

**Huntsville District Memorial
Hospital Foundation
(A Corporation Without Share Capital)
Financial Statements
For the year ended March 31, 2025**

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Independent Auditor's Report

To the Board of Directors of
Huntsville District Memorial Hospital Foundation (A Corporation Without Share Capital)

Qualified Opinion

We have audited the financial statements of Huntsville District Memorial Hospital Foundation (A Corporation Without Share Capital) (the Foundation), which comprise the statement of financial position as at March 31, 2025, the statements of operations and changes in fund balances 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 possible 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 Foundation as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the 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 Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2025 and 2024, current assets as at March 31, 2025 and 2024, and fund balances as at April 1 and March 31 for both the 2025 and 2024, years. Our audit opinion on the financial statements for the year ended March 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 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 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.

In preparing the financial statements, management is responsible for assessing the 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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.



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 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 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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

BDO Canada LLP


Chartered Professional Accountants, Licensed Public Accountants

Huntsville, Ontario
June 20, 2025

Huntsville District Memorial Hospital Foundation
(A Corporation Without Share Capital)
Statement of Financial Position

March 31	Total 2025	Total 2024
Assets		
Current		
Cash (Note 2)	\$ 4,636,453	\$ 595,320
Short-term investments	1,016,736	-
Accounts receivable	63,838	52,504
Prepaid expenses	29,122	10,449
	5,746,149	658,273
Investments, at market value (Note 2)	6,529,229	11,321,357
Capital assets (Note 3)	214,864	199,085
	\$12,490,242	\$12,178,715
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 34,814	\$ 34,336
Due to Muskoka Algonquin Health Care (Note 5)	1,180,610	77,763
	1,215,424	112,099
Deferred contributions related to capital assets (Note 4)	84,795	60,020
	1,300,219	172,119
Fund Balances		
Externally restricted fund (Note 6)	1,298,406	3,781,930
Internally restricted fund (Note 6)	9,766,405	7,565,621
Unrestricted fund (Note 6)	125,212	659,045
	11,190,023	12,006,596
	\$12,490,242	\$12,178,715

On behalf of the Board:

DocuSigned by:

4979B7EAE40E4E8... Director

Director

Huntsville District Memorial Hospital Foundation
(A Corporation Without Share Capital)
Statement of Operations and Changes in Fund Balances

For the year ended March 31	Externally Restricted Fund	Internally Restricted Fund	Unrestricted Fund	Total 2025	(Note 8) Total 2024
Revenue					
Donations and fundraising	\$ 405,331	\$ -	\$ 2,977,861	\$ 3,383,192	\$ 3,144,800
Bequests	-	-	1,171,029	1,171,029	417,781
Investment income	153,704	-	464,971	618,675	445,522
Adjustment to fair value of investments	133,733	-	399,256	532,989	367,182
	692,768	-	5,013,117	5,705,885	4,375,285
Expenses					
Salaries and benefits	-	-	966,482	966,482	814,584
Fundraising	15,648	-	355,253	370,901	509,039
Administration	-	-	223,836	223,836	235,790
	15,648	-	1,545,571	1,561,219	1,559,413
Excess of revenues over expenses before grants	677,120	-	3,467,546	4,144,666	2,815,872
Grants to Muskoka Algonquin Health Care					
Annual	-	(1,033,595)	-	(1,033,595)	(269,467)
Focus On Imaging	(3,160,644)	-	-	(3,160,644)	-
CT Spec/Nuclear Med	-	(745,000)	-	(745,000)	(1,299,481)
Recruitment Fund	-	-	(10,000)	(10,000)	(20,000)
Scholarships	-	(2,000)	(10,000)	(12,000)	(10,250)
	(3,160,644)	(1,780,595)	(20,000)	(4,961,239)	(1,599,198)
Excess (deficiency) of revenues over expenses for the year after grants	(2,483,524)	(1,780,595)	3,447,546	(816,573)	1,216,674
Fund balances, beginning of year	3,781,930	7,565,621	659,045	12,006,596	10,789,922
Transfers (Annual)	-	1,300,000	(1,300,000)	-	-
Transfers (Focus On Imaging)	-	1,000,000	(1,000,000)	-	-
Transfers (CT Spec/Nuclear Med)	-	745,000	(745,000)	-	-
Transfers (Scholarship)	-	(63,621)	63,621	-	-
Transfers (Capital redevelopment)	-	1,000,000	(1,000,000)	-	-
Fund balances, end of year	\$ 1,298,406	\$ 9,766,405	\$ 125,212	\$11,190,023	\$12,006,596

Huntsville District Memorial Hospital Foundation (A Corporation Without Share Capital) Statement of Cash Flows

For the year ended March 31	2025	2024
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses and grants for the year	\$ (816,573)	\$ 1,216,674
Items not involving cash		
Amortization of capital assets	14,866	12,252
Amortization of deferred contributions related to capital assets	(5,870)	(2,629)
Adjustment to fair value of investments	(532,989)	(367,182)
	(1,340,566)	859,115
Changes in non-cash working capital balances		
Short-term investments	(1,016,736)	-
Accounts receivable	(11,334)	(37,223)
Prepaid expenses	(18,673)	52,671
Accounts payable and accrued liabilities	478	7,559
Due to Muskoka Algonquin Health Care	1,102,847	14,049
	(1,283,984)	896,171
Investing activities		
Purchase of capital assets	-	(2,109)
Purchase of investments	(1,674,883)	(795,060)
Withdrawal from investments	7,000,000	300,000
	5,325,117	(497,169)
Increase (decrease) in cash during the year	4,041,133	399,002
Cash, beginning of year	595,320	196,318
Cash, end of year	\$ 4,636,453	\$ 595,320

The accompanying notes are an integral part of these financial statements

Huntsville District Memorial Hospital Foundation

Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies

Nature and Purpose of Organization

The Huntsville District Memorial Hospital Foundation (the Foundation) is a not-for-profit organization incorporated without share capital under the laws of Ontario. Registration has been granted by the Department of National Revenue for designation as a charitable organization and as such, the Foundation is exempt from income taxes. The Foundation performs fundraising activities in support of health care organizations in Huntsville, Ontario.

Basis of Accounting

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Capital Assets

Capital assets are stated at cost less accumulated amortization. Cost is net of related investment tax credits and government grants. Amortization based on the estimated useful life of the asset is calculated as follows:

Building - 6% declining balance method
Furniture and equipment - 20% declining balance method

Financial Instruments

Arm's length financial instruments are recorded at fair value at initial recognition. Related party financial instruments are recorded at cost at initial recognition.

In subsequent periods, equities traded in an active market are reported at fair value with any unrealized gains and losses reported in operations. In addition, all guaranteed investment certificates and investments have been designated to be in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist.

Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions.

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

The Externally Restricted fund comprises the resources that are to be used for specific purposes as specified by the donor or project funder.

The Internally Restricted fund comprises the resources that are to be used for specific purposes as specified by the Foundation's Board.

The Unrestricted fund comprises the unrestricted resources available for the Foundation's immediate operating purposes. The use of these funds is at the discretion of the Foundation's Board.

Huntsville District Memorial Hospital Foundation
Notes to Financial Statements

March 31, 2025

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition	<p>Restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. However, if no appropriate restricted fund is presented, then the restricted contribution is recognized as revenue of the unrestricted fund in the year in which the related expenses are incurred.</p> <p>Unrestricted contributions are recognized as revenue of the Unrestricted Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Net investment income earned on externally restricted fund resources is recognized as revenue of the externally restricted fund. Other unrestricted net investment income is recognized as revenue of the Unrestricted fund when earned.</p> <p>The Foundation ensures, as part of its fiduciary responsibilities, that all funds received with restricted purposes are expended for the purpose for which they were provided.</p>
Use of Estimates	<p>The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the accrued liabilities, the fair values of financial instruments and the fair value of in-kind donations. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>
Contributed Services and Materials	<p>A substantial number of volunteers contribute a significant amount of their time to the Foundation each year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p> <p>Contributed materials and gifts which are used in the normal course of the Foundation's operations, and would otherwise have been purchased, are recorded at their fair value at the date of contribution if fair value can be reasonably estimated. During the year, the Foundation received "in-kind" donations in the amount of \$30,645.</p>

Huntsville District Memorial Hospital Foundation

Notes to Financial Statements

March 31, 2025

2. Investments

	2025	2024
Fixed income	\$ 4,042,732	\$ 6,816,750
Canadian equities	1,726,931	3,627,592
Global equities	529,173	699,047
Cash and equivalents	(12,485)	(17,755)
Cash surrender value of life insurance	242,878	195,723
Aggregate fair value	\$ 6,529,229	\$ 11,321,357
Aggregate cost	\$ 6,011,697	\$ 10,973,620

The investment portfolio is managed in accordance with the Foundation's investment policy.

The Foundation's investments are financial assets and are measured at fair value.

The Foundation holds title to life insurance policies on the lives of donors with a face value of \$862,999 (2024 - \$861,509). The Foundation receives cash or in kind donations equivalent to the premiums on the insurance policies. The increase in cash surrender value of the policies is included in investment income for the year.

Cash increased and investments decreased in 2025 primarily due to planned grants to Muskoka Algonquin Health Care for Focus on Imaging and Annual commitments in quarter one of fiscal 2026.

3. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Building	\$ 270,356	\$ 66,932	\$ 239,710	\$ 54,925
Furniture and equipment	25,384	13,944	25,384	11,084
	\$ 295,740	\$ 80,876	\$ 265,094	\$ 66,009
Net book value		\$ 214,864		\$ 199,085

Huntsville District Memorial Hospital Foundation
Notes to Financial Statements

March 31, 2025

4. Deferred Contributions Related to Capital Assets

Deferred contributions represent the unamortized portion of capital assets donated to the Foundation. The changes for the year in the deferred contributions balance are as follows:

	2025	2024
Balance, beginning of year	\$ 60,020	\$ -
Contributions deferred for donated capital assets	30,645	62,649
Amortization of deferred contributions	(5,870)	(2,629)
Balance, end of year	\$ 84,795	\$ 60,020

5. Related Party Transactions

The Foundation is related to Muskoka Algonquin Health Care (MAHC). Specifically, Huntsville District Memorial Hospital is one of the hospitals within MAHC. The Foundation solicits funds on behalf of Huntsville District Memorial Hospital. These funds are transferred to MAHC in support of approved capital projects of the Huntsville District Memorial Hospital. Substantially all contributions are made to this entity and it therefore has an economic interest in the Foundation.

During the year the Foundation transferred \$4,949,239 to Muskoka Algonquin Health Care (2024 - \$1,588,948).

In addition, during the year, the Foundation incurred operating costs of \$968,022 (2024 - \$818,154) which were initially paid by Muskoka Algonquin Health Care and then reimbursed by the Foundation.

Huntsville District Memorial Hospital Foundation

Notes to Financial Statements

March 31, 2025

6. Continuity of Fund Balances

	2025 Balance, beginning of year	Revenue	Expenses	Grants	Transfers	2025 Balance, end of year
Externally Restricted Funds:						
Focus on Imaging	\$ 3,781,930	\$ 646,616	\$ -	\$(3,160,644)	\$ -	\$ 1,267,902
Capital redevelopment	-	46,152	(15,648)	-	-	30,504
	3,781,930	692,768	(15,648)	(3,160,644)	-	1,298,406
Internally Restricted Funds:						
Annual commitment						
Fiscal 2024	1,000,000	-	-	(697,030)	-	302,970
Fiscal 2025	1,000,000	-	-	(336,565)	-	663,435
Fiscal 2026	-	-	-	-	1,300,000	1,300,000
Focus on Imaging	4,000,000	-	-	-	1,000,000	5,000,000
CT Spec/Nuclear Med	-	-	-	(745,000)	745,000	-
Capital redevelopment	1,500,000	-	-	-	1,000,000	2,500,000
Dr. Allan Health Sciences Scholarship	65,621	-	-	(2,000)	(63,621)	-
	7,565,621	-	-	(1,780,595)	3,981,379	9,766,405
Unrestricted Funds:	659,045	5,013,117	(1,545,571)	(20,000)	(3,981,379)	125,212
Total	\$12,006,596	\$ 5,705,885	\$(1,561,219)	\$(4,961,239)	\$ -	\$11,190,023

The Foundation has disbursed \$4,562,377 to date towards the total estimated value of \$12,500,000 for the Focus on Imaging Campaign.

The Foundation has commenced a Capital Redevelopment campaign at an estimated value of \$35,000,000.

Huntsville District Memorial Hospital Foundation

Notes to Financial Statements

March 31, 2025

6. Continuity of Fund Balances (continued)

	2024 Balance, beginning of year	Revenue	Expenses	Grants	Transfers	2024 Balance, end of year
Externally Restricted Funds:						
Focus on Imaging	\$ 2,220,972	\$ 1,960,607	\$ (399,649)	\$ -	-	\$ 3,781,930
Internally Restricted Funds:						
Annual commitment						
Fiscal 2023	324,675	-	-	(269,467)	(55,208)	-
Fiscal 2024	1,000,000	-	-	-	-	1,000,000
Fiscal 2025	-	-	-	-	1,000,000	1,000,000
Focus on Imaging	3,000,000	-	-	-	1,000,000	4,000,000
CT Spec/Nuclear Med	1,355,483	-	-	(1,299,481)	(56,002)	-
Capital redevelopment	1,500,000	-	-	-	-	1,500,000
Integrated stroke rehabilitation	1,000,000	-	-	-	(1,000,000)	-
Dr. Allan Health Sciences Scholarship	62,939	4,232	-	(2,000)	450	65,621
	8,243,097	4,232	-	(1,570,948)	889,240	7,565,621
Unrestricted Funds:	325,853	2,410,446	(1,159,764)	(28,250)	(889,240)	659,045
Total	\$10,789,922	\$ 4,375,285	\$(1,559,413)	\$(1,599,198)	\$ -	\$12,006,596

Huntsville District Memorial Hospital Foundation

Notes to Financial Statements

March 31, 2025

7. Financial Instrument Risks

Credit Risk

The Foundation is exposed to credit risk arising from bank accounts being held at one financial institution and deposits are only insured up to \$100,000.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk through its interest bearing investments.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments.

There have not been any changes in the above risk from the prior year.

8. Comparative Amounts

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