



... because children need us

Annual Report to the Community

2009

Auditor's Report

Auditors' Report on Summarized Consolidated Financial Statements

To the Members of
The Children's Hospital Foundation of Manitoba, Inc.

The accompanying summarized consolidated statement of financial position and consolidated statements of operations and changes in fund balances and cash flows are derived from the complete consolidated financial statements of The Children's Hospital Foundation of Manitoba, Inc. as at December 31, 2009 and for the year then ended on which we expressed an opinion in our report dated April 1, 2010. The fair summarization of the complete consolidated financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized consolidated financial statements.

In our opinion, the accompanying consolidated financial statements fairly summarize, in all material respects, the related complete consolidated financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized consolidated financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position and results of operations, reference should be made to the related complete consolidated financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants
Winnipeg, Manitoba
April 1, 2010



Consolidated Statement of Financial Position – As at December 31, 2009

Assets	2009	2008
Current Assets		
Cash	964,267	1,398,793
Accounts Receivable	1,053,534	1,019,811
Prepaid Expenses	66,916	82,594
Inventory	43,346	39,434
	<u>2,128,063</u>	<u>2,540,632</u>
Restricted Cash	82,854	284,225
Investments	22,524,705	22,933,172
Capital Assets	19,625,281	13,766,438
	<u>42,360,903</u>	<u>39,524,467</u>
Liabilities		
Current Liabilities		
Research Grants Payable	2,102,010	2,274,292
Accounts Payable and Accrued Liabilities	2,946,353	2,248,145
Deferred Revenue	30,800	22,000
	<u>5,079,163</u>	<u>4,544,437</u>
Fund Balances		
Unrestricted		
Operating Fund	5,618,643	5,127,915
Externally Restricted		
Endowment Fund	1,589,429	1,312,080
Capital Campaign Fund	262,511	24,450
Designated Fund	–	438,059
Internally Restricted		
Child Health Research Fund	7,836,011	12,260,439
Children's Hospital Fund	1,823,025	1,609,734
Children's Sports Legacy Fund	526,840	440,915
Funds Invested in Capital Assets	19,625,281	13,766,438
	<u>37,281,740</u>	<u>34,980,030</u>
	<u>42,360,903</u>	<u>39,524,467</u>

Consolidated Statement of Operations and Changes in Fund Balances
for the Year Ended December 31, 2009

REVENUES	2009	2008
Book Market	322,282	310,757
Guild Donations	68,615	71,637
Making Miracles	2,900,508	2,972,800
Major Gifts	248,018	1,209,358
Bequest Revenue	747,772	1,752,288
Annual Appeal	248,973	296,987
Memorial Donations	69,545	54,905
Fundraising	24,740	24,822
Funds Received	1,824,840	1,750,660
Investment Income (Loss)	4,045,671	(3,639,924)
	<u>10,500,964</u>	<u>4,804,290</u>
 EXPENSES		
Fundraising		
Direct Expenses	742,249	612,950
Indirect Expenses	576,875	632,097
 Disbursement & Granting Activities		
Administrative Expenses	612,122	584,173
Amortization	1,019,051	657,986
Disbursements	468,362	327,651
Grants to Children's Hospital	1,513,505	2,255,505
Grants in Aid of Research	3,267,090	3,968,368
	<u>8,199,254</u>	<u>9,038,730</u>
 Excess (deficiency) of		
Revenues Over Expenses	2,301,710	(4,234,440)
Fund Balances - Beginning of Year	34,980,030	39,214,470
Fund Balances - End of Year	<u>37,281,740</u>	<u>34,980,030</u>

Consolidated Statement of Cash Flows
for the Year Ended December 31, 2009

	2009	2008
CASH PROVIDED BY (used in)		
Operating activities		
Excess (deficiency) of revenue over expenses	2,301,710	(4,234,440)
Items not affecting cash		
Amortization	1,019,051	657,986
Unrealized (gain) loss on investments	(3,434,464)	3,671,026
Realized gain on investments	(611,207)	(31,102)
	<u>(724,910)</u>	<u>63,470</u>
Net change in non-cash working capital items	512,769	1,018,496
	<u>(212,141)</u>	<u>1,081,966</u>
Investing activities		
Redemption of investments - net of purchases	6,454,138	2,393,957
Purchase of capital assets	(6,877,894)	(3,928,234)
Decrease (increase) in restricted cash	201,371	(284,225)
	<u>(222,385)</u>	<u>(1,818,502)</u>
Decrease in cash	(434,526)	(736,536)
Cash - Beginning of year	1,398,793	2,135,329
Cash - End of year	<u>964,267</u>	<u>1,398,793</u>

These figures are taken from the 2009 consolidated financial statements audited by PricewaterhouseCoopers LLP. Copies of the complete consolidated financial statements are available from the Foundation office on request.