

# 2010 >>> ANNUAL REPORT to the COMMUNITY



... because children need us

## AUDITORS' REPORT ON SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying summarized consolidated financial statements, which comprise the summarized consolidated statement of financial position as at December 31, 2010, the summarized consolidated statement of operations and changes in fund balances, and summarized consolidated cash flow statement for the year then ended, and related note, are derived from the audited consolidated financial statements of The Children's Hospital Foundation of Manitoba, Inc. for the year ended December 31, 2010. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated March 29, 2011.

The summarized consolidated financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Reading the summarized consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of The Children's Hospital Foundation of Manitoba, Inc.

## MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis described in the note to the summarized consolidated financial statements.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the summarized consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summarized Financial Statements."

## OPINION

In our opinion, the summarized consolidated financial statements derived from the audited consolidated financial statements of The Children's Hospital Foundation of Manitoba, Inc. for the year ended December 31, 2010 are a fair summary of those consolidated financial statements, on the basis described in the note to the summarized consolidated financial statements.

*PricewaterhouseCoopers LLP*

Chartered Accountants  
March 29, 2011  
Winnipeg, Manitoba



# AUDITORS REPORT >>>

## Summarized Consolidated Statement of Financial Position AS AT DECEMBER 31, 2010

	2010 \$	2009 \$
<b>Assets</b>		
CURRENT ASSETS		
Cash	1,639,662	964,267
Accounts Receivable	775,198	1,053,534
Prepaid Expenses	85,864	66,916
Inventory	56,282	43,346
	2,557,006	2,128,063
RESTRICTED CASH	-	82,854
INVESTMENTS	20,205,080	20,524,705
CAPITAL ASSETS	20,010,988	19,625,281
	<b>42,773,074</b>	<b>42,360,903</b>
<b>Liabilities</b>		
CURRENT LIABILITIES		
Research Grants Payable	1,641,287	1,971,690
Accounts Payable and Accrued Liabilities	2,956,520	3,076,673
Deferred Revenue	6,000	30,800
	4,603,807	5,079,163
<b>Fund Balances</b>		
UNRESTRICTED		
Operating Fund	5,119,208	5,618,643
EXTERNALLY RESTRICTED		
Endowment Fund	1,766,520	1,589,429
Capital Campaign Fund	2,142,233	262,511
Designated Fund	476,788	-
INTERNALLY RESTRICTED		
Child Health Research Fund	6,189,210	7,836,011
Children's Hospital Fund	1,885,414	1,823,025
Children's Sports Legacy Fund	578,906	526,840
Funds Invested in Capital Assets	20,010,988	19,625,281
	38,169,267	37,281,740
	<b>42,773,074</b>	<b>42,360,903</b>

# AUDITORS REPORT >>>

## Summarized Consolidated Statement of Operations and Changes in Fund Balances FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 \$	2009 \$
<b>Revenue</b>		
Bookmarket	404,813	322,282
Guild Donations	66,100	68,615
Making Miracles	4,185,831	2,900,508
Major Gifts	162,470	248,018
Bequest Revenue	821,592	747,772
Annual Appeal	252,138	248,973
Memorial Donations	68,413	69,545
Fundraising	36,138	24,740
Funds Received	1,627,979	1,824,840
Investment Income	2,063,727	4,045,671
	9,689,201	10,500,964
<b>Expenses</b>		
<b>FUNDRAISING</b>		
Direct Expenses	1,007,327	742,249
Indirect Expenses	651,234	576,875
<b>DISBURSEMENTS AND GRANTING ACTIVITIES</b>		
Administrative Expenses	619,517	612,122
Amortization	1,294,123	1,019,051
Disbursements	316,021	468,362
Grants to Children's Hospital	1,501,082	1,513,505
Grants in Aid of Research	3,412,370	3,267,090
	8,801,674	8,199,254
<b>Excess of Revenue over Expenses</b>	887,527	2,301,710
<b>Fund Balance - Beginning of Year</b>	37,281,740	34,980,030
<b>Fund Balance - End of Year</b>	38,169,267	37,281,740

# AUDITORS REPORT >>>

## Summarized Consolidated Statement of Cash Flows FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 \$	2009 \$
<b>Cash provided by (used in)</b>		
OPERATING ACTIVITIES		
Excess of revenue over expenses	887,527	2,301,710
Items not affecting cash		
Amortization	1,294,123	1,019,051
Unrealized gain on investments	(1,257,389)	(3,415,239)
	924,261	(94,478)
Net change in non-cash working capital items	(228,904)	512,769
	695,357	418,291
INVESTING ACTIVITIES		
Redemption of investments - net of purchases	1,577,014	5,823,706
Purchase of capital assets	(1,679,830)	(6,877,894)
Decrease in restricted cash	82,854	201,371
	(19,962)	(852,817)
<b>Increase (decrease) in cash</b>	<b>675,395</b>	<b>(434,526)</b>
<b>Cash - Beginning of year</b>	<b>964,267</b>	<b>1,398,793</b>
<b>Cash - End of year</b>	<b>1,639,662</b>	<b>964,267</b>

### NOTE TO SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

#### Applied criteria in the preparation of the financial statements

The criteria applied by management in the preparation of these summary financial statements are as follows:

- a) the information in the summarized consolidated financial statements is in agreement with the related information in the complete consolidated financial statements, and
- b) the summarized consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete consolidated financial statements, including the notes thereto, and
- c) the summarized consolidated statement of financial position and cash flow statement have been taken from the complete consolidated financial statements whereas the summarized consolidated statement of operations and fund balances have been presented on a total fund basis and not individual funds as disclosed in the complete consolidated financial statements. No notes have been carried forward to these summarized consolidated financial statements,

Copies of the complete audited consolidated financial statements are available from the Children's Hospital Foundation of Manitoba Inc.'s offices on request.