

Royal University Hospital Foundation Inc.

Financial Statements

March 31, 2019



Independent auditor's report

To the Board of Directors of Royal University Hospital Foundation Inc.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Royal University Hospital Foundation Inc. (the Foundation) as at March 31, 2019 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.

What we have audited

The Foundation's financial statements comprise:

- the statement of financial position as at March 31, 2019;
- the statement of revenue, expenses, and changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended;
- the related schedules for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Independence

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Saskatoon, Saskatchewan
May 28, 2019



Royal University Hospital Foundation Inc.

Statement of Financial Position

As at March 31, 2019

	2019			2018
	Operating	Designated	Endowment	Total
Assets				
Current assets				
Cash and cash equivalents	5,428,358	-	-	5,428,358
Pledges receivable - current (note 4)	155,762	-	-	155,762
Accounts receivable	103,668	-	-	103,668
Inventory	123,221	-	-	123,221
Due from other funds	378,701	-	-	378,701
Prepaid expenses	141,356	136,565	20,673	298,594
	6,331,066	136,565	20,673	6,488,304
Investments (note 2)	-	2,563,707	16,429,294	18,993,001
				17,979,322
Other assets				
Planned giving	27,762	-	-	27,762
Pledges receivable - long term (note 4)	135,498	-	-	135,498
	163,260	-	-	163,260
				116,618
Capital assets (note 3)	195,251	-	-	195,251
				210,963
	6,689,577	2,700,272	16,449,967	25,839,816
				26,073,632
Liabilities				
Current liabilities				
Accounts Payable (note 5)	638,412	-	125,000	763,412
Accrued Liabilities	85,270	-	-	85,270
Grants Payable (note 5)	3,177,555	19,407	281,853	3,478,815
Due to other funds	-	260,813	117,888	378,701
	3,901,237	280,220	524,741	4,706,198
				3,605,855
Fund Balances				
Fund Balances (note 11)	2,788,340	2,420,052	15,925,226	21,133,618
				22,467,777
	6,689,577	2,700,272	16,449,967	25,839,816
				26,073,632
Commitments (note 12)				

Approved by the Board of Directors

Director

Director

The accompanying notes are an integral part of these financial statements.



Royal University Hospital Foundation Inc.

Statement of Revenue, Expenses, and Changes in Fund Balances for the year ended March 31, 2019

	2019			2018
	Operating	Designated	Endowment	Total
Revenue				
Donations	6,238,349	311,133	560,887	7,110,369
Bequests	377,070	-	92,455	469,525
Events - gross revenue & gift-in-kind (note 7)	454,766	-	-	454,766
Gift shop - gross revenue	357,886	-	-	357,886
Gaming- gross revenue (note 7)	1,347,366	-	-	1,347,366
Total fundraising revenue - gross	8,775,437	311,133	653,342	9,739,912
Investment income (loss) (note 2)	171,991	27,561	859,592	1,059,144
Management fees (note 2)	12,657	-	-	12,657
Other (note 6)	153,722	(14,458)	(139,264)	-
	9,113,807	324,236	1,373,670	10,811,713
Expenses				
Fundraising, events, and administrative (schedule A)	(2,210,199)	-	(82,729)	(2,292,928)
Net revenue available for granting	6,903,608	324,236	1,290,941	8,518,785
Grants (note 8)	(8,935,045)	(455,087)	(462,812)	(9,852,944)
Excess (deficiency) of revenue over expenses	(2,031,437)	(130,851)	828,129	(1,334,159)
Fund balances, beginning of year	4,819,777	2,489,754	15,158,246	22,467,777
Interfund transfers (note 10)	-	61,149	(61,149)	-
Fund balances, end of year (note 11)	2,788,340	2,420,052	15,925,226	21,133,618

The accompanying notes are an integral part of these financial statements.



Royal University Hospital Foundation Inc.

Statement of Cash Flows

for the year ended March 31, 2019

	2019			2018
	Operating	Designated	Endowment	Total
Cash provided by (used in)				
Operating activities				
Excess of revenue over expenses	(2,031,437)	(130,851)	828,129	(1,334,159)
Items not involving cash				
Amortization	23,236	-	-	23,236
Due to (from) other funds	(378,701)	260,813	117,888	-
Investment earnings re-invested (net of fee)		(48,638)	(774,846)	(823,484)
Change in value of planned giving assets	(1,144)	-	-	(1,144)
Donated artwork	(3,745)	-	-	(3,745)
	(2,391,791)	81,324	171,171	(2,139,296)
Net change in non-cash working capital items				
Decrease (increase) in pledges receivable	637,099	-	-	637,099
Decrease (increase) in accounts receivable	(50,357)	-	-	(50,357)
Decrease (increase) in inventory	(15,302)	-	-	(15,302)
Decrease (increase) in prepaid expenses	66,817	38,047	-	104,864
Increase (decrease) in accounts payable	(960,245)	-	96,130	(864,115)
Increase (decrease) in accrued liabilities	(21,119)	-	-	(21,119)
Increase (decrease) in grants payable	1,831,018	18,034	(41,774)	1,807,278
	1,487,911	56,081	54,356	1,598,348
	(903,880)	137,405	225,527	(540,948)
Investing activities				
Purchase of investments	-	(331,363)	(1,625)	(332,988)
Withdrawal from investments	-	105,144	37,649	142,793
Purchase of capital assets	(3,779)	-	-	(3,779)
	(3,779)	(226,219)	36,024	(193,974)
Net change in cash	(907,659)	(88,814)	261,551	(734,922)
Cash and cash equivalents - beginning of year	6,336,017	27,665	(200,402)	6,163,280
Interfund transfers (note 10)	-	61,149	(61,149)	-
Cash and equivalents - end of year	5,428,358	-	-	5,428,358

The accompanying notes are an integral part of these financial statements



Royal University Hospital Foundation Inc.

Schedule A - Fundraising, Events and Administration Expenses for the year ended March 31, 2019

	2019			2018
	Operating	Designated	Endowment	Total
Salaries and benefits	1,042,445	-	-	1,042,445
Event and gaming costs (note 7)	490,792	-	-	490,792
Gift Shop cost of sales and other costs (schedule B)	328,519	-	-	328,519
Fundraising and operations	281,356	-	-	281,356
Investment management fees	7,989	-	82,729	90,718
Professional fees and contract	59,098	-	-	59,098
	2,210,199	-	82,729	2,292,928

Royal University Hospital Foundation Inc.

Schedule B - Gift Shop Costs of Sales and Other Costs for the year ended March 31, 2019

	2019			2018
	Operating	Designated	Endowment	Total
Costs of sale, including packaging and buying	214,383	-	-	214,383
Salaries and benefits	83,965	-	-	83,965
Administrative costs, including amortization	30,171	-	-	30,171
	328,519	-	-	328,519



Royal University Hospital Foundation Inc.

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The Foundation was incorporated under the provisions of the Non-Profit Corporations Act (Saskatchewan) on June 13, 1983 as the University Hospital Foundation Inc. Effective June 7, 1991, the Foundation changed its name to the Royal University Hospital Foundation Inc. (the "Foundation").

The Foundation enjoys tax-exempt status as a registered charity under Paragraph 149(1)(f) of the Income Tax Act (Canada). In order to maintain registered status, a public Foundation must fulfil certain annual expenditure requirements.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

Fund Accounting

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

The Operating fund comprises the Foundation's general and unrestricted fundraising activities and reports resources which are not externally restricted. Also included in this fund are amounts donated for grants which are part of the Foundation's normal granting programs.

The Designated and Endowment funds comprise the Foundation's designated and endowment revenues and corresponding disbursements to the Royal University Hospital (through the Saskatchewan Health Authority) and to the University of Saskatchewan.

The Foundation receives endowment capital contributions, which are intended to exist for a period of ten years, or in perpetuity. These endowment capital contributions, as well as non-capital donations, are included in the Foundation's Endowment fund balance and any investment income (loss) earned on the endowed funds is recorded as income (loss) of the Endowment fund.

The Foundation also receives contributions from donors which are directed by the donor to a specific charitable purpose, or to a specific hospital department. Such contributions are recorded in the Designated fund.

The Foundation operates the Royal University Hospital gift shop which it took over from the Royal University Hospital Auxiliary (the "Auxiliary") in 2015. The results of operations of the Gift Shop are reflected in the Operating fund. The intention is that the Foundation will operate the Gift Shop and at the end of each fiscal year will transfer an amount to the Auxiliary endowment fund held by the Foundation. The amount transferred will be determined after calculating a reserve needed to fund the ongoing operations of the Gift Shop. To date, no transfers have been made to the endowment fund upon considering the net Gift Shop earnings, after amortization of fixtures and equipment.

Revenue Recognition

Donor-designated contributions are recognized as revenue of the Designated Fund or the Endowment Fund in the year received or receivable.

Restricted contributions related to a fund raising campaign are recognized as revenue of the Operating Fund in the period that they are received or receivable and the corresponding grant expenditure has been incurred.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable.

Contributions receivable are recorded when the amount to be received can be reasonably estimated, ultimate collection is reasonably assured, and the corresponding revenue recognition criteria has been met.



Royal University Hospital Foundation Inc.

Notes to financial statements

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Amounts received related to fundraising events to be held after the fiscal year-end are deferred and recognized on completion of the event.

During the fiscal year 2013/14, the Foundation, in concert with other Saskatoon Foundations within the Saskatchewan Health Authority, implemented a Recovery of Fundraising Costs Policy. The purpose of the policy is to more closely associate fundraising benefits and costs across all donations to generate a pool of resources that will be available for the operation of the Foundation. A fee is charged on Designated and Endowment donations and recognized as revenue in the Operating fund.

Unrestricted investment income, as well as certain investment income earned on the Designated funds, are recognized as revenue in the Operating fund. Investment income earned on endowments is recorded as revenue of the Endowment fund.

Financial Instruments

The Foundation recognizes and measures its financial instruments as follows: 1. cash, accounts receivable, pledges receivable, planned giving, accounts payable, accrued liabilities and grants payable are initially recorded as their fair value and subsequently measured at amortized cost; 2. investments in debt and equity securities that are quoted in an active market are initially recorded, and subsequently measured, at fair value; 3. term deposits and guaranteed investment certificates are initially recorded at fair value and subsequently measured as amortized cost using the effective interest method.

Financial assets, where applicable, are tested for impairment at the end of each reporting period when there are indications that an asset may be impaired.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash balances and term deposits, if any, with original maturities of three months or less.

Cash and cash equivalents are available for meeting short-term cash commitments rather than for investment or other purposes.

Inventory

Inventory is carried at the lower of cost and net realizable value. Inventory consists of items held for sale at the Gift Shop.

Capital Assets

Property and equipment are recorded at cost (or receipted value, in the case of donated items) and amortized using the straight-line method over the estimated useful lives of the assets as follows:

Computer equipment and software	2 years
Store fixtures	5 years
Gift Shop renovations	20 years
Donated artwork	Not amortized

Grants

Grants are recorded when the Foundation obligates itself to transfer funds for the grant.



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Notes to financial statements

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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 amounts reported in these financial statements and accompanying notes.

These estimates are based on management's best knowledge of current events and actions that the Foundation may undertake in the future.

Other assets

The Planned Giving amount relates to cash surrender value of life insurance policies which have been donated to the Foundation and for which the Foundation is the beneficiary.

Contributed Services

The Saskatchewan Health Authority provides administration services and office space to the Foundation at no charge. These services are not recognized in the financial statements due to the difficulty in determining their fair value.

2. Investments

	2019			2018
	Operating	Designated	Endowment	Total
Investment portfolios	-	2,563,707	16,429,294	18,993,001
Opening balance	-	2,288,850	15,690,472	17,979,322
Addition to portfolio	-	331,363	1,625	332,988
Investment earnings re-invested (net of fees)	-	48,638	774,846	823,484
Withdrawals	-	(105,144)	(37,649)	(142,793)
	-	2,563,707	16,429,294	18,993,001

The Foundation's investment portfolios in the Designated and Endowment funds are managed by an external professional investment manager, in accordance with an Investment Policy Statement for each portfolio. A quarterly management fee is paid.

Investment income of \$1,059,144 (2018 - \$886,380) consists of interest of \$376,235 (2018 - \$282,101), changes in fair value of investments of \$406,886 (2018 - \$362,853) and dividend income of \$276,023 (2018 - \$241,425). Changes in fair value include capital gains/losses on investments sold.

The Foundation manages trust funds on behalf of the Saskatchewan Health Authority departments at Royal University Hospital in the amount of \$683,765 (2018 - \$649,149). During the year, the Foundation earned investment income in lieu of a management fee of \$12,657 (2018 - \$8,320) on these funds. These trust funds are not included in these financial statements.



Royal University Hospital Foundation Inc.

Notes to financial statements

March 31, 2019

3. Capital assets

	2019		2018
	Cost	Accumulated amortization	Net
Computer equipment	21,744	(21,744)	-
Computer software	46,818	(46,818)	-
Gift Shop fixtures	70,286	(47,122)	23,164
Gift Shop improvements	109,888	(19,230)	90,658
Donated artwork	81,429	-	81,429
	330,165	134,914	195,251
			210,963

Amortization expense included in expenses is \$23,236 (2018 – \$25,695).

4. Pledges receivable

The Foundation records pledged donation revenues when there is reasonable assurance of collection and the revenue recognition criteria has been met. The measurement of pledges receivable is uncertain due to the third party donor's control over the timing of the payment. Management considers factors relevant to the collection of pledges, including donor profile and donor payment history, to assist in their estimate of the recorded amount of pledges receivable.

At the end of the fiscal year, pledges outstanding (current and long-term) to the Foundation are \$291,260 (2018 - \$928,359) and are included in the current year's donation revenue. Amounts are due to the Foundation over the next one to nine years, as follows:

	2019			2018
	Operating	Designated	Endowment	Total
2019	-	-	-	-
2020	155,762	-	-	155,762
2021	34,665	-	-	34,665
2022	40,000	-	-	40,000
2023	10,000	-	-	10,000
2024	10,000	-	-	10,000
2025-2029	40,833	-	-	40,833
	291,260	-	-	291,260
				928,359

Additional amounts that have been pledged to the Foundation as of March 31, 2019 for the purpose of funding future grants are disclosed in note 12.

During the fiscal year, the Foundation incurred pledge losses of nil (2018 – nil).



Royal University Hospital Foundation Inc.

Notes to financial statements

March 31, 2019

5. Grants payable

At the end of the fiscal year, grants payable outstanding are \$3,478,815 (2018 - \$1,671,537). Included in this amount is the Foundation's commitment to pay to the Saskatchewan Health Authority or the University of Saskatchewan the following amounts:

	2019			2018
	Operating	Designated	Endowment	Total
Chronic Disease priorities	1,500,000	-	-	-
Trauma Observation Unit	500,000	-	-	-
Priority capital equipment	936,867	15,868	-	1,174,483
Signature grants	194,988	3,539	181,853	306,849
Chairs, education and fellowships	45,700	-	100,000	190,205
	3,177,555	19,407	281,853	1,671,537

The majority of the payments of the grants payable will be made directly to the Saskatchewan Health Authority and the timing will depend upon the Health Authority's billings to the Foundation.

Included in accounts payable at the end of the fiscal year are \$608,664 (2018 - \$1,126,152) relating to grants that were billed by the Health Authority as of March 31, 2019 and paid subsequent to year end.

6. Other revenue

Other revenue primarily relates to the Recovery of Fundraising Costs fee (see Note 1).

7. Events and gaming revenue

	2019		2018
	Revenue	Expenses	Net
Events			
Royal Ball	312,287	(202,726)	77,778
Greek Gourmet Feast	142,479	(75,453)	63,842
Celebrity Golf Classic	-	-	90,470
	454,766	(278,179)	232,090
Gaming			
Hospital Home Lottery	1,347,366	(212,613)	1,101,314



Royal University Hospital Foundation Inc.

Notes to financial statements

March 31, 2019

7. Events and gaming revenue (continued)

Included in the event revenue and expenses are gift-in-kind amounts:

	2019		2018
	Revenue	Expenses	Net
Royal Ball	144,258	(144,258)	-
Greek Gourmet Feast	56,169	(56,169)	-
Celebrity Golf Classic	-	-	-
	200,427	(200,427)	-

Included in the gaming revenue is Saskatchewan Charitable Gaming Grants in the amount of \$38,488 (2018 - \$39,776).

8. Grants

	2019			2018
	Operating	Designated	Endowment	Total
Patient care (including capital)	8,563,536	165,570	152,147	3,675,009
Research	195,600	201,214	297,515	368,563
Education/fellowships	175,909	88,303	13,150	124,484
	8,935,045	455,087	462,812	4,168,056

Grants for education, research, and patient care (including capital) which are part of the Foundation's normal granting streams, or which are part of a capital campaign, are recorded as grants and grants payable when the grant is awarded and approved by the Board. Payments against these amounts are made based on invoices from the Saskatchewan Health Authority or the University of Saskatchewan. Grants for fellowships or professorships from Designated accounts are recorded as grants and grants payable when agreements are reached with the Health Authority or the University of Saskatchewan.

In the case of donations designated to a specific one-time purpose, with the intention that the designated purpose will be fulfilled in the near-term, the offsetting grant is recorded at the same time as the donation is received.

According to the terms of certain endowment agreements, the granting of amounts may be determined by a committee external to the Foundation.



Royal University Hospital Foundation Inc.

Notes to financial statements

March 31, 2019

8. Grants (continued)

The following significant items were granted (cancelled) during the year:

	2019			2018
	Operating	Designated	Endowment	Total
RUH new adult emergency room	4,825,000	-	-	4,825,000
Chronic disease priorities	1,500,000	-	-	1,500,000
Cardiac upgrades and equipment	622,385	-	81,053	703,438
Trauma observation unit	500,000	-	-	500,000
Emergency department	355,867	-	-	355,867
Cameco Chair in Indigenous Health	-	-	250,000	250,000
General non-clinical equipment and public space enhancements	261,337	-	-	261,337
Surgery equipment	234,057	-	-	234,057
Lecture theatres	150,000	-	-	150,000
Fellowship training	100,000	-	-	100,000
Woman Leading Philanthropy grant	100,000	-	-	100,000
Intensive care unit waiting room	-	50,000	-	50,000
Medical imaging equipment	45,871	-	-	45,871
Mental health emergency assessment unit	15,000	-	-	15,000
Spirometer for Cystic Fibrosis clinic	15,000	-	-	15,000
Laboratory equipment	(33,816)	-	-	(33,816)
Pharmacy equipment	-	-	-	-
Signature grants and donor-designated	244,344	405,087	131,759	781,190
	8,935,045	455,087	462,812	9,852,944
				4,168,056

Royal University Hospital Foundation Inc.

Notes to financial statements

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9. Financial Risks

Investment risk

The Foundation has exposure to credit risk, price risk, currency risk and interest rate risk on its fair-value investments, since the fair value of future cash flows may fluctuate because of changes in market prices, currency exchange rates, and interest rates, whether these changes are caused by factors specific to the investments or factors affecting all similar financial instruments traded in the market.

Credit risk

The Foundation's maximum exposure to credit risk is limited to the carrying amount of the financial assets on the statement of financial position.

The credit risk on cash and investments is limited because the counter parties are financial institutions with high credit ratings assigned by national credit rating agencies.

Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable rate. The Foundation's approach to managing liquidity is to ensure that it matches grant payments to cash flows to ensure that it has sufficient cash flows to fund its operations and to meet its obligations when they come due, under normal and stressed conditions. The Foundation is not exposed to significant liquidity risk.

10. Interfund transfers

	2019			2018
	Operating	Designated	Endowment	Total
Granting transfers	-	23,500	(23,500)	-
Transfers from endowments	-	37,649	(37,649)	-
	-	61,149	(61,149)	-

Funds raised by the Foundation through annual campaigns, capital campaigns, or donor-centred giving may be transferred from the Operating fund to the Designated Fund, to align with the grant payable.

Certain granting amounts are transferred from the Operating or Endowment funds to a Designated account. The signing authority on these accounts (either the Saskatchewan Health Authority or University of Saskatchewan) will determine the timing of expenditure of these funds.

The Foundation puts on events, the net proceeds of which may be designated to a certain Designated or Endowment fund in a particular year. In addition, the Foundation may from time to time designate the proceeds from the Hospital Home Lottery to a certain Designated or Endowment fund.



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Notes to financial statements

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11. Fund balances

The fund balances are broken down between internally restricted, externally restricted and unrestricted as follows:

	2019			2018
	Operating	Designated	Endowment	Total
Externally restricted	-	2,420,052	15,866,886	17,590,317
Internally restricted	1,957,154	-	58,340	4,052,563
Unrestricted	831,186	-	-	824,897
	2,788,340	2,420,052	15,925,226	22,467,777

The externally restricted funds are restricted for use by specific Saskatchewan Health Authority or University of Saskatchewan departments. The use of these funds may be for patient care, education (including fellowships), or research (in the case of the Saskatchewan Health Authority), or for research or professorships (in the case of the University of Saskatchewan).

The internally restricted funds are restricted for the following purposes:

	2019			2018
	Operating	Designated	Endowment	Total
Hospital department programs or capital	1,730,602	-	58,340	3,855,378
Gift Shop	226,552	-	-	197,185
	1,957,154	-	58,340	4,052,563

The endowment funds are broken down between capital and non- capital as follows:

	2019	2018
	Total	Total
Capital	15,247,066	14,399,658
Non-capital (undistributed non-capital investment earnings)	678,160	758,588
	15,925,226	15,158,246



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Notes to financial statements

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12. Commitments

Pledge Commitments

The Foundation has received signed pledge agreements in the amount of \$3,375,000 (2018 - \$8,125,000) from donors which has not been recognized as revenue at year end. Payments of the amounts pledged is expected by the Foundation as follows:

	<u>2020</u>
Pledge commitments	<u>3,375,000</u>

Funding Commitments

The Foundation has the following cumulative funding commitments which have not been recorded as expenditures as of March 31, 2019. These commitments are expected to be fulfilled within the next year:

	<u>2020</u>
Saskatchewan Health Authority – Lecture theatre upgrades	1,671,952
Saskatchewan Health Authority – Equipment	<u>1,000,000</u>
	<u>2,671,952</u>

13. Comparative Figures

Certain of the comparative figures for the year ended March 31, 2019 have been reclassified to conform to the current year presentation.