

**Boundary Trails Health Centre
Foundation Inc.**
Financial Statements
For the Year Ended March 31, 2016
(Unaudited)

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(Unaudited)

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Review Engagement Report

**To the Board of Directors of
Boundary Trails Health Centre Foundation Inc.**

We have reviewed the statement of financial position of Boundary Trails Health Centre Foundation Inc. as at March 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the foundation.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Accountants

RM of Stanley, Manitoba
June 3, 2016

Boundary Trails Health Centre Foundation Inc.
Statement of Financial Position
(Unaudited)

March 31	2016	2015
Assets		
Current		
Cash	\$ 618,237	\$ 2,109,983
Current portion of long-term investments (Note 2)	1,520,000	240,000
Accounts receivable	14,209	12,012
Accrued interest receivable	44,391	17,927
	2,196,837	2,379,922
Long-term investments (Note 2)	1,500,000	1,001,857
	\$ 3,696,837	\$ 3,381,779
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 3)	\$ 21,375	\$ 17,554
Unearned revenue - golf tournament deposits	12,000	6,600
	33,375	24,154
Deferred contributions (Note 4)	1,534,067	1,384,071
	1,567,442	1,408,225
Net assets		
Unrestricted	1,518,372	1,363,556
Endowment fund	136,023	134,998
Internally restricted fund (Note 5)	475,000	475,000
	2,129,395	1,973,554
	\$ 3,696,837	\$ 3,381,779

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

**Boundary Trails Health Centre Foundation Inc.
Statement of Changes in Net Assets
(Unaudited)**

For the year ended March 31	Unrestricted	Endowment Fund	Internally Restricted Fund	2016	2015
Net assets, beginning of year	\$ 1,363,556	\$ 134,998	\$ 475,000	\$ 1,973,554	\$ 1,830,850
Excess of revenue over expenditures for the year	154,816	-	-	154,816	137,504
Endowment contributions	-	1,025	-	1,025	5,200
Net assets, end of year	\$ 1,518,372	\$ 136,023	\$ 475,000	\$ 2,129,395	\$ 1,973,554

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

Boundary Trails Health Centre Foundation Inc.
Statement of Operations
(Unaudited)

For the year ended March 31	2016	2015
Revenue		
General donations	\$ 50,654	\$ 46,845
Designated donations		
APEIL program	1,181	-
Cancer/palliative care	95,606	46,034
Dialysis	3,013	-
Emergency	-	3,377
Obstetrics	26,124	-
Rehab	-	4,110
Equipment donations	130	10,000
Banquet fundraiser	93,630	67,613
Golf tournament fundraiser	55,151	50,926
Concert fundraiser	3,770	-
Miles for smiles fundraiser	5,613	7,855
Spiritual care	42,181	42,073
TV rental income	12,858	11,018
Interest income	82,925	75,611
	\$ 472,836	\$ 365,462
Expenditures		
Designated donations		
APEIL program	1,181	-
Cancer/palliative care	95,606	46,034
Dialysis	3,013	-
Emergency	-	3,377
Obstetrics	26,124	-
Rehab	-	4,110
Donor board	4,548	1,363
Fundraising expenses	40,495	36,738
General equipment	17,451	-
Gift-in-kind	-	1,360
Bank and credit card service charges	1,400	1,214
Music to my ears program	4,320	4,680
Office expenses	8,785	1,814
Professional development	2,802	-
Professional fees	3,649	3,194
Recruitment expense	-	8,000
Salaries and wages	47,828	36,491
Spiritual care	58,936	78,261
Travel expenses	810	319
Utilities	1,072	1,003
	318,020	227,958
Excess of revenue over expenditures for the year	\$ 154,816	\$ 137,504

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

Boundary Trails Health Centre Foundation Inc.
Statement of Cash Flows
(Unaudited)

For the year ended March 31	2016	2015
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 154,816	\$ 137,504
Changes in non-cash working capital:		
Accounts receivable	(28,661)	3,855
Accounts payable and accrued liabilities	3,821	(1,312)
Unearned revenue - golf tournament deposits	5,400	(6,000)
Deferred contributions	149,996	30,492
	<u>285,372</u>	<u>164,539</u>
Cash flows from investing activities		
Purchase of long-term investments	(1,800,000)	-
Endowment fund contributions	1,025	5,200
Change in Access Credit Union surplus shares	21,857	2,429
	<u>(1,777,118)</u>	<u>7,629</u>
Net (decrease) increase in cash	(1,491,746)	172,168
Cash, beginning of the year	2,109,983	1,937,815
Cash, end of the year	\$ 618,237	\$ 2,109,983

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

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements (Unaudited)

March 31, 2016

1. Significant Accounting Policies

Purpose of the Organization

Boundary Trails Health Centre Foundation Inc. ("the foundation") is a charitable organization whose mission is to raise and distribute funds to facilitate the provision of health care for the people who are in the Boundary Trails Health Centre service area, beyond the care which would otherwise be provided.

The foundation, incorporated under the laws of Manitoba, is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets 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 and may have an impact on future periods.

Revenue Recognition

The foundation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Unrestricted investment income is recognized as revenue when earned as there are no externally imposed restrictions on investment income.

**Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements
(Unaudited)**

March 31, 2016

1 . Significant Accounting Policies (continued)

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations, other than financial instruments related to endowment funds. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations, other than financial instruments related to endowment funds. Changes in fair value of financial instruments related to the endowment fund are recorded directly in net assets. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Tangible Capital Assets

It is the foundation's policy to expense tangible capital assets in the year of acquisition.

Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements
(Unaudited)

March 31, 2016

2. Long-term Investments

	2016	2015
Access Credit Union guaranteed investment certificate maturing September 2, 2020 and bearing interest at 2.45% per annum.	\$ 120,000	\$ -
Access Credit Union guaranteed investment certificate maturing August 3, 2016 and bearing interest at 3.75% per annum.	120,000	120,000
Access Credit Union guaranteed investment certificate maturing July 3, 2017 and bearing interest at 3.25% per annum.	120,000	120,000
Access Credit Union guaranteed investment certificate maturing September 2, 2020 and bearing interest at 2.45% per annum.	120,000	-
Access Credit Union guaranteed investment certificate maturing September 3, 2019 and bearing interest at 2.90% per annum.	120,000	120,000
Access Credit Union guaranteed investment certificate maturing June 18, 2016 and bearing interest at 3.65% per annum.	250,000	250,000
Access Credit Union guaranteed investment certificate maturing June 18, 2016 and bearing interest at 2.40% per annum.	250,000	250,000
Access Credit Union guaranteed investment certificate maturing July 3, 2018 and bearing interest at 3.10% per annum.	120,000	120,000
Access Credit Union guaranteed investment certificate maturing August 29, 2016 and bearing interest at 2.10% per annum.	900,000	-
Access Credit Union guaranteed investment certificate maturing July 29, 2020 and bearing interest at 2.50% per annum.	900,000	-
Access Credit Union guaranteed investment certificate	-	120,000
Access Credit Union guaranteed investment certificate	-	120,000
Access Credit Union surplus shares	-	21,857
	3,020,000	1,241,857
Less: current portion of long-term investments	(1,520,000)	(240,000)
	\$ 1,500,000	\$ 1,001,857

Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements
(Unaudited)

March 31, 2016

3. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,261 (2015 - \$805).

4. Deferred Contributions

The deferred contributions represent unspent resources which have been externally restricted for various purposes. Changes in the deferred contributions balance during the year were as follows:

	2016	2015
Balance, beginning of year	\$ 1,384,071	\$ 1,353,578
Add: donations received	275,921	84,013
Less: amounts recognized as revenue	<u>(125,925)</u>	<u>(53,520)</u>
Balance, end of year	<u>\$ 1,534,067</u>	<u>\$ 1,384,071</u>

The balance is represented by the following:

	2016	2015
Building for the future	\$ 1,155,874	\$ 7,610
M.R.I.	-	1,082,374
Palliative/Cancer care	265,692	184,127
Hospice	80,851	80,851
Dialysis	9,000	3,013
Rehab services	7,420	6,134
Memorial garden	3,907	3,907
Rehab Surgery	7,296	7,296
Imaging department	1,458	1,458
APEIL program	1,357	2,139
Obstetrics	947	4,897
ICU	<u>265</u>	<u>265</u>
	<u>\$ 1,534,067</u>	<u>\$ 1,384,071</u>

During the year the board of directors authorized a transfer of the remaining \$1,082,374 M.R.I. deferred contribution balance to Building for the future. The M.R.I. project was completed in 2010.

5. Internally Restricted Fund

The board of directors has internally restricted surplus of \$215,000 for equipment purchases and \$260,000 for program funds. These internally restricted amounts are invested in guaranteed investment certificates and are not available for other purposes without approval of the board of directors.

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March 31, 2016

6. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The foundation is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The foundation's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable.

There have not been any changes in these risks from the prior year.
