

# **Holland Bloorview Kids Rehabilitation Hospital**

Financial Statements

**March 31, 2013, March 31, 2012 and  
April 1, 2011**



June 5, 2013

## **Independent Auditor's Report**

### **To the Members of Holland Bloorview Kids Rehabilitation Hospital**

We have audited the accompanying financial statements of Holland Bloorview Kids Rehabilitation Hospital, which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011 and the statements of revenues and expenses, changes in net assets, remeasurement gains and losses and cash flows for the years ended March 31, 2013 and March 31, 2012, and the related notes, which comprise 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 public sector accounting standards, 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 audits. We conducted our audits 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 audits is sufficient and appropriate to provide a basis for our audit opinion.

---

*PricewaterhouseCoopers LLP  
North American Centre, 5700 Yonge Street, Suite 1900, North York, Ontario, Canada M2M 4K7  
T: +1 416 218 1500, F: +1 416 218 1499*

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



**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Holland Bloorview Kids Rehabilitation Hospital as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations, its remeasurement gains and losses, changes in its net assets and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian public sector accounting standards.

*PricewaterhouseCoopers LLP*

**Chartered Accountants, Licensed Public Accountants**

# Holland Bloorview Kids Rehabilitation Hospital

## Statements of Financial Position

	March 31, 2013 \$	March 31, 2012 \$	April 1, 2011 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash	7,751,984	8,992,106	8,165,456
Due from the Ministry of Health and Long-Term Care	972,456	940,603	1,010,850
Accounts receivable	3,155,590	2,854,837	3,305,725
Other assets	286,432	364,215	430,878
Due from related parties (note 7)	931,420	1,106,189	421,513
	<u>13,097,882</u>	<u>14,257,950</u>	<u>13,334,422</u>
<b>Investments</b>	33,884,105	30,677,176	29,476,812
<b>Property, plant and equipment</b> (note 4)	<u>87,517,457</u>	<u>91,091,831</u>	<u>93,594,660</u>
	<u>134,499,444</u>	<u>136,026,957</u>	<u>136,405,894</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	10,388,166	10,169,138	7,680,120
Due to the Ministry of Health and Long-Term Care	542,521	530,746	1,072,531
Deferred contributions (note 5)	390,835	477,384	498,474
	<u>11,321,522</u>	<u>11,177,268</u>	<u>9,251,125</u>
<b>Deferred contributions</b> (note 5)	6,494,407	6,929,663	6,431,332
<b>Deferred capital grants and donations</b> (note 6)	<u>83,455,033</u>	<u>86,377,852</u>	<u>88,872,309</u>
	<u>101,270,962</u>	<u>104,484,783</u>	<u>104,554,766</u>
<b>Net Assets</b>	<u>33,228,482</u>	<u>31,542,174</u>	<u>31,851,128</u>
	<u>134,499,444</u>	<u>136,026,957</u>	<u>136,405,894</u>
<b>Net assets consist of</b>			
Accumulated operating surplus	26,635,149	31,542,174	31,851,128
Accumulated remeasurement gains	6,593,333	-	-
	<u>33,228,482</u>	<u>31,542,174</u>	<u>31,851,128</u>

### Approved by the Board of Directors

\_\_\_\_\_ Director \_\_\_\_\_ Director

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

# Holland Bloorview Kids Rehabilitation Hospital

## Statements of Revenues and Expenses

For the years ended March 31, 2013 and March 31, 2012

---

	2013 \$	2012 \$
<b>Revenues</b>		
Province of Ontario	53,721,554	53,338,818
Other operating grants	5,056,105	3,908,632
Client services and other	13,712,132	14,302,648
Foundation grants and donations	5,086,298	4,636,981
Investment income - net	1,423,428	1,287,328
Amortization of deferred capital grants and donations	612,979	549,977
	<hr/> 79,612,496	<hr/> 78,024,384
<b>Expenses</b>		
Salaries and benefits	61,283,332	58,594,774
Supplies and other	15,854,032	17,172,846
Amortization of furniture and equipment	2,064,356	1,942,973
	<hr/> 79,201,720	<hr/> 77,710,593
<b>Excess of revenues over expenses before undernoted items</b>	410,776	313,791
<b>Amortization of deferred capital grants and donations related to building and building equipment</b>	2,615,064	2,616,173
<b>Amortization of building and building equipment</b>	<hr/> (3,216,109)	<hr/> (3,200,609)
<b>Deficiency of revenues over expenses for the year</b>	<hr/> (190,269)	<hr/> (270,645)

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

# Holland Bloorview Kids Rehabilitation Hospital

## Statements of Changes in Net Assets

For the years ended March 31, 2013 and March 31, 2012

					2013	2012
	Investment in property, plant and equipment \$ (note 7)	Restricted for endowments \$	Restricted for property and building redevelopment \$	Unrestricted \$	Total \$	Total \$
<b>Balance - Beginning of year</b>						
As previously reported	14,753,743	1,816,456	4,081,708	10,890,267	31,542,174	31,851,128
Adjustment due to adoption of PS 3450, Financial Instruments	-	(473,570)	-	(4,272,504)	(4,746,074)	-
As restated	14,753,743	1,342,886	4,081,708	6,617,763	26,796,100	31,851,128
Excess (deficiency) of revenues over expenses before undernoted items	(1,451,377)	-	-	1,862,153	410,776	313,791
Amortization of building and building equipment	(3,216,109)	-	-	-	(3,216,109)	(3,200,609)
Amortization of deferred capital grants and donations related to building and building equipment	2,615,064	-	-	-	2,615,064	2,616,173
Other	-	-	-	-	-	(65,607)
(Deficiency) excess of revenues over expenses for the year	(2,052,422)	-	-	1,862,153	(190,269)	(336,252)
Net purchase of property, plant and equipment	1,706,091	-	-	(1,706,091)	-	-
Amounts funded by deferred capital grants and donations	(3,212,890)	-	-	3,212,890	-	-
Net change in investment in property, plant and equipment	(1,506,799)	-	-	1,506,799	-	-
Contributions - net of expenses	-	29,318	-	-	29,318	27,298
	(1,506,799)	29,318	-	1,506,799	29,318	27,298
<b>Balance - End of year</b>	11,194,522	1,372,204	4,081,708	9,986,715	26,635,149	31,542,174

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

# Holland Bloorview Kids Rehabilitation Hospital

## Statements of Remeasurement Gains and Losses

For the years ended March 31, 2013 and March 31, 2012

	2013				
	Investment in property, plant and equipment \$ (note 7)	Restricted for endowments \$	Restricted for property and building redevelopment \$	Unrestricted \$	Total \$
<b>Accumulated remeasurement gains - Beginning of year</b>					
As previously reported	-	-	-	-	-
Adjustment due to adoption of PS 3450, Financial Instruments	-	473,570	-	4,272,504	4,746,074
As restated	-	473,570	-	4,272,504	4,746,074
Unrealized gain on available-for-sale financial assets arising during the year	-	119,743	813,043	914,473	1,847,259
<b>Accumulated remeasurement gains - End of year</b>	-	593,313	813,043	5,186,977	6,593,333
<b>Summary by Fund</b>					
Accumulated operating surplus	11,194,522	1,372,204	4,081,708	9,986,715	26,635,149
Accumulated remeasurement gains	-	593,313	813,043	5,186,977	6,593,333
	11,194,522	1,965,517	4,894,751	15,173,692	33,228,482

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

# Holland Bloorview Kids Rehabilitation Hospital

## Statements of Cash Flows

For the years ended March 31, 2013 and March 31, 2012

	2013 \$	2012 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Deficiency of revenues over expenses for the year	(190,269)	(336,252)
Items not affecting cash		
Amortization of property, plant and equipment	5,280,465	5,143,582
Amortization of deferred capital grants and donations	(3,228,043)	(3,166,150)
(Decrease) increase in deferred contributions	(521,805)	477,241
	1,340,348	2,184,028
Change in non-cash working capital components	150,749	1,915,962
	1,491,097	4,034,383
<b>Investing activities</b>		
Purchase of investments	(1,359,670)	(1,265,971)
<b>Capital activities</b>		
Purchase of property, plant and equipment	(1,706,091)	(2,640,753)
<b>Financing activities</b>		
Capital grants and donations received	305,224	671,693
Endowment contributions received - net of expenses	29,318	27,298
	334,542	698,991
<b>(Decrease) increase in cash during the year</b>	(1,240,122)	826,650
<b>Cash - Beginning of year</b>	8,992,106	8,165,456
<b>Cash - End of year</b>	7,751,984	8,992,106

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



# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

### 1 Purpose of organization

Holland Bloorview Kids Rehabilitation Hospital (Holland Bloorview) is Canada's largest children's rehabilitation teaching hospital, fully affiliated with the University of Toronto.

Holland Bloorview was incorporated without share capital under the laws of Ontario and is registered as a charitable organization under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes.

### 2 Transition to Canadian public sector accounting standards

Commencing with the 2013 fiscal year, Holland Bloorview has adopted Canadian public sector accounting standards (PSAS). These financial statements are the first financial statements for which Holland Bloorview has applied PSAS. Holland Bloorview has elected to apply PSAS that apply only to government not-for-profit organizations.

These accounting changes have been applied retroactively with restatement of prior periods except for the accounting standards contained in PS 3450, Financial Instruments, as this standard specifically prohibits retroactive application. The adoption of these standards did not have any impact on the statements of financial position or the statements of revenues and expenses, changes in net assets and cash flows.

#### a) Adoption of financial instruments accounting standards

Holland Bloorview adopted the new financial instruments standard on a prospective basis as required by the standard. The cumulative unrealized gains in opening net assets have been transferred to the accumulative remeasurement gains - beginning of year in the statements of remeasurement gains and losses.

### 3 Summary of significant accounting policies

The following is a summary of the significant accounting policies followed in the preparation of these financial statements.

#### Basis of accounting and presentation

These financial statements have been prepared on the accrual basis of accounting and reflect the total services of Holland Bloorview, which include clinical, educational and research activities for children and youth with disabilities. The financial statements do not include the assets, liabilities, operations and cash flows of Holland Bloorview Kids Rehabilitation Hospital Foundation (the Foundation), which is a separate entity.

#### Toronto Central Local Health Integration Network (TC LHIN) funding

Under the Health Insurance Act (Ontario) and the Local Health System Integration Act 2006, Holland Bloorview is funded primarily by the Province of Ontario through the Ministry of Health Long Term Care and in accordance with budget arrangements established by TC LHIN. These financial statements reflect agreed funding arrangements approved by TC LHIN with respect to the years ended March 31, 2013 and March 31, 2012.

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

### Revenue recognition

Holland Bloorview follows the deferral method of accounting for contributions. Operating grants are recorded as revenue in the year to which they relate. Grants approved but not received are accrued. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions other than endowment contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Endowment contributions are recognized as direct increases in endowment net assets.

The revenue from all other sources is recognized when the service is provided.

### Property, plant and equipment

Property, plant and equipment are carried at cost and amortized on a straight-line basis over their remaining useful lives at the following annual rates:

Furniture and equipment	5.0% - 20.0%
Building equipment	2.5% - 20.0%
Building	2.5% - 10.0%

In accordance with The Canadian Institute of Chartered Accountants (CICA) Handbook Section 3063, Impairment of Long-lived Assets, Holland Bloorview reviews property, plant and equipment assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable and exceeds its fair value. The impairment loss is measured as the extent to which the carrying amount exceeds the fair value.

### Deferred capital grants and donations

Capital grants and donations received as funding for property, plant and equipment additions are deferred and amortized on the same basis as the related property, plant and equipment with the related amortization included in the statements of revenues and expenses.

### Restricted net assets

All of the net assets restricted for endowment purposes are subject to externally imposed restrictions, stipulating that the principal be maintained intact. Investment income earned on resources restricted for endowments is reported in the restricted for endowments fund or the unrestricted fund, depending on the nature of any restrictions imposed by contributors of funds for endowment.

In 2011, the net gain on the sale of a former property was internally restricted for the purpose of future acquisitions of property or building redevelopment.

### Use of estimates

The preparation of the financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Donated services and materials

Holland Bloorview benefits from the services of volunteers, the fair value of which, although essential to the operations of Holland Bloorview, is not reflected in these financial statements.

Significant donated materials are recorded at their fair values.

## 4 Property, plant and equipment

	<b>2013</b>		
	<b>Cost</b>	<b>Accumulated</b>	<b>Net</b>
	<b>\$</b>	<b>amortization</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
Land	138,478	-	138,478
Furniture and equipment	26,516,973	19,706,530	6,810,443
Building equipment	17,703,329	7,784,443	9,918,886
Building	85,685,373	15,035,723	70,649,650
	<u>130,044,153</u>	<u>42,526,696</u>	<u>87,517,457</u>
			<b>2012</b>
	<b>Cost</b>	<b>Accumulated</b>	<b>Net</b>
	<b>\$</b>	<b>amortization</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
Land	138,478	-	138,478
Furniture and equipment	25,323,583	17,924,677	7,398,906
Building equipment	17,670,485	6,771,076	10,899,409
Building	85,488,019	12,832,981	72,655,038
	<u>128,620,565</u>	<u>37,528,734</u>	<u>91,091,831</u>

### Building redevelopment

Holland Bloorview completed construction of a new facility at a final cost of \$107 million in 2007. The Ministry of Health and Long-Term Care (MOHLTC) has approved a grant of up to \$59.9 million, of which \$59.0 million has been received pending a final reconciliation.

In connection with this redevelopment project, there was \$713,376 (2012 - \$713,376) in outstanding letters of credit as at March 31, 2013.

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

### 5 Deferred contributions

Deferred contributions represent unspent externally restricted grants and donations for research and other purposes.

	2013 \$	2012 \$
Balance - Beginning of year	7,407,047	6,929,806
Add: Amounts received or receivable	15,716,262	15,761,111
Less: Amounts recognized as revenue in the year	(16,238,067)	(15,283,870)
	<hr/>	<hr/>
Balance - End of year	6,885,242	7,407,047
	<hr/>	<hr/>
Current	390,835	477,384
Long-term	6,494,407	6,929,663
	<hr/>	<hr/>
	6,885,242	7,407,047
	<hr/>	<hr/>

### 6 Deferred capital grants and donations

Deferred capital grants and donations related to property, plant and equipment represent the unamortized amount and unspent amount for the purchase of property, plant and equipment. The amortization of capital grants and donations is recorded as revenue in the statements of revenues and expenses.

	2013 \$	2012 \$
Balance - Beginning of year	86,377,852	88,872,309
Capital grants and donations received	305,224	671,693
Amortization of deferred capital grants and donations	(3,228,043)	(3,166,150)
	<hr/>	<hr/>
Balance - End of year	83,455,033	86,377,852
	<hr/>	<hr/>
Unamortized capital grants and donations used to purchase property, plant and equipment	73,409,478	76,347,208
Unspent contributions	10,045,555	10,030,644
	<hr/>	<hr/>
	83,455,033	86,377,852
	<hr/>	<hr/>

### 7 Related party transactions

The Foundation generates, manages and distributes funds and/or the income therefrom, for the primary benefit of Holland Bloorview. The Foundation holds investments in the amount of \$83,731,032 (2012 - \$76,938,152). During the year, the Foundation granted \$5,484,918 (2012 - \$5,346,112) to Holland Bloorview to fund programs and capital expenditures.

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

The balance due from the Foundation of \$931,420 (2012 - \$1,106,189) is comprised of grants payable and operating expenses paid by Holland Bloorview on behalf of the Foundation. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.

### 8 Pension plan

Substantially all of the employees at Holland Bloorview are members of Hospitals of Ontario Pension Plan, which is a contributory defined benefit multi-employer pension plan. Employer contributions made to the plan during the year by Holland Bloorview amounted to \$3,683,323 (2012 - \$3,471,019). These amounts are included in salaries and benefits expenses in the statements of revenues and expenses. The most recent actuarial valuation of the plan as at December 31, 2007 indicated the plan was fully funded on a solvency basis.

### 9 Centralized equipment pool

Holland Bloorview is responsible for administering the provincial program that provides equipment on loan or lease as communication aids for people with disabilities. This equipment is accounted for similarly to prescription drugs and is expensed when prescribed. The amount charged to supplies and other expenses in the statements of revenues and expenses was \$3,363,009 (2012 - \$3,473,266), with \$3,412,900 (2012 - \$3,471,900) of approved funding from MOHLTC.

### 10 Contingent liability

On July 1, 1987, a group of health-care organizations (subscribers) formed Healthcare Insurance Reciprocal of Canada (HIROC). HIROC is registered as a reciprocal pursuant to provincial insurance acts, which permit persons to exchange with other persons' reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health-care organizations across Canada. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to March 31, 2013.

### 11 Financial instruments and risk management

Holland Bloorview's financial instruments consist of cash, investments, accounts receivable and accounts payable and accrued liabilities.

Holland Bloorview's financial instruments are measured as follows:

Cash	fair value
Investments	fair value
Accounts receivable	fair value
Accounts payable and accrued liabilities	amortized cost

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

### Fair value measurement

The following classification system is used to describe the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

The following table illustrates the classification of Holland Bloorview's financial instruments within the fair value hierarchy as at March 31:

	<b>2013</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	7,751,984	-	-	7,751,984
Receivables	5,059,466	-	-	5,059,466
Investments	33,659,105	225,000	-	33,884,105
	<b>46,470,555</b>	<b>225,000</b>	<b>-</b>	<b>46,695,555</b>

  

	<b>2012</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	8,992,106	-	-	8,992,106
Receivables	4,901,629	-	-	4,901,629
Investments	30,662,176	-	15,000	30,677,176
	<b>44,555,911</b>	<b>-</b>	<b>15,000</b>	<b>44,570,911</b>

### Risk management

Holland Bloorview is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. Holland Bloorview's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Holland Bloorview's financial performance. Holland Bloorview is exposed to market risk and interest rate risk with regard to its investments, which are regularly monitored.

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

- **Market risk**

Holland Bloorview is exposed to market risk through the fluctuation of financial instrument fair values due to changes in market prices. The significant market risks to which Holland Bloorview is exposed are interest rate and other price risks.

- Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Holland Bloorview is exposed to interest rate risk as a result of cash balances.

- Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices other than those arising from interest rate risk. Holland Bloorview is exposed to price risk through its investments.

As at March 31, 2013, Holland Bloorview's total exposure to other price risk is \$33,884,105. Holland Bloorview's estimate of the effect of net assets as at March 31, 2013 due to a 5% increase or decrease in the fair value of investments, with all other variables held constant, would approximately amount to an increase or decrease of \$1,694,205. In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

- Sensitivity analysis

The sensitivity analysis included in this note should be used with caution as the changes are hypothetical and are not predictive of future performance. The above sensitivities are calculated with reference to year-end balances and will change due to fluctuations in the balances in the future. In addition, for the purpose of the sensitivity analysis, the effect of a variation in a particular assumption on the fair value of the financial instruments was calculated independently of any change in another assumption. Actual changes in one factor may contribute to changes in another factor, which may magnify or counteract the effect on the fair value of the financial instrument.

- **Credit risk**

The Hospital is exposed to credit risk in the event of non-payment by patients for non-insured services and services provided to non resident patients. The risk is common to hospitals as they are required to provide care for patients regardless of their ability to pay for services provided.

# Holland Bloorview Kids Rehabilitation Hospital

## Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

---

As at March 31, 2013, the following accounts receivable were past due but not impaired:

	<b>Less than 180 days</b>	<b>Over 180 days</b>
Accounts receivable	2,686,007	490,915
Allowance for doubtful accounts	-	(290,957)
	<hr/>	<hr/>
	2,686,007	199,958
	<hr/>	<hr/>

- **Liquidity risk**

Liquidity risk results from Holland Bloorview's potential inability to meet its obligations associated with financial liabilities as they come due. Holland Bloorview monitors its operations and cash flows to ensure that the current and future obligations will be met. Holland Bloorview believes that its current sources of liquidity are sufficient to cover its known short and long-term cash obligations.