

**ALEXANDRA MARINE & GENERAL HOSPITAL  
FOUNDATION  
FINANCIAL STATEMENTS  
MARCH 31, 2022**

**SEEBACH & COMPANY**  
*Chartered Professional Accountants*

## INDEPENDENT AUDITOR'S REPORT

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To the Board of Governors and Members of the Alexandra Marine and General Hospital Foundation

### *Opinion*

We have audited the accompanying financial statements of Alexandra Marine and General Hospital Foundation, which are comprised of the balance sheet as at March 31, 2022 and the statements of revenue and expenses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Alexandra Marine and General Hospital Foundation as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPFO).

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Alexandra Marine and General Hospital Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Alexandra Marine and General Hospital Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to recorded fundraising and donations, excess of revenues over expenses, cash flows from operations, assets and fund balances. Our opinion on the financial statements for the year ended March 31, 2022, as well as the opinion on the prior year financial statements for the year ended March 31, 2021, was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Alexandra Marine and General Hospital Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNFPFO, 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.

In preparing the financial statements, management is responsible for assessing the Alexandra Marine and General Hospital Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Alexandra Marine and General Hospital Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Alexandra Marine and General Hospital Foundation's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT (continued)

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Alexandra Marine and General Hospital Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Alexandra Marine and General Hospital Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Alexandra Marine and General Hospital Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Seebach & Company*

Chartered Professional Accountants  
Licensed Public Accountants

Clinton, Ontario  
June 8, 2022

**ALEXANDRA MARINE AND GENERAL HOSPITAL FOUNDATION**  
**(A REGISTERED PUBLIC FOUNDATION)**

**BALANCE SHEET**

See Accompanying Notes to Financial Statements

<b>As at March 31</b>	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash	-	272,457
Accounts receivable and other recoveries	1,882	3,855
Investments (note 3)	5,047,535	4,861,221
	<u>\$ 5,049,417</u>	<u>\$ 5,137,533</u>
<b>LIABILITIES AND SURPLUS</b>		
<b>Liabilities</b>		
Bank overdraft	345,774	-
Accounts payable and accrued liabilities	1,000	4,785
	<u>346,774</u>	<u>4,785</u>
<b>Surplus</b>		
Accumulated surplus	4,702,643	5,132,748
	<u>\$ 5,049,417</u>	<u>\$ 5,137,533</u>

On behalf of the board:

..... Director

..... Director

**ALEXANDRA MARINE AND GENERAL HOSPITAL FOUNDATION**  
**(A REGISTERED PUBLIC FOUNDATION)**  
**STATEMENT OF REVENUE AND EXPENSES AND ACCUMULATED SURPLUS**  
See Accompanying Notes to Financial Statements

<b>For the Year Ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Receipts</b>		
Investment income - interest, dividends and realized gains (losses)	<b>461,209</b>	119,522
Investment income - unrealized holding gains (losses)	<b>(253,737)</b>	497,181
General donations and memberships received	<b>1,327,095</b>	651,294
Capital campaign donations received	<b>534,910</b>	549,226
	<b><u>2,069,477</u></b>	<u>1,817,223</u>
<b>Expenditure</b>		
Donations	<b>2,336,694</b>	307,612
Fundraising expenses	<b>27,648</b>	21,210
Administrative expenses	<b>135,240</b>	110,800
	<b><u>2,499,582</u></b>	<u>439,622</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(\$ 430,105)</b>	\$ 1,377,601
<b>Accumulated surplus, beginning of year</b>	<b><u>5,132,748</u></b>	<u>3,755,147</u>
<b>Accumulated surplus, end of year</b>	<b><u>\$ 4,702,643</u></b>	<u>\$ 5,132,748</u>

**ALEXANDRA MARINE AND GENERAL HOSPITAL FOUNDATION**  
**(A REGISTERED PUBLIC FOUNDATION)**  
**STATEMENT OF CASH FLOWS**

See Accompanying Notes to Financial Statements

<b>For the Year Ended March 31</b>	<b>2022</b>	<b>2021</b>
<b>Operating activities</b>		
Excess of revenue over expenses for the year	<b>(430,105)</b>	1,377,601
Items not requiring (not providing) cash		
Loss (gain) on sale of investments	<b>(341,513)</b>	18,818
Working capital provided from operations	<b>(771,618)</b>	1,396,419
Cash provided from (used for) changes in operational balances		
Accounts receivable and other recoveries	<b>1,973</b>	(705)
Prepaid expenses	-	468
Accounts payable	<b>(3,785)</b>	4,094
Due to (from) Alexandra Marine and General Hospital	-	(69,247)
Cash provided from (used for) operating activities	<b>(773,430)</b>	1,331,029
<b>Financing and investing activities</b>		
Net investment sales (purchases)	<b>155,199</b>	(1,184,685)
	<b>155,199</b>	(1,184,685)
<b>Increase (decrease) in cash</b>	<b>(618,231)</b>	146,344
<b>Cash, beginning of year</b>	<b>272,457</b>	126,113
<b>Cash, end of year</b>	<b>(\$ 345,774)</b>	\$ 272,457

**ALEXANDRA MARINE AND GENERAL HOSPITAL FOUNDATION**  
**(A REGISTERED PUBLIC FOUNDATION)**  
**NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended March 31, 2022**

**1. Incorporation**

The Alexandra Marine and General Hospital Foundation ("Foundation") was incorporated under the Canada Corporations Act as a registered public foundation on December 14, 1993.

The purpose of the Foundation is to receive and maintain a fund or funds and to apply from time to time all or part thereof for charitable purposes carried on by, in connection with, in relation to, for the benefit of or to enhance or improve the services provided by the Alexandra Marine and General Hospital ("AMGH") and to do all such things as are incidental or conducive to the attainment of these objectives.

The financial statements of the Foundation are the representation of management prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**2. Significant accounting policies**

**Basis of accounting**

The financial statements have been prepared using the accrual method of accounting. Under the accrual method of accounting, revenue is recorded when earned and expenses are recorded when incurred.

**Investments**

The company has classified all stocks and bonds as available-for-sale which are carried at fair value. Bank guaranteed investment certificates are classified as held-to-maturity and are carried at amortized cost. A write down of the carrying value of held-to-maturity investments is charged against income when evidence indicates a permanent decline in the underlying value and earning power of an investment. Gains and losses on disposal of held-to-maturity investments are determined on a completed transaction basis.

**3. Investments**

Investments consist of negotiable federal and provincial government securities and corporate bonds and equities as follows:

	<b>2022</b>		<b>2021</b>	
	cost	market value	cost	market value
Cash	168	168	9,701	9,701
Fixed income	4,791,386	4,695,675	3,112,556	3,047,960
Equities	308,365	351,692	1,537,611	1,803,560
	<u>\$ 5,099,919</u>	<u>\$ 5,047,535</u>	<u>\$ 4,659,868</u>	<u>\$ 4,861,221</u>

Bond maturity profile as at March 31, 2022:

	Within 1 year	Within 2-5 years	Over 5 years
	<u>\$ 4,695,675</u>	<u>\$ -</u>	<u>\$ -</u>

**4. Financial instruments**

The Foundation's financial instruments consist of cash and investments. It is management's opinion that the Foundation is not exposed to significant interest and credit risks arising from these financial instruments. The fair value of the financial instruments approximates their carrying amount.

The Foundation's investment policy statement provides guidance on desired investment portfolio allocation ranges as follows: cash and short-term fixed income (10%-80%), longer-term fixed income (0%-50%), total cash equivalents and fixed income (60%-100%), and equities (0%-40%).

**ALEXANDRA MARINE AND GENERAL HOSPITAL FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS (continued)**

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**For the Year Ended March 31, 2022**

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**5. Financial impact of COVID-19 pandemic**

On March 11, 2020 the World Health Organization declared COVID-19 a global pandemic. Subsequently, the Province of Ontario issued a state of emergency limiting the number of people in a gathering and requiring rolling closures and lockdowns of non-essential business for an indeterminate period of time. The dynamic nature of the COVID-19 crisis makes it impossible to predict the impact this will have on the organization's operations, cash flows and financial position. The Board of Directors and management will continue to monitor the situation and reflect the impact in the financial statements as appropriate.