

**Boundary Trails Health Centre
Foundation Inc.**
Financial Statements
For the Year Ended March 31, 2020

Boundary Trails Health Centre Foundation Inc.
Financial Statements
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Contents

Independent Practitioner's Review Engagement Report	2 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 12



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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, 2020, 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, 2020, 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
July 20, 2020

Boundary Trails Health Centre Foundation Inc.
Statement of Financial Position

March 31	2020	2019
Assets		
Current		
Cash (Note 2)	\$ 2,982,302	\$ 2,847,082
Current portion of long-term investments (Note 3)	1,140,000	120,000
Accounts receivable	11,052	10,255
Accrued interest receivable	50,802	45,732
	4,184,156	3,023,069
Long-term investments (Note 3)	675,287	1,640,000
	\$ 4,859,443	\$ 4,663,069
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 20,680	\$ 94,094
Unearned revenue - deferred events	-	31,600
	20,680	125,694
Deferred contributions (Note 5)	2,142,519	1,935,863
	2,163,199	2,061,557
Net assets		
Unrestricted	2,082,086	1,987,354
Endowment fund	139,158	139,158
Internally restricted fund (Note 6)	475,000	475,000
	2,696,244	2,601,512
	\$ 4,859,443	\$ 4,663,069

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	2020	2019
Net assets, beginning of year	\$ 1,987,354	\$ 139,158	\$ 475,000	\$ 2,601,512	\$ 2,508,559
Excess of revenue over expenditures for the year	94,732	-	-	94,732	91,933
Endowment contributions	-	-	-	-	1,020
Net assets, end of year	\$ 2,082,086	\$ 139,158	\$ 475,000	\$ 2,696,244	\$ 2,601,512

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	2020	2019
Revenue		
General donations	\$ 69,629	\$ 69,379
Designated donations		
Cancer/palliative care	124,678	138,357
Emergency	116,664	21,948
Obstetrics	72	62,515
Operating room	3,698	70,579
Rehab	-	4,520
Helipad	331,513	-
Banquet fundraiser	25,327	28,642
Golf tournament fundraiser	17,094	18,971
Spiritual care	72,093	70,256
Gift-in-kind	-	1,465
TV rental income	7,708	8,058
Investment income	119,013	106,124
	<u>\$ 887,489</u>	<u>\$ 600,814</u>
Expenditures		
Designated donations		
Cancer/palliative care	125,987	138,065
Emergency	116,664	21,948
Obstetrics	72	62,515
Operating room	3,698	70,579
Rehab	-	4,520
Helipad	331,513	-
Fundraising expenses	66,366	54,126
General equipment	-	2,898
Gift-in-kind	-	1,465
Bank and credit card service charges	1,005	997
Music to my ears program	2,050	4,500
Office expenses	5,143	8,379
Professional development	3,781	3,237
Professional fees	4,620	4,951
Salaries and wages	57,575	53,250
Spiritual care	72,413	71,106
Travel expenses	799	387
Website, internet	1,071	5,958
	<u>792,757</u>	<u>508,881</u>
Excess of revenue over expenditures for the year	<u>\$ 94,732</u>	<u>\$ 91,933</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	2020	2019
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 94,732	\$ 91,933
Changes in non-cash working capital:		
Accounts receivable	(5,867)	(15,285)
Accounts payable and accrued liabilities	(73,414)	46,909
Unearned revenue - deferred events	(31,600)	22,400
Deferred contributions	206,656	159,339
	190,507	305,296
Cash flows from investing activities		
Redemption (purchase) of long-term investments	(55,287)	883,875
Endowment fund contributions	-	1,020
	(55,287)	884,895
Net increase in cash	135,220	1,190,191
Cash, beginning of the year	2,847,082	1,656,891
Cash, end of the year	\$ 2,982,302	\$ 2,847,082

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

Boundary Trails Health Centre Foundation Inc.

Notes to Financial Statements

March 31, 2020

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, 2020

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

	<u>2020</u>	<u>2019</u>
Restricted cash	\$ 327,232	\$ 175,863
Cash	<u>2,655,070</u>	<u>2,671,219</u>
	<u>\$ 2,982,302</u>	<u>\$ 2,847,082</u>

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, equipment, emergency, Helipad and rehab surgery.

Boundary Trails Health Centre Foundation Inc.
Notes to Financial Statements

March 31, 2020

3. Long-term Investments

	2020	2019
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	-	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 maturing June 18, 2021 and bearing interest at 2.40% per annum.	500,000	500,000
MD Management Limited (cost - \$175,287, 2019 - Nil)	175,287	-
	1,815,287	1,880,000
Less: current portion of long-term investments	(1,140,000)	(120,000)
	\$ 675,287	\$ 1,760,000

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,307 (2019 - \$1,100).

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2020

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:

	2020	2019
Balance, beginning of year	\$ 1,935,863	\$ 1,776,524
Add: donations received	855,373	527,515
Less: amounts recognized as revenue	(648,717)	(368,176)
Balance, end of year	\$ 2,142,519	\$ 1,935,863

The balance is represented by the following:

	2020	2019
Building for the future	\$ 1,530,956	\$ 1,437,384
Palliative/Cancer care	418,631	421,433
Equipment	9,152	-
Spiritual Care	77,770	56,836
Rehab Surgery	3,500	2,827
Obstetrics	2,428	-
Rehab services	45,280	5,280
Memorial garden	3,907	3,907
APEIL program	4,237	4,057
Dialysis	6,943	2,416
Imaging department	1,458	1,458
Helipad	19,793	-
Emergency	18,199	-
ICU	265	265
	\$ 2,142,519	\$ 1,935,863

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, 2020

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.

8. Subsequent events

During the year end a global pandemic disrupted economic activities and supply chains. As a result of the global pandemic, the foundation subsequent to year end decided to cancel its two largest fundraiser's. The net proceeds of these fundraiser's was approximately \$134,000 in 2020. As a result of COVID-19 the foundation is expecting to see a significant decrease in donations for the year ended 2021.
