

**Sir Mortimer B. Davis Jewish
General Hospital Foundation**

**Financial Statements
March 31, 2018**

Sir Mortimer B. Davis Jewish General Hospital Foundation

Financial Statements
March 31, 2018

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Independent Auditor's Report

To the Directors of
Sir Mortimer B. Davis Jewish General Hospital Foundation

We have audited the accompanying financial statements of Sir Mortimer B. Davis Jewish General Hospital Foundation which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in fund balances and cash flows for the year ended March 31, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sir Mortimer B. Davis Jewish General Hospital 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.

*Richter LLP*¹

Montréal, Québec
September 5, 2018

¹CPA auditor, CA, public accountancy permit No. A118877

Sir Mortimer B. Davis Jewish General Hospital Foundation

Statement of Financial Position As at March 31, 2018

	General Fund \$	Endowment Fund \$	Capital Campaign Fund \$	Total 2018 \$	Total 2017 \$
Assets					
Cash	28,039,534	-	-	28,039,534	14,723,607
Marketable securities, at quoted values (note 3)	178,384,908	-	-	178,384,908	164,576,849
Interest and sundry receivables	1,062,663	-	-	1,062,663	1,062,906
Interfund loans (note 4)	(152,395,775)	35,056,871	117,338,904	-	-
Pledges receivable	3,035,114	-	57,924,483	60,959,597	70,351,600
Property and equipment (note 5)	8,842,966	-	-	8,842,966	9,014,975
	66,969,410	35,056,871	175,263,387	277,289,668	259,729,937
Liabilities					
Accounts payable and accrued liabilities	479,060	-	-	479,060	198,556
Due to Hospital (note 4)	215,272	-	-	215,272	789,905
Deferred pledges and contributions (note 7)	19,799,800	-	43,987,855	63,787,655	73,026,295
Long-term debt (note 8)	5,119,237	-	-	5,119,237	5,297,122
Promissory note to Hospital (note 9)	3,130,918	-	-	3,130,918	1,841,716
	28,744,287	-	43,987,855	72,732,142	81,153,594
Commitments and contingencies (note 9)					
Fund balances					
Internally restricted (note 10)	38,225,123	-	-	38,225,123	32,306,071
Restricted - capital campaign	-	-	45,817,053	45,817,053	37,074,120
Externally restricted as endowments	-	35,056,871	85,458,479	120,515,350	109,196,152
	38,225,123	35,056,871	131,275,532	204,557,526	178,576,343
	66,969,410	35,056,871	175,263,387	277,289,668	259,729,937

See accompanying notes

Approved by,

Date

Date

Sir Mortimer B. Davis Jewish General Hospital Foundation

Statement of Changes in Fund Balances For the Year Ended March 31, 2018

	<u>General Fund</u>	<u>Endowment Fund</u>	<u>Capital Campaign Fund</u>		Total 2018 \$
	Internally restricted \$	Endowment \$	Restricted \$	Endowment \$	
Balance - beginning of year	32,306,071	32,904,139	37,074,120	76,292,013	178,576,343
Excess of revenues over expenses	2,718,207	2,138,680	12,018,668	9,105,628	25,981,183
Interfund transfers	3,200,845	14,052	(3,275,735)	60,838	-
Balance - end of year	38,225,123	35,056,871	45,817,053	85,458,479	204,557,526

	<u>General Fund</u>	<u>Endowment Fund</u>	<u>Capital Campaign Fund</u>		Total 2017 \$
	Internally restricted \$	Endowment \$	Restricted \$	Endowment \$	
Balance - beginning of year	26,166,681	30,482,881	37,949,248	68,031,709	162,630,519
Excess of revenues over expenses	632,695	2,420,843	4,662,831	8,229,455	15,945,824
Interfund transfers	5,506,695	415	(5,537,959)	30,849	-
Balance - end of year	32,306,071	32,904,139	37,074,120	76,292,013	178,576,343

See accompanying notes

Sir Mortimer B. Davis Jewish General Hospital Foundation

Statement of Revenues and Expenditures For the Year Ended March 31, 2018

	General Fund \$	Endowment Fund \$	Capital Campaign Fund		Total 2018 \$	Total 2017 \$
			Restricted \$	Endowment \$		
Revenues						
Donations and fundraising (note 11)						
Annual campaign and other donations	1,582,661	51,629	24,875,484	4,229,415	30,739,189	23,451,608
Designated for Hospital	1,277,783	-	-	-	1,277,783	1,245,432
Fundraising events	9,296,763	-	-	-	9,296,763	11,930,934
Surcharge fee	4,725,179	-	-	-	4,725,179	3,401,574
	16,882,386	51,629	24,875,484	4,229,415	46,038,914	40,029,548
Net transfers from deferred contributions to fundraising events (note 7)	926,636	-	-	-	926,636	2,121,658
Total revenues from donations and fundraising	17,809,022	51,629	24,875,484	4,229,415	46,965,550	42,151,206
Other revenue						
Usufruct income from Hospital	366,000	-	-	-	366,000	366,000
Total revenues	18,175,022	51,629	24,875,484	4,229,415	47,331,550	42,517,206
Expenses						
Fundraising events	4,471,017	-	-	-	4,471,017	6,856,003
Campaign and sundry	1,199,937	-	-	-	1,199,937	1,159,153
Foundation administrative expenses	2,683,190	-	109,816	-	2,793,006	2,458,065
Investment management fees	54,099	44,793	-	114,026	212,918	148,593
Interest on long-term debt	182,564	-	-	-	182,564	188,673
Amortization	226,794	-	-	-	226,794	226,794
	8,817,601	44,793	109,816	114,026	9,086,236	11,037,281
Excess of revenues over expenses before investment returns and allocations	9,357,421	6,836	24,765,668	4,115,389	38,245,314	31,479,925
Investment returns						
Dividend, interest and gains on sale of marketable securities	2,090,726	1,285,482	-	3,097,316	6,473,524	5,514,126
Change in fair value of marketable securities	2,066,306	1,607,023	-	4,529,216	8,202,545	8,906,538
	4,157,032	2,892,505	-	7,626,532	14,676,069	14,420,664
Excess of revenues over expenses before allocations	13,514,453	2,899,341	24,765,668	11,741,921	52,921,383	45,900,589

Sir Mortimer B. Davis Jewish General Hospital Foundation

Statement of Revenues and Expenditures For the Year Ended March 31, 2018

	General Fund \$	Endowment Fund \$	Capital Campaign Fund		Total 2018 \$	Total 2017 \$
			Restricted \$	Endowment \$		
Allocations to the Sir Mortimer B. Davis Jewish General Hospital and other establishments						
Research and academic enhancement	3,853,294	291	503,558	97,177	4,454,320	5,757,345
Capital projects and equipment	2,129,693	-	7,034,782	-	9,164,475	6,672,462
Designated for Hospital	2,761,906	-	4,054,251	-	6,816,157	10,706,817
Endowment allocations	-	760,370	-	2,201,616	2,961,986	2,810,915
Allocations to other establishments	605,071	-	45,000	337,500	987,571	654,005
Allocation to Hospital for building projects	157,081	-	1,109,409	-	1,266,490	1,511,505
Allocation for research projects	1,289,201	-	-	-	1,289,201	1,841,716
	10,796,246	760,661	12,747,000	2,636,293	26,940,200	29,954,765
Excess of revenues over expenses	2,718,207	2,138,680	12,018,668	9,105,628	25,981,183	15,945,824

See accompanying notes

Sir Mortimer B. Davis Jewish General Hospital Foundation

Statement of Cash Flows For the Year Ended March 31, 2018

	2018 \$	2017 \$
Operating activities		
Excess of revenues over expenses	25,981,183	15,945,824
Amortization	226,794	226,794
Allocation for research projects	1,289,201	1,841,716
Increase in fair value of marketable securities	(8,202,545)	(6,161,871)
Decrease (increase) in -		
Interest and sundry receivables	243	(180,795)
Pledges receivable	9,392,003	(16,179,455)
Due to Hospital	(574,633)	712,148
Increase (decrease) in -		
Accounts payable and accrued liabilities	280,504	(368,735)
Deferred pledges and contributions	(9,238,640)	18,893,319
	19,154,110	14,728,945
Investing activities		
Proceeds on disposition of marketable securities	55,856,033	93,792,658
Purchase of marketable securities	(61,461,546)	(100,367,731)
Additions to property and equipment	(54,785)	(274,050)
	(5,660,298)	(6,849,123)
Financing activity		
Repayments of long-term debt	(177,885)	(171,776)
Increase in cash	13,315,927	7,708,046
Cash - beginning of year	14,723,607	7,015,561
Cash - end of year	28,039,534	14,723,607

See accompanying notes

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

1. Purpose of the Organization

The principal activity of the Foundation is to raise funds for research in the field of medicine and for the development of related health care activities for the Sir Mortimer B. Davis Jewish General Hospital. The Foundation is incorporated under the Canada Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

The Foundation has elected to apply Canadian accounting standards for not-for-profit organizations (ASNFPFO) in Part III of the CPA Canada Handbook - Accounting.

The Foundation also applies Canadian standards for private enterprises to the extent that these standards address topics not addressed in Canadian accounting standards for not-for-profit organizations.

Fund accounting

The General Fund reports on revenues and expenses related to annual donations and fundraising activities which subsidizes research, teaching, medical technology and related expenditures.

Endowment contributions are reported in the Endowment Fund. Investment income earned on resources of the Endowment Fund is reported in the Endowment Fund or the General Fund depending on the nature of any restrictions imposed by contributors of these funds.

The Capital Campaign Fund reports on contributions which generally are pledged and subsequently paid over five years. Such contributions are being raised to enhance the capital of the Foundation or for specific projects of the Hospital.

Revenue recognition

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

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions of the General Fund are recognized as revenue in the year in which the related expenses are incurred and are recorded when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recognized as revenue, when received, in the Endowment Fund.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Capital campaign contributions from significant events are recorded when received or pledged. Such contributions are deferred and recognized as revenue in the year in which the related expenses are incurred.

Surcharge fees generally comprise a 10% administration charge and a 10% allocation to fund innovative projects of the Hospital and are recognized on all gifts and donations when received in the year.

Use of estimates

The preparation of financial statements in conformity 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Amortization

Amortization for the buildings is calculated on their respective estimated useful life using the straight-line method over a period of 20 - 35 years.

Long-lived asset

When a long-lived 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 statement of revenues and expenditures. A write-down should not be subsequently reversed.

Derivative financial instruments

The Foundation has limited involvement with derivative financial instruments which are utilized to reduce the risks associated with changes in foreign currency exchange rates. The Foundation does not hold financial instruments for trading purposes. The Foundation does not qualify for hedge accounting and therefore is measuring its foreign currency exchange contracts at fair value.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

2. Summary of significant accounting policies (continued)

Foreign currency translation

Accounts in foreign currency have been translated into Canadian dollars as follows:

- Monetary items - at exchange rates in effect at the balance sheet date;
- Non-monetary items - at exchange rates in effect on the dates of the transactions; and
- Revenue and expenses - at average exchange rates prevailing during the year.

Gains and losses arising from foreign currency translation are included in excess of revenues over expenses and allocations.

Financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. In addition, the Foundation has elected to designate all fixed income securities to be measured at fair value. Changes in fair value are recognized in the statement of revenues and expenditures.

Financial assets measured at amortized cost include cash, interest and sundry receivables and pledges receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, due to Hospital, long-term debt and promissory note to Hospital.

The Foundation's financial assets measured at fair value include marketable securities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of possible impairment. The Foundation determines whether a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset. If this is the case, the carrying amount of the asset is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the asset, and the amount that could be realized by selling the asset at the balance sheet date. The amount of the write-down is recognized in the statement of revenues and expenditures. Any previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

2. Summary of significant accounting policies (continued)

Transaction costs

The Foundation recognizes its transaction costs in the statement of revenues and expenditures in the period incurred. However, transaction costs related to financial instruments subsequently measured at amortized cost reduce the carrying amount of the financial asset or liability and are accounted for in the statement of revenues and expenditures using the straight-line method.

3. Marketable securities

	2018 \$	2017 \$
Equities	131,364,044	129,845,758
Fixed income securities	47,020,864	34,731,091
	178,384,908	164,576,849

Marketable securities are carried in the accounts at their quoted values and any change in fair value is recorded in the statement of revenues and expenditures.

Included in marketable securities is the fair value of the derivative financial instruments (note 9).

4. Interfund loans and due to Hospital

Interfund loans and amounts due to Hospital are non-interest bearing and have no specific terms of repayment.

5. Property and equipment

	Cost \$	Accumulated amortization \$	2018 Net carrying amount \$	2017 Net carrying amount \$
Land	3,302,487	-	3,302,487	3,302,487
Buildings	7,288,156	1,747,678	5,540,478	5,712,488
	10,590,643	1,747,678	8,842,965	9,014,975

6. Credit facility

The Foundation's credit facility provides for a \$5,000,000 line of credit with borrowings thereunder bearing interest at bank prime rate per annum. As at March 31, 2018, there was no bank indebtedness outstanding (2017 - \$Nil).

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

7. Deferred pledges and contributions

	Deferred pledges \$	Deferred contributions \$	2018 Total \$	2017 Total \$
Balance - beginning of year	55,812,240	17,214,055	73,026,295	54,132,976
Recognized this year	(30,311,512)	(4,621,510)	(34,933,022)	(26,545,420)
Amounts received or receivable for future periods	21,522,208	4,172,174	25,694,382	45,438,739
Balance - end of year	47,022,936	16,764,719	63,787,655	73,026,295

The net transfers from deferred contributions to fundraising events consists of the following:

	2018 \$	2017 \$
Transfers from deferred contributions to fundraising events relating to expenditures incurred in the year	4,621,510	4,968,936
Transfers to deferred contributions from fundraising events in the current year	(3,694,874)	(2,847,278)
	926,636	2,121,658

8. Long-term debt

	2018 \$	2017 \$
Long-term debt, bearing interest at 3.50% per annum, repayable in monthly instalments of \$30,037 including capital and interest, maturing on November 2022, and secured by certain marketable securities of the Foundation	5,119,237	5,297,122

The terms of the long-term debt agreement require the Foundation to comply with a financial covenant. As at March 31, 2018, the Foundation was in compliance with this debt covenant.

Principal repayments are due approximately as follows:

	\$
2019	184,000
2020	191,000
2021	198,000
2022	205,000
Thereafter	4,342,000

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

9. Commitments and contingencies

Investment purchase commitments

The Foundation has entered into agreements to purchase various equity investments for a total commitment of approximately \$81,700,000 of which approximately \$67,400,000 has been purchased as at March 31, 2018.

Pavillion K project of Sir Mortimer B. Davis Jewish General Hospital

As part of the financing for the construction of the Hospital's Pavillion K, the Foundation agreed to be responsible for certain costs of the construction project and certain cost overruns. To date, the Foundation has paid \$10,558,100 in this regard. The respective managements of the Hospital and the Foundation concur that the Foundation's entire obligation has been fulfilled in this regard.

In addition, the Foundation has guaranteed the debt service with respect to the loan which funds the construction costs of the parking structure related to the Hospital's Pavillion K project. The balance of the debt related to the parking structure amounted to approximately \$20.8 million as at March 31, 2018 and is bearing 4.31% interest on an annual basis. The loan is repayable over 25 years and matures in 2038, and it is intended that the debt service of the loan and operating costs of the parking structure will be funded from the parking revenue. Should such revenue not be sufficient, the Foundation will be liable, on an annual basis, to fund the shortfall. To date, there has been no annual shortfall and no funding has been provided by the Foundation in this regard.

Promissory note - Sir Mortimer B. Davis Jewish General Hospital

In 2017, the Foundation made a commitment to provide approximately \$5,500,000 to the Sir Mortimer B. Davis Jewish General Hospital to fund past research and programs at the Hospital, over a three year period, from fiscal 2017 to fiscal 2019 inclusive. As at March 31, 2018, approximately \$3,700,000 has been allocated and approximately \$1,800,000 remains to be allocated during fiscal 2019.

The Centre intégré universitaire de santé et de services sociaux de Centre-Ouest-de-l'Île-de-Montréal, on behalf of the Sir Mortimer B. Davis Jewish General Hospital, made a commitment to reimburse the Foundation approximately \$550,000 per year over ten years, beginning in fiscal 2018.

In fiscal 2018, the Foundation recorded approximately \$550,000 from the Centre intégré universitaire de santé et de services sociaux de Centre-Ouest-de-l'Île-de-Montréal, on behalf of the Sir Mortimer B. Davis Jewish General Hospital and approximately \$4,950,000 remains to be paid equally over the next nine years.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

9. Commitments and contingencies (continued)

Sir Mortimer B. Davis Jewish General Hospital

The Foundation has made a commitment to provide approximately \$3,100,000, in fiscal 2019, of funding to the Sir Mortimer B. Davis Jewish General Hospital to be applied towards supplementary activities ("activités accessoires").

Rosy Cancer Network

The Foundation has made a commitment to the Rosy Cancer Network for an amount of \$7,200,000 in 2014 to establish a cancer network and improve the identification of cancer indicators and quality of cancer care.

The remaining committed payments are due as follows:

	\$
2019	545,000
2020	545,000
2021	545,000
2022	545,000
Thereafter	2,811,000

Foreign exchange contracts

As at March 31, 2018, the Foundation has a contractual obligation through forward exchange contracts to sell a fixed amount of U.S.\$50,700,000 for CDN\$62,419,812 maturing on June 7, 2018. As explained in note 2, the Foundation accounts for these financial instruments as non-hedging derivative financial instruments. The Foundation's derivatives dealer established the forward exchange contracts' fair value at a loss of approximately \$2,815,000.

10. Internally restricted net assets

As at March 31, 2018, the Foundation's board of directors has internally restricted capital of \$38,225,123 in aggregate which consists of \$35,290,940 of the General Fund which consists of estates, bequests and other capital amounts and the remaining internally restricted capital of the General Fund Capital of \$2,934,183 relates to property and equipment less related debt.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

11. Donations

Donations, excluding fundraising and events, recorded during the years ended March 31, 2018 and 2017 were from the following categories of donors:

	2018 \$	2017 \$
Foundations and not-for-profit organizations	13,192,221	10,770,822
Individuals	17,977,432	13,602,629
Corporations	5,572,498	3,725,163
	36,742,151	28,098,614

12. Financial instruments

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the financial position date.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Some assets are exposed to foreign exchange fluctuations. As at March 31, 2018, assets in foreign exchange are the following:

	2018		2017	
	Canadian dollars \$	Foreign currency	Canadian dollars \$	Foreign currency
Cash (\$U.S.)	229,000	177,000	206,000	155,000
Marketable securities (\$U.S.)	129,716,000	100,602,000	123,219,000	92,653,000
Marketable securities (Euro)	725,000	457,000	1,042,000	731,000

The Foundation's activities involve investments denominated in foreign currencies. These activities result in exposure to fluctuations in foreign currency rates. The Foundation enters into foreign exchange contracts to mitigate the risk.

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 reductions in interest rates, which could adversely impact expected returns from the Foundation's reinvestment of funds in marketable securities upon maturity of such instruments. The Foundation is also exposed to interest rate price risk with respect to its long-term debt which bears a fixed rate of interest.

Sir Mortimer B. Davis Jewish General Hospital Foundation

Notes to Financial Statements March 31, 2018

12. Financial instruments (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Foundation is exposed to credit risk only with respect to uncertainty as to timing and amount of collectibility of sundry receivables and pledges receivable. Historically, the Foundation collects virtually all of its pledges receivable.

Market risk

Market risk, which includes 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. The Foundation's investments in publicly traded securities expose the Foundation to market risk as such investments are subject to price changes in the open market. The Foundation mitigates the risk by regularly rebalancing its portfolio to ensure proper diversification.

Price risk

The Foundation is exposed to securities price risk because of investments held by the Foundation. To manage its price risk arising from investments in securities, the Foundation diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Foundation.

Liquidity risk

Liquidity risk is the risk that the Foundation will have difficulty in meeting obligations associated with financial liabilities. Prudent management of liquidity risk implies retaining a sufficient level of liquidity and arranging for appropriate credit facilities and being able to liquidate market positions. The Foundation believes that its recurring financial resources are adequate to cover all its expenditures.

13. Comparatives figures

Certain reclassifications of 2017 amounts have been made to facilitate comparison with the current year.

14. Subsequent events

Subsequent to year-end, the Foundation sold property with a net book value of approximately \$7,104,000 for cash proceeds of approximately \$7,796,000 resulting in a gain of approximately \$692,000. Consequently, the long-term debt was fully repaid.