Sinai Health System Foundation

Consolidated Financial Statements
March 31, 2018

June 15, 2018

Independent Auditor's Report

To the Board of Directors of
Sinai Health System Foundation

We have audited the accompanying consolidated financial statements of Sinai Health System Foundation, which comprise the consolidated statement of financial position as at March 31, 2018 and the consolidated statements of operations, 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 consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Sinai Health System Foundation as at March 31, 2018 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

Sinai Health System Foundation
Consolidated Statement of Financial Position
As at March 31, 2018

	2018 $	2017 $
Assets		
Current assets		
Cash	69,942,785	32,327,468
Accounts receivable	846,838	280,136
Prepaid expenses	49,858	40,600
Investments (note 3)	74,119	30,245
	70,913,600	32,678,449
Investments (note 3)	76,453,741	96,865,195
Investment in The Sinai Trust 2017 (note 4)	-	-
Capital assets (note 5)	116,157	38,726
	147,483,498	129,582,370
Liabilities		
Current liabilities		
Bank indebtedness (note 6)	5,000,000	5,500,000
Accounts payable and accrued liabilities	854,840	324,615
Derivative liability	-	103,537
Due to Sinai Health System (note 7)	2,034,369	2,463,175
Deferred revenue	559,258	-
	8,448,467	8,391,327
Due to Sinai Health System (note 7)	4,721,343	4,745,628
Employee future benefits (note 8)	71,000	37,000
Other long-term liabilities	-	4,065
	13,240,810	13,178,020
Fund Balances		
General Fund (note 9)	(12,785,761)	(13,010,894)
Restricted Fund	37,515,782	22,313,416
Endowment Fund (note 10)	109,512,667	107,101,828
	134,242,688	116,404,350
	147,483,498	129,582,370

Commitments (note 16)

Approved by the Board of Directors

____________________ Director ____________________ Director

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

Sinai Health System Foundation

Consolidated Statement of Operations

For the year ended March 31, 2018

	General Fund $	Restricted Fund $	Endowment Fund $	2018 Total $	2017 Total $
Income					
Donations, bequests and contributions	8,018,639	24,618,442	3,033,316	35,670,397	36,981,772
Events revenue	660,842	3,249,364	-	3,910,206	7,052,136
Other revenue	1,172,951	-	-	1,172,951	161,971
Interest	466,700	104,353	66,427	637,480	344,773
	10,319,132	27,972,159	3,099,743	41,391,034	44,540,652
Investment income (loss) (note 11)	(12,276)	3,221,630	-	3,209,354	7,821,540
	10,306,856	31,193,789	3,099,743	44,600,388	52,362,192
Expenses					
Events	809,344	351,074	-	1,160,418	1,750,475
Fundraising and administrative	8,198,759	47,156	-	8,245,915	8,981,974
	9,008,103	398,230	-	9,406,333	10,732,449
Surplus before the undernoted	1,298,753	30,795,559	3,099,743	35,194,055	41,629,743
Income from The Sinai Trust 2017 (note 4)	1,909,136	-	-	1,909,136	-
Grants (note 12)	(1,099,414)	(18,172,839)	-	(19,272,253)	(28,503,555)
Surplus for the year	2,108,475	12,622,720	3,099,743	17,830,938	13,126,188

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

Sinai Health System Foundation

Consolidated Statement of Changes in Fund Balances

For the year ended March 31, 2018

	2018				2017
	General Fund **$** (note 9)	**Restricted Fund** **$**	**Endowment Fund** **$** (note 10)	**Total** **$**	**Total** **$**
Fund balances - Beginning of year	(13,010,894)	22,313,416	107,101,828	116,404,350	103,260,162
Surplus for the year	2,108,475	12,622,720	3,099,743	17,830,938	13,126,188
Employee future benefits remeasurement	7,400	-	-	7,400	18,000
Interfund transfers (note 14)	(1,890,742)	2,579,646	(688,904)	-	-
Fund balances - End of year	(12,785,761)	37,515,782	109,512,667	134,242,688	116,404,350

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

Sinai Health System Foundation

Consolidated Statement of Cash Flows

For the year ended March 31, 2018

	2018 $	2017 $
Cash provided by (used in)		
Operating activities		
Surplus for the year	17,830,938	13,126,188
Items not involving cash		
Amortization of capital assets	18,189	31,484
Amortization of deferred lease inducements	(4,065)	(7,948)
Employee future benefit expense	41,400	4,700
Reinvested investment income	(1,849,297)	(1,819,093)
Change in fair value of derivative	(103,537)	1,098,018
Gift of short-term investments	(43,874)	(29,164)
Change in fair value of investments	(484,368)	(6,064,629)
	15,405,386	6,339,556
Net changes in non-cash working capital items		
Accounts receivable	(566,702)	58,772
Prepaid expenses	(9,258)	57,743
Due to Sinai Health System	(453,091)	1,167,508
Accounts payable and accrued liabilities	530,225	(437,551)
Deferred revenue	559,258	-
	15,465,818	7,186,028
Financing activities		
Repayment of bank indebtedness	(500,000)	(250,000)
Investing activities		
Purchase of capital assets	(95,620)	(10,100)
Purchase of investments	-	(10,376,700)
Proceeds from sale of investments	22,745,119	12,353,814
	22,649,499	1,967,014
Change in cash during the year	37,615,317	8,903,042
Cash - Beginning of year	32,327,468	23,424,426
Cash - End of year	69,942,785	32,327,468
Supplementary information		
Interest paid	152,448	139,049

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

1 Purpose of the organization

Sinai Health System Foundation (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) 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

Basis of presentation and consolidation

These consolidated financial statements include the assets, liabilities, revenues and expenses of the Foundation and its subsidiary, the Benjamin Herbert Birstein Trust #2, in which the Foundation has effective control.

Management has prepared these consolidated financial statements 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 consolidated 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 Board of Directors restrictions require the principal to be maintained by the Foundation for a specified period of time.

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.

Derivatives

The Foundation enters into forward foreign exchange contracts in order to manage its foreign currency exposure in its investment portfolio. The derivative contracts are measured at fair value until they are settled. The change in fair value of the derivatives is recorded in investment income (loss) in the consolidated statement of operations.

Investment in The Sinai Trust 2017 (the 2017 Trust)

The Foundation controls the 2017 Trust, a private enterprise that develops, operates and invests in commercial opportunities. The Foundation has chosen to use the equity method to account for its share of the annual operating results of the 2017 Trust.

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 consolidated statement of operations.

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% recorded in the Restricted Fund and 10% in the General Fund to support highest priority needs. 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 changes in fair value of investments, 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 payment is received.

Contributed goods and services

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

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

When a capital asset no longer has any long-term service potential to the Foundation, the excess of its net carrying amount over any residual value is recognized as an expense in the consolidated statement of operations. A writedown is not reversed.

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
Derivatives	fair value
Investments	fair value
Bank indebtedness	fair value
Accounts payable and accrued liabilities	amortized cost
Due to Sinai Health System	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 consolidated statement of operations for the year.

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 and expected health-care and dental costs. Actuarial gains and losses arise when the accrued benefit obligations change during the year. Actuarial gains and losses are recorded directly in fund balances.

Use of estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

3 Investments

	2018 $	2017 $
Short-term		
Donated securities	74,119	30,245
Long-term		
Pooled funds	42,542,850	64,468,566
Bonds and debentures	8,019,006	8,724,282
Equities		
Canadian	11,393,433	11,295,509
US	13,245,414	11,946,930
Other	1,125,319	313,283
State of Israel bonds	127,719	116,625
	76,453,741	96,865,195

Pooled funds consist of cash and a short-term investment totalling $4,824,548 (2017 - $634,142), bonds of $19,972,187 (2017 - $20,135,906), Canadian equities of $6,633,019 (2017 - $7,429,267), US equities of $10,632,158 (2017 - $12,428,543), international equities of $305,232 (2017 - $1,071,530) and alternative strategies of $175,706 (2017 - $22,769,178).

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 Investment in The Sinai Trust 2017

The 2017 Trust is a profit-oriented private entity, whose purpose is to develop, operate and invest in commercial activities. It was created on June 29, 2017, and began operations on September 29, 2017, when there was a transfer of several businesses by another related trust.

The audited financial statements as at March 31, 2018 (period from September 29, 2017 to March 31, 2018) of the 2017 Trust have not been issued yet. The information below reflects the financial results in the draft financial statements as reported on by the 2017 Trust's management:

	$
Assets	22,220,005
Liabilities	(21,087,665)
Equity	1,132,340
Operating results (six-month period from October 1, 2017 to March 31, 2018)	
Revenue	10,043,355
Cost of goods sold	(4,631,340)
Gross profit	5,412,015
Operating expenses	(3,562,653)
Interest income	59,774
Net income for the period	1,909,136
Cash flows	
Operating	8,679,733
Financing	12,413,205
Investing	(12,407,149)
Increase in cash during the period	8,685,789
Investment consists of	
Balance - Beginning of year	-
Foundation's share of the 2017 Trust net income	1,909,136
Distributions by the 2017 Trust	(1,909,136)
Balance - End of year	-

5 Capital assets

			2018	2017
	Cost $	Accumulated amortization $	Net $	Net $
Leasehold improvements	331,626	263,265	68,361	11,537
Furniture and fixtures	125,784	94,101	31,683	18,809
Computer hardware and software	400,621	384,508	16,113	8,380
	858,031	741,874	116,157	38,726

6 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, 2018, the Foundation utilized $5,000,000 (2017 - $5,500,000) of the operating line of credit.

7 Related party balances and transactions

The Hospital is an independent corporation without share capital and has an independent board of directors. The Hospital is affiliated with the Foundation as a result of there being some common board members between the two organizations. Amounts owing to the Hospital include:

	2018 $	2017 $
Payable to the Hospital		
Lunenfeld-Tanenbaum Research Institute (LTRI)	4,746,343	4,771,343
Other payables	2,009,369	2,437,460
	6,755,712	7,208,803
Less: Current portion	2,034,369	2,463,175
	4,721,343	4,745,628

In October 2007, an agreement was made with the Hospital to provide operating grants of $7,700,144 to LTRI. The agreement was amended in March 2015, for which annual payments are equal to a minimum of $25,000 plus 1% annual interest. The outstanding payable relating to this agreement is $4,746,343 (2017 - $4,771,343).

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 $485,322 (2017 - $501,531) 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.

The Foundation manages Bridgepoint Foundation under a management services agreement. Under the agreement, the Foundation provides services that are reimbursed at regular intervals throughout the year. For the year ended March 31, 2018, the Foundation recognized as income $37,909 (2017 - $151,695) of such services.

The Foundation also manages Arthritis Research Foundation under a management services agreement. Under the agreement, the Foundation provides services that are reimbursed at regular intervals throughout the year. For the year ended March 31, 2018, the Foundation recognized as income $20,000 (2017 - $12,470) for such services.

As at August 18, 2017, the Foundation manages the 2017 Trust under a management services agreement. Under the agreement, the Foundation provides services that are reimbursed at regular intervals throughout the year. For the year ended March 31, 2018, the Foundation recognized as income $40,000 (2017 - $nil) for such services.

In addition, there is an amount of $492,085 (2017 - $nil) in accounts receivable from the Sinai Trust 2017 which relates to distributions receivable.

8 Employee future benefits

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's 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 $400,932 (2017 - $441,073) and are included in fundraising and administrative expenses on the consolidated statement of operations. The most recent actuarial valuation of the Plan as at December 31, 2016 indicates the Plan has a 122% surplus in disclosed actuarial assets and is fully funded on a solvency basis.

Certain retired employees of the Foundation are entitled to non-pension post-employment benefits such as health-care, dental, life insurance and other benefits. The Foundation has accrued $71,000 (2017 - $37,000) for its estimated obligations based on an actuarial valuation performed in March 2018.

9 General Fund

	2018 $	2017 $
Unrestricted	(12,901,918)	(13,049,620)
Invested in capital assets	116,157	38,726
	(12,785,761)	(13,010,894)

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.

10 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 2018, the payout amount was set at 5.0% (2017 - 5.0%). The Lunenfeld Endowment Fund has a payout rate of actual investment income earned during the year.

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 2018, investment income of $3,209,354 (net of fees and expenses of $264,248) (2017 - $7,821,540 (net of fees and expenses of $200,074)) was earned on endowment funds. The payout amount recorded in the Restricted Fund at $3,221,630 (2017 - $2,910,062) consists of the payout amount of 4.0% (2017 - 4.0%) of non-Lunenfeld endowment funds of nil% (2017 - 1.6%) of Lunenfeld endowment funds. The payout amount recorded in the General Fund was $863,042 (2017 - $794,183), calculated as 1.0% (2017 - 1.0%) of non-Lunenfeld endowment funds. The remaining $nil (2017 - $4,117,295) represents the preservation of capital on externally restricted endowments, which was recorded as investment income on externally restricted endowments.

Major categories of restrictions on fund balances are as follows:

	2018 $	2017 $
Endowments, income from which must be used for research purposes	76,548,356	75,720,096
Endowments, income from which must be used for other restricted purposes	32,826,723	31,242,439
Funds restricted for research endowed by the Board of Directors	137,588	139,293
	109,512,667	107,101,828

11 Investment income (loss)

			2018		2017
	General Fund $	Restricted Fund $	Endowment Fund $	Total $	Total $
Investment income on Endowment Fund	105,015	2,112,671	-	2,217,686	2,200,164
Change in fair value of investments	(117,291)	1,108,959	264,248	1,255,916	5,821,450
	(12,276)	3,221,630	264,248	3,473,602	8,021,614
Less: Investment and custodian fees	-	-	(264,248)	(264,248)	(200,074)
Net investment income (loss)	(12,276)	3,221,630	-	3,209,354	7,821,540

12 Grants

The grants to the Hospital were as follows:

	2018 $	2017 $
Capital, clinical and other	16,063,721	18,278,543
LTRI	3,208,532	10,225,012
	19,272,253	28,503,555

13 Advance from the Endowment Fund

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 and granted through the General Fund. The General Fund will repay the Endowment Fund through future donations and annual surpluses. As at March 31, 2018, the remaining balance to be repaid is $4,040,414 (2017 - $4,903,456).

14 Interfund transfers

In fiscal 2018, the Foundation transferred $2,683,930 from the General Fund to the Restricted Fund for internally restricted donations. The Endowment Fund transferred $793,087 to the General Fund, which represents a shortfall in the Administration fee from accumulated investment income. The Restricted Fund transferred $104,184 to the Endowment Fund for prior year restricted donations received, which were subsequently converted to endowed funds by the donors.

15 Pledges receivable

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

	$
2018/2019	34,572,392
2019/2020	17,942,965
2020/2021	14,978,080
2021 and thereafter	49,191,310
	116,684,747

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, 2018, there was $366,796 (2017 - $366,796) of such amounts to be funded. In addition, there exists a commitment to match the annual payout 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 $496,114. 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.

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 risk, 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 figures

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