 18, 2015

Independent Auditor's Report

To the Board of Directors of Mount Sinai Hospital Foundation of Toronto

We have audited the accompanying financial statements of Mount Sinai Hospital Foundation of Toronto, which comprise the statement of financial position as at March 31, 2015 and the statements of operations and changes in fund balances and cash flows for the year then ended, and the related notes, which comprise 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.

Auditor's responsibility

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 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 the auditor's 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, the auditor considers 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 is sufficient and appropriate to provide a basis for our audit opinion.

*PricewaterhouseCoopers LLP
North American Centre, 5700 Yonge Street, Suite 1900, North York, Ontario, Canada M2M 4K7
T: +1 416 218 1500, F: +1 416 218 1499*



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mount Sinai Hospital Foundation of Toronto as at March 31, 2015 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Mount Sinai Hospital Foundation of Toronto

Statement of Financial Position

As at March 31, 2015

	2015 \$	2014 \$
Assets		
Current assets		
Cash	19,881,851	2,542,610
Accounts receivable	125,879	215,419
Prepaid expenses	71,581	163,666
Investments (note 3)	16,455	5,435,936
	<u>20,095,766</u>	<u>8,357,631</u>
Investments (note 3)	92,619,642	85,598,965
Capital assets (note 4)	125,675	172,718
	<u>112,841,083</u>	<u>94,129,314</u>
Liabilities		
Current liabilities		
Bank indebtedness (note 5)	6,750,000	-
Accounts payable and accrued liabilities	781,876	357,250
Due to Sinai Health System (note 6)	1,537,886	2,481,862
	<u>9,069,762</u>	<u>2,839,112</u>
Due to Sinai Health System (note 6)	5,370,692	4,571,463
Employee future benefits (note 7)	64,800	-
Other long-term liabilities	36,323	60,633
	<u>14,541,577</u>	<u>7,471,208</u>
Fund Balances		
General Fund (note 8)	(14,572,650)	(18,053,812)
Endowment Fund (note 9)	93,838,765	88,156,195
Restricted Fund	19,033,391	16,555,723
	<u>98,299,506</u>	<u>86,658,106</u>
	<u>112,841,083</u>	<u>94,129,314</u>
Commitments (note 16)		
Approved by the Board of Directors		

Director



Director

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

Mount Sinai Hospital Foundation of Toronto

Statement of Operations and Changes in Fund Balances

For the year ended March 31, 2015

	General Fund		Restricted Fund		Endowment Fund		Total
	2015 \$	2014 \$ (note 12)	2015 \$	2014 \$	2015 \$ (note 12)	2014 \$	
Income							
Donations, bequests and contributions	10,289,172	8,146,869	29,890,414	24,296,039	2,888,893	26,238,539	58,681,447
Events revenue	496,160	126,204	3,847,674	4,139,251	-	-	4,265,455
Interest	110,131	265,998	42,357	-	-	-	265,998
Investment income (note 10)	10,895,463	8,539,071	33,780,445	28,435,290	2,888,893	26,238,539	63,212,900
	1,842,986	-	3,392,270	1,775,493	2,793,677	3,712,477	5,487,970
	12,738,449	8,539,071	37,172,715	30,210,783	5,682,570	29,951,016	68,700,870
Expenses							
Events	70,364	38,820	611,942	1,161,407	-	-	1,200,227
Fundraising and administrative	7,966,916	6,933,712	6,114	20,866	-	-	6,954,578
	8,037,280	6,972,532	618,056	1,182,273	-	-	8,154,805
Surplus before grants	4,701,169	1,566,539	36,554,659	29,028,510	5,682,570	29,951,016	60,546,065
Grants (note 11)	(1,567,815)	(7,376,473)	(33,729,183)	(28,009,603)	-	-	(35,386,076)
Surplus (deficit) for the year	3,133,354	(5,809,934)	2,825,476	1,018,907	5,682,570	29,951,016	25,159,989
Fund balances - Beginning of year	(18,053,812)	(13,734,466)	16,555,723	17,027,404	88,156,195	58,205,179	61,498,117
Interfund transfers (note 13)	347,808	1,490,588	(347,808)	(1,490,588)	-	-	-
Fund balances - End of year	(14,572,650)	(18,053,812)	19,033,391	16,555,723	93,838,765	88,156,195	86,658,106

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

Mount Sinai Hospital Foundation of Toronto

Statement of Cash Flows

For the year ended March 31, 2015

	2015 \$	2014 \$
Cash provided by (used in)		
Operating activities		
Surplus for the year	11,641,400	25,159,989
Items not involving cash		
Amortization of capital assets	71,639	60,458
Amortization of deferred lease inducements	(24,310)	(24,310)
Employee future benefit expense	64,800	-
Investment income	(8,028,933)	(5,487,970)
	<u>3,724,596</u>	<u>19,708,167</u>
Net changes in non-cash working capital items		
Accounts receivable	89,540	600,866
Prepaid expenses	92,085	(55,133)
Due to Sinai Health System	(144,747)	1,034,574
Accounts payable and accrued liabilities	424,626	(358,693)
Short-term investments	5,419,481	(5,435,936)
	<u>9,605,581</u>	<u>15,493,845</u>
Financing activities		
Proceeds from short-term bank financing	7,000,000	-
Repayment of bank indebtedness	(250,000)	-
	<u>6,750,000</u>	<u>-</u>
Investing activities		
Purchase of capital assets	(24,596)	(46,825)
Purchase of investments	(8,016,455)	(26,971,770)
Sale of investments	9,024,711	5,200,000
	<u>983,660</u>	<u>(21,818,595)</u>
Change in cash during the year	17,339,241	(6,324,750)
Cash - Beginning of year	<u>2,542,610</u>	<u>8,867,360</u>
Cash - End of year	<u>19,881,851</u>	<u>2,542,610</u>
Supplementary information		
Interest paid	40,188	-

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

Mount Sinai Hospital Foundation of Toronto

Notes to Financial Statements

March 31, 2015

1 Purpose of the organization

The Mount Sinai Hospital Foundation of Toronto (the Foundation) is incorporated under the laws of Ontario as a corporation without share capital. The Foundation receives, accumulates and distributes funds and/or the income therefrom for the advancement of medical research, education and improvement of patient care at Sinai Health System, formerly Mount Sinai Hospital (the Hospital).

The Foundation is a public foundation registered under the Income Tax Act (Canada) (the Act) and as such is exempt from income taxes and able to issue donation receipts for income tax purposes under registration number 11904 8106 RR0001.

2 Summary of significant accounting policies

The financial statements of the Foundation have been prepared in accordance with accounting standards for not-for-profit organizations (ASNPO). The following summary of significant accounting policies is set forth to facilitate the understanding of these financial statements.

Fund accounting

The Foundation follows the restricted fund method of accounting for contributions. The Foundation ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

For financial reporting purposes, the accounts have been classified into the following funds:

a) General Fund

The General Fund accounts for the Foundation's general fundraising, granting and administrative activities. The General Fund reports unrestricted resources available for immediate use.

b) Restricted Fund

The Restricted Fund includes those funds where resources are to be used for an identified purpose as specified by the donor, as stipulated by the fundraising appeal or as determined by the Board of Directors. Restricted donations, other than endowments, include a 10% allocation to the General Fund to fund critical needs support for the Hospital.

c) Endowment Fund

The Endowment Fund includes those funds where either donor or internal Board of Directors restrictions require the principal to be maintained by the Foundation for a specified period of time.

Mount Sinai Hospital Foundation of Toronto

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Investments

Publicly traded securities are valued based on the closing prices and pooled funds are valued based on reported unit values. Fixed income securities not publicly traded include State of Israel bonds and debentures, which are valued based on cost plus accrued income. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Foreign currency translation

Revenue and expenses denominated in foreign currencies are translated into Canadian dollars at the transaction date. Investments and other monetary items denominated in foreign currencies are translated at the year-end rate. Translation gains and losses are included in the statement of operations and changes in fund balances.

Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions, which include bequests and other donations. Bequests and other donations are recognized when received. Unrestricted contributions are recognized as revenue of the General Fund in the year received. Donor restricted contributions for specific purposes are recognized as revenue with 90% going to the Restricted Fund and 10% to the General Fund to support priority needs as noted in the fit agreements. Donor restricted contributions requiring the capital to be maintained permanently are recognized as revenue of the Endowment Fund.

Investment income (loss) consists of interest, dividends and realized and unrealized gains and losses, net of safekeeping and investment counsel and other investment expenses. Investment income earned on the Endowment Fund or Restricted Fund resources that must be spent on donor designated activities is recognized as revenue of the Restricted Fund. Investment income subject to donor restrictions stipulating that it be added to the endowment is recognized as revenue of the Endowment Fund. Unrestricted investment income earned on Endowment Fund, Restricted Fund and General Fund resources is recognized as revenue of the General Fund. Investment losses are allocated in a manner consistent with investment income.

The Foundation recognizes revenue from special events in the year in which the event occurs.

Pledges

The Foundation records pledges as revenue when they are received.

Contributed goods and services

Contributed goods and services are not recognized in the financial statements.

Mount Sinai Hospital Foundation of Toronto

Notes to Financial Statements

March 31, 2015

Capital assets

Purchased capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	10 years
Furniture and fixtures	10 years
Computer hardware and software	3 years

Financial instruments and risk management

The Foundation initially recognizes financial instruments at fair value and subsequently measures them at each reporting date as follows:

Cash	fair value
Accounts receivable	amortized cost
Prepaid expenses	amortized cost
Investments	fair value
Bank indebtedness	fair value
Accounts payable and accrued liabilities	amortized cost
Due to Sinai Health System	amortized cost
Employee future benefits	amortized cost
Other long-term liabilities	amortized cost

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset shall be written down and the resulting impairment loss shall be recognized in the statement of operations and changes in fund balances for the year.

Deferred leasehold inducements

Leasehold inducements received in respect of leased office space occupied by the Foundation have been deferred. Amortization is provided on a straight-line basis over the estimated useful life. Leasehold inducements are included in long-term liabilities.

Employee future benefits

The Foundation accrues its obligations under employee future benefit plans and the related costs when the benefits are earned through current service. The cost of post-employment benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimates of retirement ages of employees, expected health-care and dental costs. Actuarial gains and losses arise when the accrued benefit obligations change during the year. The actuarial gains and losses are recorded directly in fund balances.

Mount Sinai Hospital Foundation of Toronto

Notes to Financial Statements

March 31, 2015

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

3 Investments

	2015 \$	2014 \$
Short-term		
Donated securities	16,455	403,909
Guaranteed investment certificate	-	5,032,027
	<u>16,455</u>	<u>5,435,936</u>
Long-term		
Pooled funds	54,513,693	52,361,391
Bonds and debentures	20,450,110	14,482,881
Equities		
Canadian	5,731,961	8,019,807
US	10,724,430	8,578,773
Other	1,094,110	2,027,515
State of Israel bonds	105,338	128,598
	<u>92,619,642</u>	<u>85,598,965</u>

Pooled funds consist of cash and a short-term investment totalling \$195,160 (2014 - \$15,468,783), bonds of \$11,696,663 (2014 - \$13,221,268), Canadian equities of \$8,362,321 (2014 - \$12,172,433), US equities of \$12,017,153 (2014 - \$6,247,857) and Alternative strategies of \$22,242,396 (2014 - \$5,251,050).

The investment portfolio is managed in accordance with the Foundation's policy and/or donor agreements. Investments made using endowed funds are classified as long-term.

4 Capital assets

	2015		2014	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Leasehold improvements	261,038	200,456	60,582	83,878
Furniture and fixtures	106,931	73,375	33,556	42,156
Computer hardware and software	377,856	346,319	31,537	46,684
	<u>745,825</u>	<u>620,150</u>	<u>125,675</u>	<u>172,718</u>

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5 Bank indebtedness

The Foundation entered into a credit facility agreement with a Canadian chartered bank, which provides for a revolving operating line of credit of up to \$10,000,000, bearing interest at prime less 0.85%. As at March 31, 2015, the Foundation utilized \$6,750,000 (2014 - \$nil) of the operating line of credit.

6 Related party balances and transactions

Amounts owing to the Hospital include:

	2015 \$	2014 \$
Payable to the Hospital		
Lunenfeld-Tanenbaum Research Institute (LTRI)	4,820,628	4,871,463
Other payables	2,087,950	2,181,862
	<hr/>	<hr/>
	6,908,578	7,053,325
Less: Current portion	(1,537,886)	(2,481,862)
	<hr/>	<hr/>
	5,370,692	4,571,463

In October 2007, an agreement was made with the Hospital to provide operating grants of \$7,700,144 to LTRI, formerly Samuel Lunenfeld Research Institute (SLRI). The agreement was amended in March 2015, for which annual payments are equal to a minimum of \$25,000 plus interest. The outstanding payable relating to this agreement is \$4,820,628 (2014 - \$4,871,463).

The Hospital provides certain services to the Foundation and pays certain expenses on behalf of the Foundation. The Foundation reimburses the Hospital for all direct costs associated with the services provided and expenses paid. Administrative expenses of \$486,543 (2014 - \$433,595) were paid to the Hospital for office space occupied by the Foundation, which is leased on a month-to-month basis, payroll processing, human resources and information technology systems support, insurance coverage and visitors' reserved parking at the Hospital.

7 Employee future benefits

Pension Plan

The Healthcare of Ontario Pension Plan (HOOPP) is a multi-employer, defined benefit pension plan (the Plan). Enrolment in HOOPP is mandatory for the Foundation full-time staff on hire date and part-time staff employees may qualify for optional membership.

Contributions made to the Plan during the year by the Foundation amounted to \$393,197 (2014 - \$307,569) and are included in fundraising and administrative on the statement of operations and changes in fund balances. The most recent actuarial valuation of the Plan as at December 31, 2014 indicates the Plan has a 14.93% surplus in disclosed actuarial assets and is fully funded on a solvency basis.

Mount Sinai Hospital Foundation of Toronto

Notes to Financial Statements

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Employee future benefits

Certain employees of the Foundation are entitled to non-pension post-employment benefits such as health-care, dental, life insurance and other benefits for certain retired employees. In fiscal 2015, the Foundation began to recognize its obligation for these benefits. The Foundation has accrued \$64,800 (2014 - \$nil) for its estimated obligations based on an actuarial valuation performed in March 2015.

8 General Fund

	2015 \$	2014 \$
Unrestricted	(14,698,325)	(18,226,530)
Invested in capital assets	125,675	172,718
	<u>(14,572,650)</u>	<u>(18,053,812)</u>

The unrestricted deficiency has arisen as a result of a shortfall of funds directed to LTRI from operating and unrestricted funds in prior years to meet the budgetary needs of LTRI.

9 Endowment Fund

Endowments consist of externally restricted donations received by the Foundation and internal resources transferred by the Board of Directors, in the exercise of its discretion. With respect to the latter case, the Board of Directors may have the right to subsequently decide to remove the designation. The endowment principal is required to be maintained intact over time, subject to the Foundation's endowment policy.

Investment income generated from endowments must be used in accordance with the various purposes established by the donors or the Board of Directors. The Foundation ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

The Foundation's endowment policy, for endowments other than the Lunenfeld Endowment Fund, has been established with the objective of protecting the value of the endowments by limiting the amount of income made available for spending to the payout amount and requiring the reinvestment of income not made available for payout, with the objective of increasing the combined value of donated funds and cumulative investment returns at the rate of inflation or greater, over time (preservation of capital). The payout amount is calculated on the opening fund balance, and made available for spending restricted to the purposes set out in the donor agreement, if applicable, or as stipulated by the Board of Directors. The investment policy has established a minimum target rate of return objective as the sum of the payout rate and the inflation rate, with the aim of providing steady, predictable investment returns. The payout amount made available for spending is reviewed and set by the Board of Directors annually. For 2015, the payout amount was set at 6.5% (2014 - 3.5%). The Lunenfeld Endowment Fund has a payout rate of actual investment income earned during the year.

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In any particular year, should net investment income be insufficient to satisfy the payout amount set by the Board of Directors, or if the investment return is negative, the payout amount is funded by the accumulated reinvested income in the Endowment Fund. In general, for individual endowment funds without sufficient accumulated reinvestment income, endowment capital is used in the current year. This amount is expected to be recovered by future net investment income.

In fiscal 2015, investment income of \$7,757,184 (net of fees and expenses of \$408,319) was earned on endowment funds. The payout amount recorded in the Restricted Fund at \$3,120,521 is comprised of the payout amount of 4.0% of non-Lunenfeld endowment funds and the actual return on Lunenfeld endowment funds of 3.7%. The payout amount recorded in the General Fund was \$1,842,986, calculated as 2.5% of non-Lunenfeld endowment funds. The remaining \$2,793,677 represents the preservation of capital on externally restricted endowments, which was recorded as investment income in the Endowment Fund.

In fiscal 2014, investment income of \$5,369,386 (net of fees and expenses of \$321,443) was earned on endowment funds. The payout amount recorded in the Restricted Fund at \$1,656,909 is comprised of the payout amount of 3.5% of non-Lunenfeld endowment funds and the actual return on Lunenfeld funds of 2.21%. The remaining \$3,712,477 represents the preservation of capital on externally restricted endowments, which was recorded as investment income in the Endowment Fund.

Major categories of restrictions on fund balances are as follows:

	2015 \$	2014 \$
Endowments, income from which must be used for research purposes	67,707,015	62,176,507
Endowments, income from which must be used for other restricted purposes	25,988,261	25,840,409
Funds restricted for research endowed by the Board of Directors	143,489	139,279
	<u>93,838,765</u>	<u>88,156,195</u>

Mount Sinai Hospital Foundation of Toronto

Notes to Financial Statements

March 31, 2015

10 Investment income

Endowment Funds

				2015	2014
	General Fund	Restricted Fund	Endowment Fund	Total	Total
	\$	\$	\$	\$	\$
Investment income on Endowment Fund	525,663	890,047	913,285	2,328,995	1,772,166
Change in fair value of investments	1,317,323	2,230,474	2,288,711	5,836,508	3,918,663
	1,842,986	3,120,521	3,201,996	8,165,503	5,690,829
Less: Investment and custodian fees	-	-	(408,319)	(408,319)	(321,443)
Net investment income	1,842,986	3,120,521	2,793,677	7,757,184	5,369,386

General and Restricted (Non-endowed) Funds

				2015	2014
	General Fund	Restricted Fund	Endowment Fund	Total	Total
	\$	\$	\$	\$	\$
Investment income	-	216,643	-	216,643	156,539
Change in fair value of investments	-	70,477	-	70,477	(29,006)
	-	287,120	-	287,120	127,533
Less: Investment and custodian fees	-	(15,371)	-	(15,371)	(8,949)
Net investment income	-	271,749	-	271,749	118,584

Mount Sinai Hospital Foundation of Toronto

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Total investment income

				2015	2014
	General Fund \$	Restricted Fund \$	Endowment Fund \$	Total \$	Total \$
Net investment income (Endowed Funds)	1,842,986	3,120,521	2,793,677	7,757,184	5,369,386
Net investment income (Non-endowed Funds)	-	271,749	-	271,749	118,584
	<u>1,842,986</u>	<u>3,392,270</u>	<u>2,793,677</u>	<u>8,028,933</u>	<u>5,487,970</u>

11 Grants

The grants to the Hospital were as follows:

	2015 \$	2014 \$
Capital, clinical and other	25,296,998	28,483,253
LTRI	10,000,000	6,902,823
	<u>35,296,998</u>	<u>35,386,076</u>

12 Advance from Endowment Funds

In fiscal 2013, the Foundation provided a \$10,000,000 advance on future grants to the Hospital to support the operations of LTRI drawn from the Endowment Fund, as permitted by the endowment agreement. Initially, the advance was recorded as a decrease in the Endowment Fund balance. The Foundation has reclassified the prior year fund balances through an increase to the Endowment Fund balance and an equal decrease in the General Fund balance of \$8,333,334. The reclassification corrects the Endowment Fund balance to represent its true value and the General Fund will repay the Endowment Fund through future donations and annual surpluses. As at March 31, 2015, the remaining balance to be repaid is \$6,490,348 (2014 - \$8,333,334).

13 Interfund transfers

In 2015, the Foundation transferred from the Restricted Fund to the General Fund, \$347,808 of interest earned on restricted funds.

In 2014, the Foundation transferred \$1,490,588 from the Restricted Fund to the General Fund as a payment for the advance on future grants to the Hospital.

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14 Entitlements

The Foundation is the income beneficiary of an estate, which is administered by a major Canadian trust company. The fair value of the Foundation's portion of the estate as at March 31, 2015 is \$6,281,538 (2014 - \$5,909,133), which represents a 30% share in the estate. The income included in donations, bequests and contributions of the General Fund for the year ended March 31, 2015 is \$184,350 (2014 - \$177,000).

15 Pledges receivable

At the end of the fiscal year, pledges receivable by the Foundation are as follows:

	\$
2015/2016	25,273,731
2016/2017	16,622,070
2017/2018	15,947,389
2018/2019	23,886,309
2019/2020	12,186,999
2020 and thereafter	<u>46,737,173</u>
	<u>140,653,671</u>

16 Commitments

From time to time the Foundation may enter into arrangements whereby it is required to match amounts donated on a best efforts basis over an unspecified period. As at March 31, 2015, there was \$366,796 (2014 - \$366,796) of such amounts to be funded. In addition, there exists a commitment to match the annual pay-out for joint Sinai Health System-University of Toronto endowed chairs based on the closing market value of the investments at the beginning of each fiscal year. The match amount for the next fiscal year has been calculated at \$511,433. Since the match is based on the market value of investments, the amount in future years will fluctuate and is expected to increase over the long term.

17 Financial instruments

The Foundation is exposed to various financial risks through its transactions in financial instruments.

Currency risk

The Foundation is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because the fair value and future cash flows will fluctuate due to changes in the relative value of foreign currencies against the Canadian dollar.

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Credit risk

The Foundation is exposed to credit risk in connection with its short-term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. To manage this risk, the Foundation has an investment policy, which includes a target mix of investment types and concentration limits designed to achieve the optimum return within reasonable risk tolerances.

Interest rate risk

The Foundation is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund that holds fixed income securities because the fair value will fluctuate due to changes in market interest rates.

Other price risk

The Foundation is exposed to other price risk through changes in market prices, other than changes arising from interest rate or currency risks, in connection with its investments in equity securities and pooled funds. To manage this risk, the Foundation invests in a target mix of investment types in accordance with its investment policy.

18 Comparative balances

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.

19 Subsequent event

Subsequent to the year-end, the Hospital merged with Bridgepoint Hospital to form Sinai Health System. However, the two foundations related to the hospitals will not be merging, and the Foundation will effectively operate as the foundation for Sinai Health System. The Foundation will also manage Bridgepoint Hospital Foundation and oversee the direction of donor funds to that foundation.