

**Boundary Trails Health Centre
Foundation Inc.**
Financial Statements
For the Year Ended March 31, 2017
(Unaudited)

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Financial Statements
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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, 2017 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 Professional Accountants

RM of Stanley, Manitoba
June 19, 2017

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

March 31	2017	2016
Assets		
Current		
Cash	\$ 280,938	\$ 618,237
Current portion of long-term investments (Note 2)	1,140,000	1,520,000
Accounts receivable	11,487	14,209
Accrued interest receivable	43,352	44,391
	1,475,777	2,196,837
Long-term investments (Note 2)	2,630,000	1,500,000
	\$ 4,105,777	\$ 3,696,837
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 3)	\$ 35,680	\$ 21,375
Unearned revenue - golf tournament deposits	12,700	12,000
	48,380	33,375
Deferred contributions (Note 4)	1,664,526	1,534,067
	1,712,906	1,567,442
Net assets		
Unrestricted	1,780,698	1,518,372
Endowment fund	137,173	136,023
Internally restricted fund (Note 5)	475,000	475,000
	2,392,871	2,129,395
	\$ 4,105,777	\$ 3,696,837

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	2017	2016
Net assets, beginning of year	\$ 1,518,372	\$ 136,023	\$ 475,000	\$ 2,129,395	\$ 1,973,554
Excess of revenue over expenditures for the year	262,326	-	-	262,326	154,816
Endowment contributions	-	1,150	-	1,150	1,025
Net assets, end of year	\$ 1,780,698	\$ 137,173	\$ 475,000	\$ 2,392,871	\$ 2,129,395

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	2017	2016
Revenue		
General donations	\$ 166,187	\$ 50,654
Designated donations		
APEIL program	-	1,181
Cancer/palliative care	141,645	95,606
Dialysis	9,431	3,013
Obstetrics	1,517	26,124
Rehab	20,130	-
Equipment donations	-	130
Banquet fundraiser	55,720	93,630
Golf tournament fundraiser	54,178	55,151
Concert fundraiser	-	3,770
Miles for smiles fundraiser	-	5,613
Spiritual care	68,913	42,181
Gift-in-kind	681	-
TV rental income	10,308	12,858
Interest income	86,109	82,925
	\$ 614,819	\$ 472,836
Expenditures		
Designated donations		
APEIL program	-	1,181
Cancer/palliative care	141,645	95,606
Dialysis	9,431	3,013
Obstetrics	1,517	26,124
Rehab	20,130	-
Donor board	554	4,548
Fundraising expenses	37,332	40,495
General equipment	-	17,451
Gift-in-kind	681	-
Bank and credit card service charges	1,872	1,400
Music to my ears program	4,755	4,320
Office expenses	4,015	8,785
Professional development	3,476	2,802
Professional fees	3,455	3,649
Salaries and wages	48,217	47,828
Spiritual care	68,913	58,936
Travel expenses	373	810
Website, anti-microbial	5,000	-
Utilities	1,127	1,072
	352,493	318,020
Excess of revenue over expenditures for the year	\$ 262,326	\$ 154,816

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	2017	2016
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 262,326	\$ 154,816
Changes in non-cash working capital:		
Accounts receivable	3,761	(28,661)
Accounts payable and accrued liabilities	14,305	3,821
Unearned revenue - golf tournament deposits	700	5,400
Deferred contributions	130,459	149,996
	<u>411,551</u>	<u>285,372</u>
Cash flows from investing activities		
Purchase of long-term investments	(750,000)	(1,800,000)
Endowment fund contributions	1,150	1,025
Change in Access Credit Union surplus shares	-	21,857
	<u>(748,850)</u>	<u>(1,777,118)</u>
Net decrease in cash	(337,299)	(1,491,746)
Cash, beginning of the year	618,237	2,109,983
Cash, end of the year	\$ 280,938	\$ 618,237

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

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

March 31, 2017

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, 2017

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.

Contributed Materials & Services

Contributed materials and services which are used in the normal course of the foundation's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

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

March 31, 2017

2. Long-term Investments

	2017	2016
Access Credit Union guaranteed investment certificate maturing September 2, 2020 and bearing interest at 2.45% 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	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 July 3, 2018 and bearing interest at 3.10% per annum.	120,000	120,000
Access Credit Union guaranteed investment certificate maturing July 29, 2020 and bearing interest at 2.50% per annum.	900,000	900,000
Access Credit Union guaranteed investment certificate maturing September 29, 2017 and bearing interest at 2.00% per annum.	900,000	-
Access Credit Union guaranteed investment certificate maturing September 3, 2017 and bearing interest at 2.00% per annum.	120,000	-
Access Credit Union guaranteed investment certificate maturing January 26, 2019 and bearing interest at 1.85% per annum.	750,000	-
Access Credit Union guaranteed investment certificate maturing June 18, 2021 and bearing interest at 2.40% per annum.	500,000	-
Access Credit Union guaranteed investment certificates, matured during the year	-	1,520,000
	3,770,000	3,020,000
Less: current portion of long-term investments	(1,140,000)	(1,520,000)
	\$ 2,630,000	\$ 1,500,000

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

March 31, 2017

3. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,145 (2016 - \$1,261).

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:

	2017	2016
Balance, beginning of year	\$ 1,534,067	\$ 1,384,071
Add: donations received	372,096	275,921
Less: amounts recognized as revenue	<u>(241,637)</u>	<u>(125,925)</u>
Balance, end of year	<u>\$ 1,664,526</u>	<u>\$ 1,534,067</u>

The balance is represented by the following:

	2017	2016
Building for the future	\$ 1,234,350	\$ 1,155,874
Palliative/Cancer care	263,414	265,692
Hospice	80,851	80,851
Cancer care medical equipment	42,000	-
Spiritual Care	17,272	-
Rehab Surgery	7,296	7,296
Obstetrics	6,172	947
Rehab services	3,915	7,420
Memorial garden	3,907	3,907
APEIL program	2,057	1,357
Dialysis	1,569	9,000
Imaging department	1,458	1,458
ICU	265	265
	<u>\$ 1,664,526</u>	<u>\$ 1,534,067</u>

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, 2017

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.
