



SICKKIDS FOUNDATION

Healthier Children. A Better World.

In a perfect world,
every child
would be healthy.



Katherine

700 Days With Severe Hearing Loss

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When Katherine was a baby, her parents noticed that she had difficulty hearing. They would stand behind her and clap but she would show no reaction. Doctors at SickKids confirmed their fear, Katherine had virtually no hearing. She received a cochlear implant that was surgically inserted in her ear. Today, thanks to SickKids, Katherine is able to hear and communicate with her family and friends.

Letter to the Community

In 1972, The Hospital for Sick Children Board of Trustees voted to establish a foundation to manage the contributions from the community. Their vision for the foundation was for it to be the custodian of children's health care in this country. For 35 years, SickKids Foundation has remained true to the vision of its founders.

Community support has been invested in ensuring SickKids is a world leader in child health, education and research. The financial contributions of the men, women and children who believe in SickKids have been managed wisely and have been used to train generations of health-care professionals and researchers. The grants we have made have supported landmark research discoveries, purchased state-of-the-art equipment and established world-renowned medical facilities. Most importantly, philanthropic support has introduced clinical advances that have changed the practice of medicine around the world.

Community support goes beyond SickKids to the Foundation's national initiatives that are strengthening Canada's child health-care system.

As you will read in this annual report, SickKids is a microcosm of all that is right in the world. From the young children barely born who have the will to live and a determination that defies the odds; to the scientists whose passion for research leads to a better understanding of childhood diseases; to the doctors, nurses and health-care professionals who make it their own personal goal to treat the kids of tomorrow even

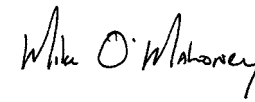
better than they are treating the kids of today; to the community whose generous gifts give our scientists and physicians the financial backing to achieve their dreams.

This past year we were privileged to establish The Labatt Family Heart Centre and the Mitchell Goldhar Cardiac Diagnostic & Interventional Unit ensuring SickKids will remain a world leader in the care of children with congenital heart disease.

Now we must turn our attention to the other areas our hospital is leading the world: brain and behaviour, stem cell research and childhood cancer.

The motivations for giving to SickKids are many but the one constant through it all is our belief in the spirit of children. Thank you for giving to SickKids and thank you for sharing our vision: Healthier Children. A Better World.

Sincerely,



MICHAEL O'MAHONEY
President



PATSY ANDERSON
Chair

35 Years of Community Support

Since the establishment of SickKids Foundation 35 years ago, community support has generated \$1 billion towards child health. Here are the accomplishments you have made possible:

- SickKids Foundation is the largest funding agency in child health research, education and care in Canada next to the government
- SickKids Foundation ranks as the fourth largest foundation by total assets out of more than 2,600 foundations in Canada
- We have the largest endowment for a hospital in Canada; the endowment fund totals over \$500 million providing long-term stable funding for projects and programs
- We provide base funding for SickKids Research Institute including \$44.4 million in 2006/07, representing 29 per cent of the Research Institute's \$150 million annual operating budget
- SickKids Foundation is the only hospital foundation with a national mandate to offer research grants and educational awards to paediatric researchers across the country
- Our national initiatives have directed more than \$70 million to build capacity in child health and to support the creation of knowledge in areas where there are gaps
- More than 70 child health experts from across Canada volunteer with the Foundation to ensure that our grant decisions are made in accordance with the highest standards
- We support critical national collaboration in paediatrics by providing operating grants to the Canadian Association of Paediatric Health Centres, the Canadian Child Health Clinician Scientist Program, and the National Child and Youth Health Coalition
- Through our national Conference Grants Program, we provide funds for conferences, workshops or symposia that are relevant to the health of Canada's children



Family of Heroes

Far too many families refer to SickKids as their home away from home, yet their sentiment isn't one of sadness as much as it is one of affection. When you think of what makes a home a home, the love and caring, the feeling of being safe and protected, the hugs and tears, you begin to appreciate how different SickKids is as a hospital. You see it truly is a home with one large SickKids family.

The extended SickKids family includes everyone with a passion for healthier children; whether it is the health-care staff who use their skill and expertise to heal, or the scientific staff consumed by the prospect of seeking new knowledge that will lead to a cure. The roles may be different but the motivation is the same – do what needs to be done to give that child a better future free from pain.

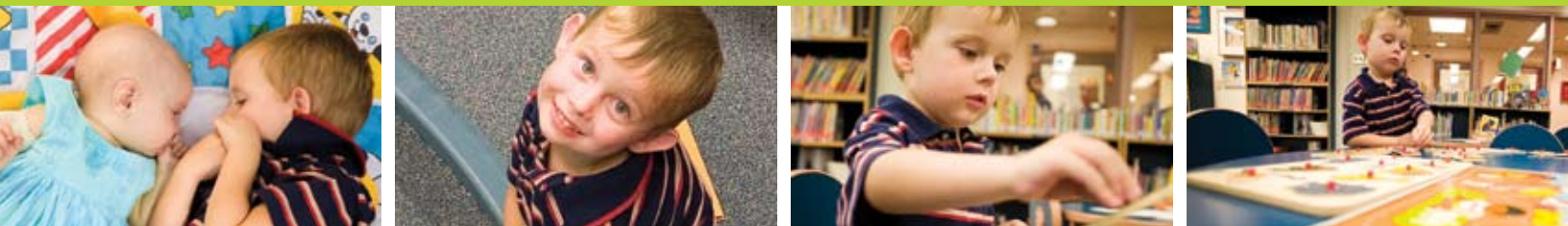
Our community of philanthropists is very much a member of the SickKids family of heroes. Philanthropy allows families to remain together to experience life as a normal family would, even though they are going through the most unbelievable trials and tribulations because of their child's illness. Most importantly, philanthropy gives families hope.

The generosity of our donors enables our young patients to experience childhood even while hospitalized. When you are out in the community, you can go shopping, go out for dinner and see a movie or a play. Thanks to philanthropy, when you have to stay at SickKids as an inpatient, you can do the same things. You can shop on

Main Street. You can go to see the play *Tails* in Bear Theatre. If you want to see a movie, you can watch it at The Hollywood at SickKids, the state-of-the-art movie theatre that opened this year with the premiere of *Shrek the Third*. The theatre will show first-run movies so that children who are hospitalized can see the same movies that their friends are seeing.

Behind the scenes, the community has supported the work of each clinician, scientist and health-care professional by providing a culture that is conducive to the highest standard of child health research, education and care.

Our family of heroes includes 100,000 new patients per year, 179,000 donors, 2,000 scientific staff, more than 5,000 hospital staff, 150 Foundation staff, countless volunteers, 34 members of the Board of Directors, 28 trustees of the hospital, 100 community advisors and all their moms, dads, grandparents, brothers, sisters, aunts, uncles, cousins and friends who share our vision Healthier Children. A Better World.



Brook & Shane 84 Days at SickKids

Shane gets upset when he can't go to SickKids. When his sister Brook first got sick, Shane would spend the majority of his week at the hospital. To him, and for the entire family, SickKids truly was a home away from home. Brook received a liver transplant because her liver was too damaged for survival. Now, the entire family is well known at SickKids. They not only made friends, but an extended family.



Kokou

5,000 Miles for Surgery

Six-year-old Kokou travelled more than 5,000 miles to Toronto to help him make friends back home in Avati, Togo. In his remote village, the children mocked him for having a large growth on his face. Through the Herbie Fund, Kokou was able to come to SickKids for a surgery not available in his home country. The generosity of our community members gave Kokou an operation that changed his life forever.

International Reach

“There is a great inequity in the delivery of health care around the world. None is more serious than the lack of adequate health care for children in developing countries.”

– The Right Honourable Brian Mulroney, Former Prime Minister of Canada

HEALTHYKIDS INTERNATIONAL

When Kokou goes for a post-operative check-up back home in Africa, he will be seen by a doctor who was trained at SickKids. Regardless of the fact that he is over 5,000 miles and one continent away from the front doors of our hospital, he will receive exactly the same quality of care; and therein lies the simple power of HealthyKids International. A global initiative and priority of SickKids Foundation, HealthyKids International will provide paediatricians in developing countries with the equipment, outreach, training and resources to raise the quality and expertise of the health care they deliver.

A seemingly minor investment will have an exponential and real impact a world away. The specialized care delivered by the world’s leading experts at SickKids will be available to the world’s poorest in their home country by their own doctors.

HealthyKids International takes philanthropy beyond the education and training of leaders in child health research and care, and recognizes that paediatricians who are

returning to practice in resource-poor countries need the ability to consult with colleagues. They need the financing of their medical practice to be predictable and stable, and they need ongoing access to appropriate tools, resources and networks. HealthyKids International helps to facilitate these needs.

HealthyKids International doctors will be provided with training, telemedicine teaching and consultation, comprehensive complex care referral, visiting medical teams, a global research exchange program, continuing education and knowledge resources, and an alumni network.

HealthyKids International is the undertaking of SickKids Foundation in response to the health-care needs of children in resource-poor countries. It is our priority because we believe in nurturing the spirit of children wherever they live in the world.



National Initiatives

“SickKids Foundation is unique among hospital foundations in that they have a clear national mandate focusing on issues that haven’t been addressed elsewhere in children’s health. Their support to the National Coalition of Child and Youth Health is critical in bringing together major children’s teaching hospitals and leaders in paediatric medicine from across the country to develop priorities for child health and continues to be key to ensuring pressing children’s health needs are not neglected by research funding.”

– Dr. Brian Postl, President and CEO, Winnipeg Regional Health Authority.

LEADERSHIP ACROSS CANADA

Thirty-five years ago, the hospital trustees wanted a foundation that focused on the health-care needs of children across the country – not only the children who lived close to The Hospital for Sick Children.

Today, our national initiatives continue to be ambitious with a specific focus on building the capacity of the health-care system to meet the ever-changing challenges in children’s health.

Systemic change is complex – it takes stability, focus, collaboration and time. However, multi-year support that is not tied to a project is the hardest kind of support to find in the non-profit sector. The Foundation is providing this type of support by offering strategic, multi-year grants to organizations, networks and programs, and playing a key role in the development of a national child health agenda.

On a national scale, we invest in people and in building knowledge. We address under-researched areas of child health, put in place the right programs to train the next generation of clinician-scientists, and provide parents with conference funds so they can gain a full understanding of their child’s disease from experts.

Collaboration is a fundamental value of our national initiatives. We always look for partners. We recognize that our efforts are best made in the context of partnership – be it co-funding or co-hosting a conference.

We are supported by exceptional volunteers from across the country who are leaders in child health and who generously share their expertise to support our efforts. The investment of their time on behalf of the Foundation is an indicator of the value they place on this work. The intellectual capital they contribute to the program is as important as the money that we invest.

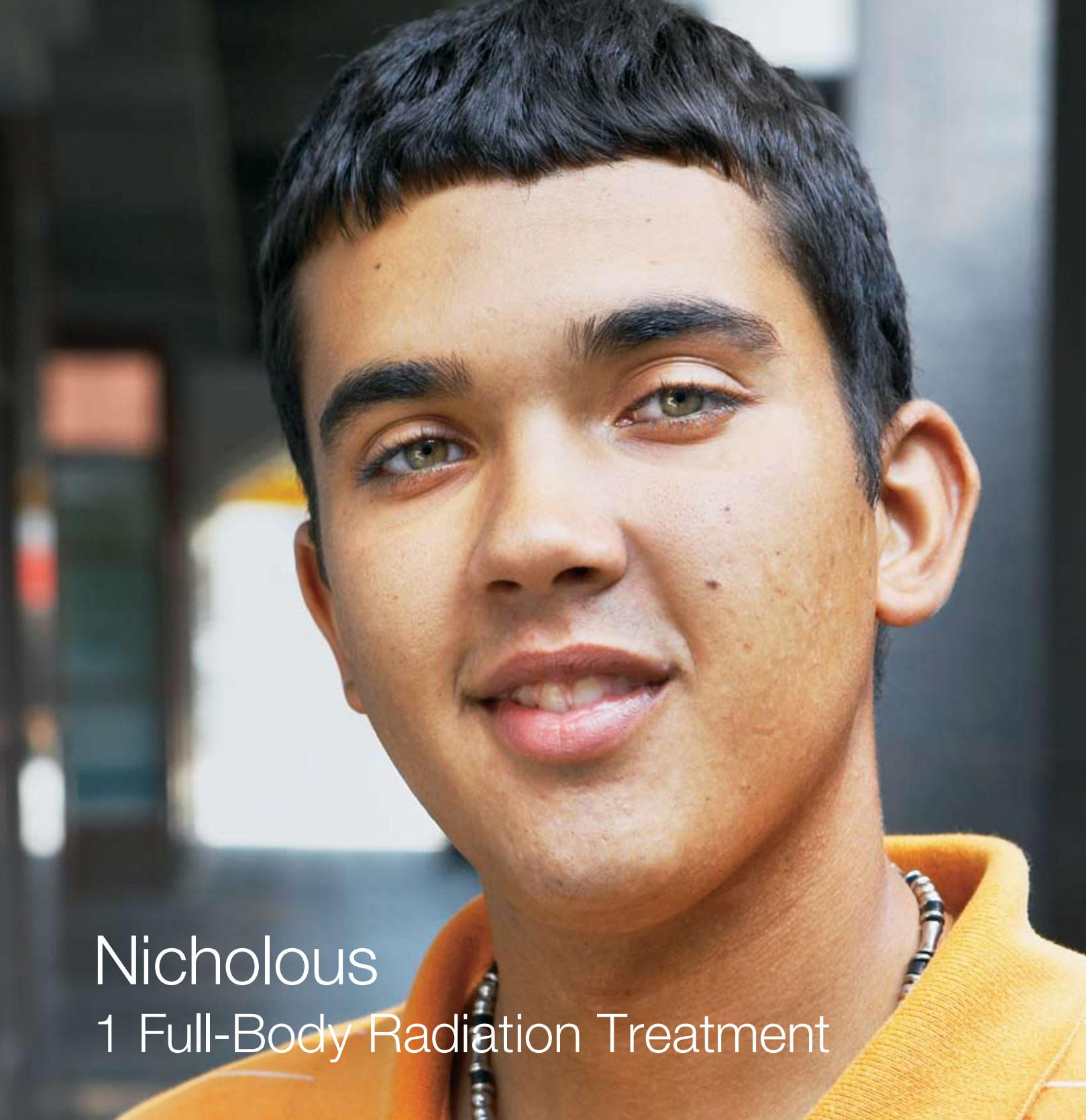
Through our national initiatives we are making a difference at multiple levels of the overall system of child health. The investments have an impact on individuals and organizations in the short and medium term. Longer term, there are potential impacts on systems and, of course, the ultimate goal is better health outcomes for children. Over the next year, we will be developing a national framework that will help us identify the indicators and allow us to articulate these outcomes and potential impacts.

Our efforts are bringing real change to the quality of life and quality of care for children and their families across the country.



Kaleigh
580 days at SickKids (and still counting)

Kaleigh calls SickKids her home – it’s really all she knows. She should be living in Nova Scotia, but two years ago Kaleigh and her parents moved to Toronto so she could receive life-saving care. She has endured a 16-hour liver transplant and may need an intestinal transplant. As a world-leader in the treatment of her condition, SickKids has given Kaleigh a real chance at life.



Nicholous

1 Full-Body Radiation Treatment

Doctors were shocked to see Nicholous walk into SickKids; because of the severity of his rare condition, most arrive by ambulance. After excessive bleeding, extreme fatigue and fainting in the shower, Nicholous was diagnosed as suffering from severe aplastic anemia. At SickKids, he underwent an intensive full-body radiation treatment and a hematopoietic stem cell transplantation. Although he will always be at risk, Nicholous has remained positive, active and looking forward to his future.

Stem Cell Expertise

"I believe in the next 10 years we are going to see stem cell therapies being used for many serious degenerative diseases and traumatic injuries."

– Dr. Janet Rossant, Chief of Research: World expert in stem cell research

A CONCENTRATION OF LEADERSHIP

SickKids is at the cutting edge of advancing the world's understanding of stem cells. Our critical mass of expertise, our collaborative culture and our tradition of excellence have converged to make SickKids the ideal place to conduct stem cell research.

The list of diseases that could be impacted by stem cell research include muscular dystrophy, retinal degeneration, Alzheimer's disease, Parkinson's disease, arthritis, diabetes, spinal cord injuries and blood disorders such as hemophilia. In addition, stem cell research has the potential to change the way we develop and test drugs for safety.

Any initiative in generating world-leading discoveries must begin with world-leading investigators.

We have an internationally-renowned group of stem cell researchers studying the role of stem cells in the development of human embryos, stem cell self-renewal, the potential of stem cells to develop into many kinds of specialized cells and the role of cancer stem cells in the progression and treatment of solid tumours.

Our scientists have found that stem cells called SKPs (Skin-derived precursors) have the potential to: reconstitute many, if not all, dermal cell types when transplanted into the skin; facilitate recovery following spinal cord injury; and potentially generate bone and cartilage.

Researchers at SickKids confirmed that childhood and adult brain tumours originate from cancer stem cells and that these stem cells fuel and maintain tumour growth. This discovery led to the development of a mouse model for human brain tumours that opened the door for new therapeutic targets for the treatment of brain tumours.

Significant gifts from the community this year will allow us to make faster progress in stem cell research, which will ultimately translate into better medical treatment at SickKids.

Stem cell research has the potential to revolutionize the practice of medicine. And SickKids with its concentration of leadership in this area is at the forefront.



Building Research

“Children are the future yet very few research-based hospitals are dedicated to studying paediatric issues. Philanthropy allows SickKids to continue to attract leading scientists and to provide an enriching environment encouraging world-class research.”

– Dr. Michael Salter, Head and Senior Scientist, Neurosciences and Mental Health: Pioneer of Neuroplasticity and Pain

THE NEED EXISTS TO BRING OUR RESEARCHERS TOGETHER UNDER ONE ROOF

Outside of the scientific community, few understand the preeminent status of SickKids Research Institute. Simply put, in addition to being one of the largest paediatric research centres in the world, it is also considered one of the best.

The Research Institute includes researchers drawn from diverse clinical practices, including surgical services, paediatrics, psychiatry, nursing, dentistry, pharmacology, bioethics, social work, psychology and nutrition. The research that is being done here impacts the world’s understanding of childhood disease, chronic illness and injury.

There is a unique culture at SickKids that fosters collaborations between scientists and clinicians. As a result, the Research Institute has evolved into a magnet that attracts the world’s best clinician-scientists, all of whom are passionate about improving children’s health.

The best scientific minds require an environment that is conducive to the intellectual encouragement and collaboration that creates new thinking. Yet the Research Institute is currently fragmented over 10 buildings and sites, with a total of 340,000 square feet of leased space. The Research Institute is projected to grow over the next five to seven years from 234 to 260 principal investigators. Functional planning and assessment projects our future space needs to be 500,000 net square feet.

The timing is right to consolidate all research and education activity in one physical location and one integrated and interactive research building.

The Research Institute, with its emphasis on the integration of discovery with clinical research and community outcomes, needs to be housed in a state-of-the-art research building.

It is not enough to improve care; we must continuously push the envelope of science.



Joti
182 Days of Dialysis

It’s a chilling thought facing the unknown and Joti and her family know this fear well.

With swollen feet, pale lips, loss of appetite and severe nausea, not a single doctor could diagnose her symptoms. At SickKids, Joti and her family finally found answers. Joti had severe kidney failure and began dialysis immediately. In July, SickKids changed her life – she received two much-needed kidneys with a transplant.

A Letter From Sarah's Dad

I have been thinking a lot lately about our journey so far. Sarah was diagnosed with a brain tumour almost eight months ago, 239 days ago to be exact. I went to a benefit for Ronald McDonald House a few months ago and spoke on behalf of the house. The theme of the evening was "A Night of a Thousand Thank You's" and the goal was to thank each major sponsor "a thousand times" for their generosity. I was thinking about that night because I wish that I could do the same for all of you who have supported us throughout the last several months. From every corner of our lives: our families, our friends, our neighbours, our co-workers and ex co-workers, our extended dance family, support organizations, staff, volunteers and families at Ronald McDonald House, the incredible staff, nurses and volunteers at SickKids, and even strangers we have never met who we now count as friends. You have remained by our side despite the incredible length of our journey so far.

Thursday night I was thinking about my day and what an example it was of the lasting strength and support that you have provided to us. I ate breakfast that came from the weekly care package that my parents made and delivered. I made phone calls with a calling card that a co-worker of Sue's thoughtfully sent. I bought my morning coffee with gift certificates that our neighbours sent along in a card. Sarah and I played with a toy that a co-worker dropped off at my desk earlier in the week because she was thinking of Sarah. My sister acted as our alternate caregiver at the hospital so that my wife Sue could be in London to pick up our daughter Jillian and I could get some much-needed work done. A father whose daughter was having a follow-up MRI (a nerve-wracking event to say the least) took the time to have dinner with me and share his experiences about life after primary treatment at SickKids. A nurse who looked after Sarah in neurosurgery stopped me in the lobby to tell me she reads Sarah's website all the time and thinks of her often. A staff member of Ronald McDonald House called me with a very exciting surprise for Jillian this weekend (top secret for now). Sue called me to say they were off to see a dance friend for an afternoon swim and another neighbour for an evening of fun. I read Sarah's guestbook and saw a message from a neurosurgeon who still looks in on Sarah from her home in Switzerland after finishing her fellowship at SickKids.

This is just one day and I tell you about it not to single out these acts, but to share with you how incredibly blessed we feel because on another one of the 238 days before today, YOU were part of our day, YOU sent the gift or card to cheer Sarah up, YOU left a message to let us know you're out there thinking of us and for that we are grateful. How do we thank the neurosurgeon and his team that took Sarah's life into their skilled hands on December 14 and against all odds gave us back our daughter? How do we thank the children who collected donations for Sarah instead of getting birthday presents? How do we thank the thousands of other acts of kindness and compassion that we have seen and received? We thank you a thousand times in our hearts every day and we believe in you, we believe in ourselves, and...

We BELIEVE in Sarah!



RUSSELL
Sarah's Dad



Wish List

THANKS TO YOUR GIFTS, OUR DREAMS BIG AND SMALL CAN COME TRUE

Education and Learning

The drive for new learning in the many professions that serve our patients is enormous and we have many ways to make it happen – from funding external education; to a new Learning Institute to coordinate education across the hospital; to bringing students in each summer to work and learn.

You could:

- Contribute towards a research student any amount
- Endow an Education Fund for health-care professionals and nurses \$50,000
- Name a conference room in the Learning Institute \$500,000
- Fund a simulation program for training staff and teams \$1 million

Innovation and New Ideas

The bold "what-if" ideas of the people in our labs could become the watershed ideas of the future, radically improving our knowledge and delivery of care to children. The Research Institute New Ideas Fund seed such ideas, testing and validating them so they can attract grant funding.

You could:

- Support a new idea initiative fund as approved by the Chief of Research any amount
- Endow a fund for innovative ideas at the Research Institute \$250 – 500,000

Research Essentials

Our researchers compete successfully for grant funding – but that's only half the battle. Grants do not fund lab space, or operational support. These underpinnings of research are essential to knowledge discovery – and its translation into the therapeutic advances that make kids better.

You could:

- Support the renovation of laboratory space any amount
- Fund our Clinical Trials Support Unit for new cancer treatments \$10,000 – \$50,000
- Endow a Chair to anchor research and clinical programs \$2 million

Equipment and Technology

Technological breakthroughs are key contributors to improvements in health care. Continual advances swiftly make existing technologies obsolete – but are essential in an institution committed to delivering the best in understanding and care.

We need :

- An MR Vision 2000 to distract (and relax) patients in the MRI machine \$31,000
- An MRI compatible incubator \$400,000
- Operating Room Equipment \$1.5 – \$3 million

National and International Initiatives

SickKids reaches out to communities across Canada with support for research and other initiatives in paediatric care; and around the world through HealthyKids International program, giving paediatricians training, tools and other needed resources.

You could:

- Support a Research Fellow with HealthyKids International \$250,000
- Endow the pan-Canadian Child and Youth Homecare Network \$5 million

Hospital Priorities

To serve each and every patient in the best possible way SickKids must respond to an ever-changing list of practical priorities. We are especially grateful for gifts that support priorities such as these:

- Support for patient families needing short-term help any amount
- Clinical Fellowships in priority areas \$500,000
- Day surgery unit renovations \$1 million

Cancer

“Philanthropy offers the opportunity to bring the community and the hospital closer. It offers opportunities to be innovative in both research and clinical care far beyond the abilities that are limited by provincial budgets and dwindling research grants. It offers the opportunity to build state-of-the-art facilities (both clinical and research) to ensure that SickKids retains its high standing in Canada and the world as a premier paediatric academic health sciences centre.”

– Dr. David Malkin, Co-director, SickKids Cancer Genetics Program

IMPROVING THE ODDS

There are children at SickKids whose string of bravery beads wraps four, five, six times around their neck. End to end, seven feet long with each single bead representing a milestone in their cancer treatment: a round of chemotherapy, a week in isolation, a bone marrow transplant, going bald.

While we celebrate each and every one of their victories, our goal is to eradicate childhood cancers altogether. The dichotomy is that while survival for some childhood cancers continues to improve, there are other childhood cancers whose incidence is on the rise.

SickKids is the only children’s hospital in Ontario that provides the full range of treatments for children requiring the most complex cancer treatments, including chemotherapy, surgery, radiation, bone marrow transplantation and palliative care. In addition to the comprehensive infrastructure required to diagnose and treat these patients, unique programs exist in the Paediatric Oncology program at SickKids. The Cancer Genetics Program is the first of its kind in a paediatric centre in North America that provides families with a history of cancer risk and preventative counseling, research information for new and ongoing studies and important education opportunities for health-care professionals.

The Cancer Genetics Tissue Laboratory was created to facilitate the clinical, educational and research objectives of the Cancer Genetics Program. The laboratory has achieved great success over the past five years, and the scientific impact of its studies has been felt around the world. Our New Agent and Innovative Therapy Program is the first of its kind in Canada, bringing together professionals from oncology, psychology, bioethics, nursing and pharmacy, to ensure that as many anti-cancer treatment therapies as possible are available for children. The After Care Program is also the first of its kind in Canada, bringing together expertise from multiple paediatric subspecialties as well as psychology and adult medical oncology, to ensure that long-term survivors of childhood cancer enjoy as healthy and productive a life as possible.

People who make philanthropic gifts to SickKids are as important to conquering cancer as any of the clinical staff and scientists here because philanthropy pushes the boundaries of what is known about childhood cancer with the freedom to think outside the box.



James 6 Months of Intensive Chemotherapy

In May 2006, James woke up screaming in the middle of the night with chest pains. After a referral, his parents took him to SickKids where they learned James had a tumour – the size of an orange – between his lungs and heart. James lined his hospital room with superheroes to help him fight the cancer and now, he draws these heroes to fight off the world’s “sicky-bugs.”



Jack & Abby
\$14,000 Raised

Brain & Behaviour

“The beauty and mystery of the brain is truly what sets us apart from everybody else. The other thing that we have that sets us apart from the vast majority of neurosciences centres around the world is that we are devoted exclusively to the developing brain in children.”

– Dr. Carter Snead, Head of Neurology and Senior Scientist of Neurosciences and Mental Health: World leader in epilepsy

PASSION FOR EXCELLENCE IS A SHARED RESPONSIBILITY

The Centre for Brain & Behaviour at SickKids is a complex and collaborative initiative; it is a hospital-wide centre that represents interdisciplinary and inter-professional activities in paediatric neurosciences, both internally at SickKids and within the broader community. The focus of this group is to improve and integrate clinical care, research, education and outreach in order to advance the overall health of children with disorders of the brain, spinal cord, peripheral nerve and muscle. The Centre’s team members are linked by an intense and passionate interest in the developing brain; they are dedicated to working together to create and disseminate knowledge about the developing brain at all levels, from the basic nerve cell to children with neurological and psychiatric disorders. Clinically, the Centre treats young patients with a wide range of disorders including epilepsy, stroke, acute and chronic headache, neuromuscular disease, multiple sclerosis, and autism.

Educating future generations of researchers, scientists and clinicians, at both SickKids and on the international stage, is also a key component of the Centre for Brain & Behaviour; the Centre is invested in and committed

to training individuals who have chosen to pursue careers in academic, clinical and research-based neurosciences. Making education a priority enables SickKids to continue advancing and expanding the knowledge and understanding of complex neurological conditions while inspiring ideas for future research.

The research element of the Centre for Brain & Behaviour ensures that scientists at the Research Institute actively examine and collaborate on a wide variety of issues related to disorders of the nervous system. Investigators seek answers to questions about child health that in turn expand our knowledge of causes and treatments, and ensure that our patients will benefit from the latest advances in paediatric health science. Recent discoveries made by SickKids researchers in this area include the identification of a protein that could be implicated in neuro-degenerative diseases such as Alzheimer’s, and the discovery that particular sensory neurons play a critical role in the development of Type I diabetes. Scientific breakthroughs like these are what allow SickKids to formulate effective new therapies and diagnostic tools that can dramatically improve the health of children around the world.



Imagine rallying a community together to raise more than \$14,000 from a lemonade stand.

Jack and his cousin Abby did just that in their quest to cure the children at SickKids. Jack suffers from epilepsy and has daily seizures. Now as a young philanthropist, he and Abby are making a difference by donating to epilepsy research at SickKids.



Maurice

98 Clinic Visits

Stephen shaved his son's head and then his own; he didn't want Maurice to get scared when his hair started falling out. Going through two brain surgeries, radiation, a stem cell transplant and chemotherapy, Maurice braved everything to battle the cancerous tumour growing in his brain. Now, thanks to SickKids, both Stephen and Maurice can begin to let their hair grow back.

Impact on Children's Health

Support from the community allowed SickKids Foundation to make an investment of \$75.5 million in children's health care across Canada for the 2006/07 fiscal year. This represents the largest charitable investment in paediatric health care in Canada and includes one of the largest charitable contributions to a hospital anywhere in North America.

THIS YEAR WE WERE ABLE TO INVEST:

- \$500,000 for the renovation of the Plastic Surgery Clinic to update the current space and equipment required to provide a more comprehensive level of care
- \$900,000 for the lease of a positron emission tomography (PET) scanner, an imaging technique that produces a three-dimensional image or map of functional processes in the body
- \$273,000 for an echocardiogram, a test where ultrasound is used to examine the heart
- \$131,000 towards incubators for the Neonatal Intensive Care Unit
- \$162,000 for the creation of a Paediatric Academic Multi-Organ Transplant step-down unit, a recovery area within the hospital for patients who have just received a transplant
- \$1.68 million to Safe Kids Canada, the national injury prevention program of SickKids
- \$480,000 grant to further research and outreach of the Sprinkles program
- \$420,000 towards stroke research
- \$300,000 towards the renovation of Marnie's Lounge, a recreational space used by patients and families at SickKids
- \$210,000 to improve the delivery of meals to SickKids patients with specific dietary needs
- \$100,000 towards the establishment of HealthyKids International, a program established to address children's health-care needs on a global level
- \$100,000 to Capital Health Edmonton Area Home Care Children's Services, recipient of the 2007 Rotman Award for Paediatric Home Care Innovation. The award, made possible by Janis Rotman, is the largest annual award for a non-profit organization
- \$300,000 to patient amenities assistance, helping SickKids patients and their families with expenses not covered by insurance including parking, an overnight stay or essential drugs
- \$3.4 million across Canada as part of our national initiatives



The Numbers

Summarized Statement of Operations and Changes in Fund Balances (in thousands of dollars)

FOR FISCAL YEARS ENDING MARCH 31	2006-07	2005-06	2004-05
REVENUE			
Investment revenue	47,627	50,772	34,531
Fundraising revenue	81,449	70,905	50,722
National Grants	—	—	918
Transfer of Funds from The Hospital for Sick Children	—	30,807	—
Total Revenues	129,076	152,484	86,171
GRANTS			
The Hospital for Sick Children	72,130	62,492	58,504
National Grants	4,123	4,040	3,890
HealthyKids International	81	—	—
Total Grants	76,334	66,532	62,394
Fundraising and Administration Expenses	27,956	23,225	15,833
Excess of revenue over grants & expenses	24,786	62,727	7,944
FUND BALANCES			
General Fund	508	524	536
Restricted Fund	52,404	45,343	29,054
Endowment Fund	502,010	484,269	437,819
Total Fund Balances	554,922	530,136	467,409

- A complete version of the audited financial statements can be found on our website: www.sickkidsfoundation.com
- To request a copy of the audited financial statements or to make inquiries about this information, please call: 416-813-6166



The Fox family have donated to SickKids Foundation for the past 11 years.

They are intimately familiar with SickKids because their son Adam is a patient. In 2006, they set up Adam's Fund for Epilepsy Research to give back to a hospital that has helped them so much. Like all SickKids donors, the Fox family shares our vision "Healthier Children. A Better World."

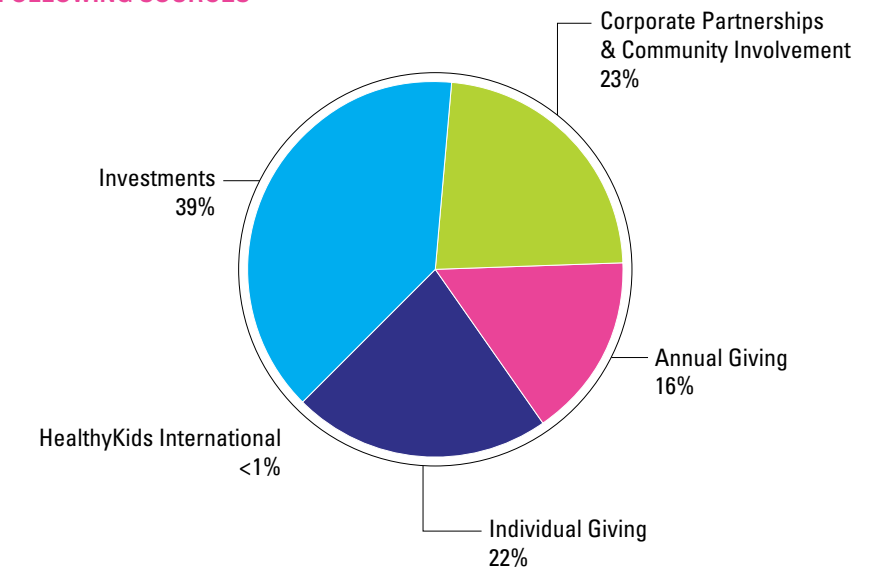
Facts & Figures

STATEMENT REGARDING RATIO OF EXPENSES TO REVENUE

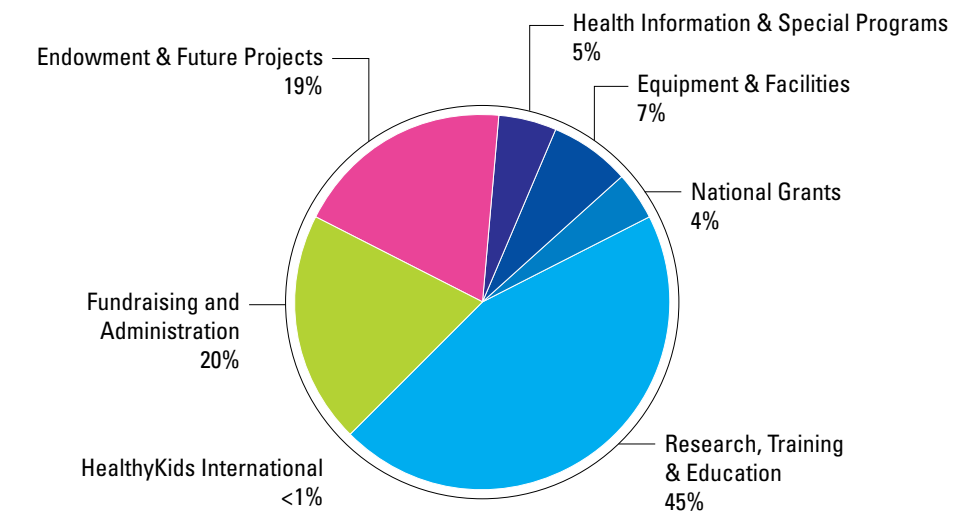
SickKids Foundation has made a commitment to our donors to be accountable and transparent in the work that we do. As a benchmark of our efficiency as a charity, we use an All-In formula to calculate the ratio of expenses to revenue. This calculation takes into account all expenses divided by all revenue generated through fundraising and investment income. Further, we use a three-year rolling average to eliminate the impact of large gifts and/or market fluctuations that impact our investment income.

For the time period between April 2004 and March 2007 our expense to revenue ratio was 20 cents to the dollar.

OVER THESE THREE YEARS, OUR REVENUES CAME FROM THE FOLLOWING SOURCES*



OVER THESE THREE YEARS, THIS IS HOW OUR REVENUES WERE USED*



* Excludes one-time transfer of funds from The Hospital for Sick Children

Board Leadership

It takes a committed partnership of the hospital, Research Institute and Foundation to ensure that SickKids is the world leader in children's health care. The Foundation leadership includes prominent members of our community who are passionate about the community's role in improving the health of children.

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Kaitlyn
91 Days in Critical Care

Consider the stress of having surgery. Now consider the stress of having more than 20 surgeries by the age of 11. For Kaitlyn, it's life. She's had intestinal problems since birth, making her day-to-day living anything but normal. Though she is faced with many challenges, Kaitlyn takes her illness in stride and continues making progress with the outstanding medical support at SickKids.

SickKids[®]

FOUNDATION

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Toronto, ON, Canada M5G 1X8

For more information about SickKids Foundation, please call:
Public Affairs: 416.813.6166

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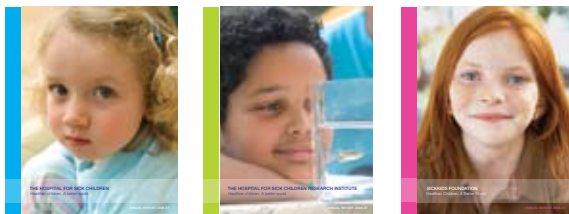
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www.sickkids.ca/research

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