

**Boundary Trails Health Centre
Foundation Inc.**

Financial Statements

For the Year Ended March 31, 2019

Boundary Trails Health Centre Foundation Inc.
Financial Statements
For the Year Ended March 31, 2019

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Independent Practitioner's Review Engagement Report

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

We have reviewed the accompanying financial statements of Boundary Trails Health Centre Foundation Inc. that comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Boundary Trails Health Centre Foundation Inc. as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants

RM of Stanley, Manitoba

June 12, 2019

Boundary Trails Health Centre Foundation Inc.
Statement of Financial Position

March 31	2019	2018
Assets		
Current		
Cash (Note 2)	\$ 2,847,082	\$ 1,656,891
Current portion of long-term investments (Note 3)	120,000	883,875
Accounts receivable	10,255	9,790
Accrued interest receivable	45,732	30,913
	3,023,069	2,581,469
Long-term investments (Note 3)	1,640,000	1,760,000
	\$ 4,663,069	\$ 4,341,469
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 94,094	\$ 47,186
Unearned revenue - deferred events	31,600	9,200
	125,694	56,386
Deferred contributions (Note 5)	1,935,863	1,776,524
	2,061,557	1,832,910
Net assets		
Unrestricted	1,987,354	1,895,421
Endowment fund	139,158	138,138
Internally restricted fund (Note 6)	475,000	475,000
	2,601,512	2,508,559
	\$ 4,663,069	\$ 4,341,469

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

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

For the year ended March 31	Unrestricted	Endowment Fund	Internally Restricted Fund	2019	2018
Net assets, beginning of year	\$ 1,895,421	\$ 138,138	\$ 475,000	\$ 2,508,559	\$ 2,392,871
Excess of revenue over expenditures for the year	91,933	-	-	91,933	114,723
Endowment contributions	-	1,020	-	1,020	965
Net assets, end of year	\$ 1,987,354	\$ 139,158	\$ 475,000	\$ 2,601,512	\$ 2,508,559

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

Boundary Trails Health Centre Foundation Inc. Statement of Operations

For the year ended March 31	2019	2018
Revenue		
General donations	\$ 69,379	\$ 54,756
Designated donations		
Cancer/palliative care	138,357	214,117
Emergency	21,948	-
Obstetrics	62,515	9,295
Operating room	70,579	-
Rehab	4,520	18,555
Building for the future	-	15,819
Equipment donations	-	1,000
Banquet fundraiser	28,642	24,770
Golf tournament fundraiser	18,971	49,666
Concert fundraiser	-	11,653
Spiritual care	70,256	67,927
Gift-in-kind	1,465	1,728
TV rental income	8,058	8,004
Interest income	106,124	90,446
	<u>\$ 600,814</u>	<u>\$ 567,736</u>
Expenditures		
Designated donations		
Cancer/palliative care	138,065	214,117
Emergency	21,948	-
Obstetrics	62,515	9,295
Operating room	70,579	-
Rehab	4,520	18,555
Building for the Future	-	15,819
Fundraising expenses	54,126	48,638
General equipment	2,898	9,412
Gift-in-kind	1,465	1,728
Bank and credit card service charges	997	923
Music to my ears program	4,500	4,320
Office expenses	8,379	2,589
Professional development	3,237	1,993
Professional fees	4,951	3,217
Salaries and wages	53,250	51,513
Spiritual care	71,106	67,927
Travel expenses	387	557
Website, internet	5,958	2,410
	<u>508,881</u>	<u>453,013</u>
Excess of revenue over expenditures for the year	<u>\$ 91,933</u>	<u>\$ 114,723</u>

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

Boundary Trails Health Centre Foundation Inc. Statement of Cash Flows

For the year ended March 31	2019	2018
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 91,933	\$ 114,723
Changes in non-cash working capital:		
Accounts receivable	(15,285)	14,137
Accounts payable and accrued liabilities	46,909	11,505
Unearned revenue - golf tournament deposits	22,400	(3,500)
Deferred contributions	159,339	111,998
	<u>305,296</u>	<u>248,863</u>
Cash flows from investing activities		
Redemption (purchase) of long-term investments	883,875	1,126,125
Endowment fund contributions	1,020	965
	<u>884,895</u>	<u>1,127,090</u>
Net increase in cash	1,190,191	1,375,953
Cash, beginning of the year	1,656,891	280,938
Cash, end of the year	\$ 2,847,082	\$ 1,656,891

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

Boundary Trails Health Centre Foundation Inc.

Notes to Financial Statements

March 31, 2019

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

March 31, 2019

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.

2. Cash

	2019	2018
Restricted cash	\$ 175,863	\$ -
Cash	2,671,219	1,656,891
	\$ 2,847,082	\$ 1,656,891

Restricted cash includes donations received but not yet disbursed for the following restricted projects: palliative care, hospice, rehab services, Building for the Future, memorial garden, obstetrics, APEIL program, imaging department, dialysis, spiritual care, ICU and rehab surgery.

Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements

March 31, 2019

3. Long-term Investments

	2019	2018
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 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	-	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	-	763,875
Access Credit Union guaranteed investment certificate maturing June 18, 2021 and bearing interest at 2.40% per annum.	500,000	500,000
	1,760,000	2,643,875
Less: current portion of long-term investments	(120,000)	(883,875)
	\$ 1,640,000	\$ 1,760,000

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,100 (2018 - \$1,156).

Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements

March 31, 2019

5. 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:

	2019	2018
Balance, beginning of year	\$ 1,776,524	\$ 1,664,526
Add: donations received	527,515	437,711
Less: amounts recognized as revenue	<u>(368,176)</u>	<u>(325,713)</u>
Balance, end of year	<u>\$ 1,935,863</u>	<u>\$ 1,776,524</u>

The balance is represented by the following:

	2019	2018
Building for the future	\$ 1,437,384	\$ 1,273,724
Palliative/Cancer care	421,433	373,181
Hospice	-	85,821
Spiritual Care	56,836	22,819
Rehab Surgery	2,827	7,296
Rehab services	5,280	2,580
Memorial garden	3,907	3,907
APEIL program	4,057	3,057
Dialysis	2,416	2,416
Imaging department	1,458	1,458
ICU	265	265
	<u>\$ 1,935,863</u>	<u>\$ 1,776,524</u>

During the year the board of directors authorized a transfer of the \$85,821 Hospice deferred contribution balance to Building for the future.

6. 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.

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2019

7. 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.
