

**Boundary Trails Health Centre
Foundation Inc.**

Financial Statements

For the Year Ended March 31, 2021

Boundary Trails Health Centre Foundation Inc.
Financial Statements
For the Year Ended March 31, 2021

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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, 2021, 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, 2021, 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 25, 2021

Boundary Trails Health Centre Foundation Inc.
Statement of Financial Position

March 31	2021	2020
Assets		
Current		
Cash (Note 2)	\$ 3,464,176	\$ 2,982,302
Current portion of long-term investments (Note 3)	1,640,000	1,140,000
Accounts receivable	4,527	11,052
Accrued interest receivable	23,597	50,802
	5,132,300	4,184,156
Long-term investments (Note 3)	175,894	675,287
	\$ 5,308,194	\$ 4,859,443
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 51,673	\$ 20,680
Deferred contributions (Note 5)	2,357,857	2,142,519
	2,409,530	2,163,199
Net assets		
Unrestricted	2,284,506	2,082,086
Endowment fund	139,158	139,158
Internally restricted fund (Note 6)	475,000	475,000
	2,898,664	2,696,244
	\$ 5,308,194	\$ 4,859,443

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	2021	2020
Net assets, beginning of year	\$ 2,082,086	\$ 139,158	\$ 475,000	\$ 2,696,244	\$ 2,601,512
Excess of revenue over expenditures for the year	202,420	-	-	202,420	94,732
Net assets, end of year	\$ 2,284,506	\$ 139,158	\$ 475,000	\$ 2,898,664	\$ 2,696,244

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	2021	2020
Revenue		
General donations	\$ 109,201	\$ 69,629
Designated donations		
Dialysis	6,341	-
Cancer/palliative care	140,445	124,678
Emergency	98,082	116,664
Memorial garden	958	-
Obstetrics	7,275	72
Operating room	6,660	3,698
Rehab	18,323	-
Helipad	25,177	331,513
Equipment donations	1,631	-
Banquet fundraiser	-	25,327
Golf tournament fundraiser	-	17,094
Donation conversation	128,461	-
Lotto/raffle	41,254	-
Staff 50/50	15,020	-
Spiritual care	51,041	72,093
Gift-in-kind	1,116	-
TV rental income	2,286	7,708
Investment income	63,325	119,013
	<u>\$ 716,596</u>	<u>\$ 887,489</u>
Expenditures		
Designated donations		
Dialysis	6,341	-
Cancer/palliative care	140,445	125,987
Emergency	98,082	116,664
Memorial garden	958	-
Obstetrics	7,275	72
Operating room	6,660	3,698
Rehab	18,323	-
Helipad	25,177	331,513
Fundraising expenses	79,212	66,366
General equipment	1,631	-
Gift-in-kind	1,116	-
Bank and credit card service charges	787	1,005
Music to my ears program	-	2,050
Office expenses	7,999	5,143
Professional development	2,497	3,781
Professional fees	5,017	4,620
Salaries and wages	59,884	57,575
Spiritual care	51,041	72,413
Travel expenses	75	799
Website, internet	1,656	1,071
	<u>514,176</u>	<u>792,757</u>
Excess of revenue over expenditures for the year	<u>\$ 202,420</u>	<u>\$ 94,732</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	2021	2020
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 202,420	\$ 94,732
Changes in non-cash working capital:		
Accounts receivable	33,730	(5,867)
Accounts payable and accrued liabilities	30,993	(73,414)
Unearned revenue - deferred events	-	(31,600)
Deferred contributions	215,339	206,656
	482,482	190,507
Cash flows from investing activities		
Change in long-term investments	(608)	(55,287)
Net increase in cash	481,874	135,220
Cash, beginning of the year	2,982,302	2,847,082
Cash, end of the year	\$ 3,464,176	\$ 2,982,302

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

Boundary Trails Health Centre Foundation Inc.

Notes to Financial Statements

March 31, 2021

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, 2021

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

	2021	2020
Restricted cash	\$ 717,857	\$ 502,519
Cash	2,746,319	2,479,783
	\$ 3,464,176	\$ 2,982,302

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, 2021

3. Long-term Investments

	2021	2020
Access Credit Union guaranteed investment certificate	\$ -	\$ 900,000
Access Credit Union guaranteed investment certificate maturing June 18, 2021 and bearing interest at 2.40% per annum.	500,000	500,000
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, 2021 and bearing interest at 1.90% per annum.	900,000	-
Access Credit Union guaranteed investment certificate maturing September 2, 2021 and bearing interest at 1.90% per annum.	240,000	-
MD Management Limited (cost - \$175,894 2020 - \$175,287)	175,894	175,287
	1,815,894	1,815,287
Less: current portion of long-term investments	(1,640,000)	(1,140,000)
	\$ 175,894	\$ 675,287

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,516 (2020 - \$1,307).

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2021

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:

	2021	2020
Balance, beginning of year	\$ 2,142,519	\$ 1,935,863
Add: donations received	571,271	855,373
Less: amounts recognized as revenue	<u>(355,933)</u>	<u>(648,717)</u>
Balance, end of year	<u>\$ 2,357,857</u>	<u>\$ 2,142,519</u>

The balance is represented by the following:

	2021	2020
Building for the future	\$ 1,753,581	\$ 1,530,956
Palliative/Cancer care	425,722	418,631
Equipment	-	9,152
Spiritual Care	94,178	77,770
Rehab Surgery	-	3,500
Obstetrics	-	2,428
Rehab services	42,270	45,280
Memorial garden	2,949	3,907
APEIL program	5,767	4,237
Dialysis	11,551	6,943
Imaging department	1,458	1,458
Helipad	-	19,793
Emergency	20,116	18,199
ICU	265	265
	<u>\$ 2,357,857</u>	<u>\$ 2,142,519</u>

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, 2021

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.

Due to the COVID-19 global virus pandemic that occurred, the foundation's risks have increased from the prior year, but the degree to which they have increased cannot be reasonably estimated at this time. See Note 14 for further information on the uncertainty due to COVID-19 pandemic.

8. Uncertainty Due to COVID-19 Pandemic

The COVID-19 global virus pandemic began disrupting economic activities and supply chains around the globe in March 2020, and the impact of COVID-19 in Canada increased significantly. As long as the COVID-19 global virus pandemic continues, there could be related impacts on the foundation and its ability to generate donations and revenue from fundraiser's that could impact the timing of cash flows and amounts realized by the company on its assets in the future.

The foundation's ability to continue to pay for its operating costs and meet its obligations as they come due is dependent on its continued ability to generate revenue and cash flows. The foundation is a non-profit foundation dependent upon donations from ongoing fundraiser's and donation campaigns. As a result, the foundation has been able to cover all of its normal operating costs.

Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the related financial impact cannot be reasonably estimated at this time.
