

Kids' Health Link Foundation

Financial Statements

For the year ended December 31, 2017

Contents	Page
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position	1
Statement of Contributions and Expenditures and Net Assets	2
Statement of Cash Flows	3
Notes to Financial Statements	4 - 6



To the Directors of
Kids' Health Link Foundation

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of Kids' Health Link Foundation, which comprise the statement of financial position as at December 31, 2017 and the statements of contributions and expenditures and net assets, and cash flows for the year then ended, 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.

Auditors' 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 is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Kids' Health Link Foundation derives a portion of its revenues from cash donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Kids' Health Link Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to those contributions, excess of contributions over expenditures, and cash flows from operations for the year ended December 31, 2017.



Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Kids' Health Link Foundation as at December 31, 2017 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.

May 1, 2018
Burlington, Ontario

SB Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

Kids' Health Link Foundation
Statement of Financial Position
December 31, 2017

Assets			
	2017		2016
Current assets			
Cash and bank	\$ 18,018	\$	27,753
Accounts receivable	11,719		25,578
	29,737		53,331
Capital assets (Note 3)	1,152		1,646
Goodwill (Note 4)	1		1
	\$ 30,890	\$	54,978

Liabilities			
Current liabilities			
Accounts payable and accrued liabilities (Note 5)	\$ 25,561	\$	24,595
Director loans (Note 6)	-		85,000
	\$ 25,561	\$	109,595

Net Assets			
Unrestricted reserve	\$ 5,329	\$	(54,617)
	\$ 30,890	\$	54,978

Approved on Behalf of the Board

 Directors

 Directors



Kids' Health Link Foundation

Statement of Contributions and Expenditures and Net Assets

Year Ended December 31, 2017

	2017	2016
Contributions		
Donations (Note 8)	\$ 353,037	\$ 197,214
Fundraising events, net (Note 10)	44,977	44,629
	398,014	241,843
Expenditures		
Upopolis program		
Advertising and promotion	3,590	1,459
Clinical Practice Advisor	12,274	12,202
Donations (Note 9)	18,000	51,600
Educational materials costs	1,134	606
Project clinical support (Child Life)	135,786	67,008
Super User Conference	10,806	9,604
Training	2,555	1,125
Travel	5,524	5,026
Webmaster	1,768	2,695
UPEDIA project		
Project clinical support (Child Life)	15,512	18,248
Website costs (including development and hosting licence)	26,166	21,024
UMind project		
Advertising and promotion	219	94
Project clinical support (Child and Youth Mental Health Professional)	32,932	43,587
Travel	-	2,340
Website costs	11,542	11,912
Fellowship program		
Donations (Note 9)	-	5,000
Other		
Advertising and promotion	1,210	3,841
Amortization	494	705
Bank charges and interest	2,380	2,311
General and administrative	35,150	34,645
Insurance	2,472	3,021
Legal and accounting	7,019	7,200
Office and postage	3,194	6,474
Travel	8,342	3,999
	338,069	315,726
Excess (deficiency) of contributions over expenditures for the year	59,945	(73,883)
Net assets (deficiency), beginning of year	(54,616)	19,266
Net assets (deficiency), end of year	\$ 5,329	\$ (54,617)



Kids' Health Link Foundation

Statement of Cash Flows

Year Ended December 31, 2017

	2017	2016
Cash flows from operating activities		
Excess (deficiency) of contributions over expenditures for the year	\$ 59,945	\$ (73,883)
Charges not involving cash		
Amortization	494	705
	60,439	(73,178)
Net change in accounts receivable	13,859	25,868
Net change in accounts payable and accrued liabilities	967	3,348
	75,265	(43,962)
Cash flows from financing activities		
Net change in director loans	(85,000)	15,000
	(85,000)	15,000
Net decrease in cash and cash equivalents	(9,735)	(28,962)
Cash and cash equivalents, beginning of year	27,753	56,715
Cash and cash equivalents, end of year	\$ 18,018	\$ 27,753



Kids' Health Link Foundation

Notes to Financial Statements

Year Ended December 31, 2017

1. Nature of operations

Kids' Health Link Foundation (the "Foundation") achieved charitable status effective June 25, 2007.

The purpose of the Foundation is to develop partnerships and technology to help children in medical care stay connected to their family, friends and school.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks.

Financial instruments

The Foundation's financial instruments consist of cash and bank, accounts receivable, and accounts payable and accrued liabilities. All financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.

Capital assets

Capital assets are recorded at cost. Amortization is provided as follows:

Computer equipment	30% declining balance
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Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

Contributed services

These financial statements do not reflect the substantial value of services contributed by Board members, volunteers, and other interested parties because the fair market value of such services are not readily available.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the period. Actual results could differ from those estimates.



Kids' Health Link Foundation
Notes to Financial Statements
Year Ended December 31, 2017

3. Capital assets

	Cost	Accumulated Amortization	2017	2016
Computer equipment	\$ 2,766	\$ 1,614	\$ 1,152	\$ 1,646

4. Intangible assets

	Cost	Accumulated Amortization	2017	2016
Rights to Upopolis Technology	\$ 1	\$ -	\$ 1	\$ 1

5. Accounts payable and accrued liabilities

Included in accounts payable is a balance of \$2,562 owing to Alythea (2016 - \$2,314), a company run by the daughter of one of the directors.

6. Director loans

	2017	2016
Director loan	\$ -	\$ 85,000

During the year the Director loan was donated to the Organization.

7. Commitments

The Foundation has made a pledge through the UMind Program to Lutherwood Children's Mental Health for \$25,000. This pledge is expected to be paid in the next fiscal year.

8. Donations

	2017	2016
Contributions	\$ 10,426	\$ 38,122
Donations	117,610	159,092
Donation - Director loan	225,000	-
	\$ 353,036	\$ 197,214



Kids' Health Link Foundation
Notes to Financial Statements
Year Ended December 31, 2017

9. Donations and gifts

During the year, the Foundation made the following donations:

	2017	2016
Upopolis program:		
Canadian Child Life Institute	\$ -	\$ 600
Sainte-Justine UHC Foundation	-	20,000
Sick Kids Hospital	18,000	15,000
Canadian Association Suicide Prevention	-	5,000
Hospital for Sick Children	-	10,000
Heart House Hospice	-	1,000
Balance forward	18,000	51,600
Fellowship program:		
Montreal Children's Hospital	-	5,000
	\$ 18,000	\$ 56,600

10. Fundraising events & program development

	2017	2016
Fundraising revenue	\$ 146,965	\$ 146,573
Less: Fundraising expenses	(89,515)	(101,944)
Less: Program development costs	(12,473)	-
	\$ 44,977	\$ 44,629

11. Financial instruments

The Foundation's financial instruments consist of cash and bank, accounts receivable, and accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant credit, liquidity, interest, market, or currency risks.

