

**Boundary Trails Health Centre
Foundation Inc.**

Financial Statements

For the Year Ended March 31, 2022

Boundary Trails Health Centre Foundation Inc.
Financial Statements
For the Year Ended March 31, 2022

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



Tel: 204 325 4787
Tel: 204 822 5486
Fax: 204 325 8040
www.bdo.ca

BDO Canada LLP
3-23111 Hwy 14
P.O. Box 1357
Winkler, MB R6W 4B3 Canada

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, 2022, 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, 2022, 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 28, 2022

Boundary Trails Health Centre Foundation Inc.
Statement of Financial Position

March 31	2022	2021
Assets		
Current		
Cash (Note 2)	\$ 636,387	\$ 3,464,176
Current portion of long-term investments (Note 3)	-	1,640,000
Accounts receivable	6,629	4,527
Accrued interest receivable	15,658	23,597
	658,674	5,132,300
Long-term investments (Note 3)	5,001,345	175,894
	\$ 5,660,019	\$ 5,308,194
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 7,506	\$ 51,673
Deferred contributions (Note 5)	2,479,921	2,357,857
	2,487,427	2,409,530
Net assets		
Unrestricted	2,558,434	2,284,506
Endowment fund	139,158	139,158
Internally restricted fund (Note 6)	475,000	475,000
	3,172,592	2,898,664
	\$ 5,660,019	\$ 5,308,194

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	2022	2021
Net assets, beginning of year	\$ 2,284,506	\$ 139,158	\$ 475,000	\$ 2,898,664	\$ 2,696,244
Excess of revenue over expenditures for the year	273,928	-	-	273,928	202,420
Net assets, end of year	\$ 2,558,434	\$ 139,158	\$ 475,000	\$ 3,172,592	\$ 2,898,664

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	2022	2021
Revenue		
General donations	\$ 67,415	\$ 109,201
Designated donations		
Dialysis	200	6,341
Cancer/palliative care	153,966	140,445
APEIL program	723	-
Emergency	5,819	98,082
Memorial garden	-	958
Obstetrics	-	7,275
Operating room	-	6,660
Rehab	-	18,323
Helipad	-	25,177
Equipment donations	7,656	1,631
Golf tournament fundraiser	61,475	-
Donation conversation	158,019	128,461
Lotto/raffle	58,380	41,254
Staff 50/50	227,873	15,020
Spiritual care	69,864	51,041
Gift-in-kind	1,384	1,116
TV rental income	1,836	2,286
Investment income	59,980	63,325
	\$ 874,590	\$ 716,596
Expenditures		
Designated donations		
Dialysis	200	6,341
Cancer/palliative care	153,966	140,445
APEIL program	723	-
Emergency	5,819	98,082
Memorial garden	-	958
Obstetrics	-	7,275
Operating room	-	6,660
Rehab	-	18,323
Helipad	-	25,177
Staff 50/50	171,038	8,264
Fundraising expenses	100,588	70,948
General equipment	7,656	1,631
Gift-in-kind	1,384	1,116
Bank and credit card service charges	1,302	787
Office expenses	12,279	7,999
Professional development	1,553	2,497
Professional fees	4,514	5,017
Salaries and wages	67,825	59,884
Spiritual care	69,864	51,041
Travel expenses	222	75
Website, internet	1,729	1,656
	600,662	514,176
Excess of revenue over expenditures for the year	\$ 273,928	\$ 202,420

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	2022	2021
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 273,928	\$ 202,420
Changes in non-cash working capital:		
Accounts receivable	5,837	33,730
Accounts payable and accrued liabilities	(44,167)	30,993
Deferred contributions	122,064	215,339
	357,662	482,482
Cash flows from investing activities		
Change in long-term investments	(3,185,451)	(608)
Net (decrease) increase in cash	(2,827,789)	481,874
Cash, beginning of the year	3,464,176	2,982,302
Cash, end of the year	\$ 636,387	\$ 3,464,176

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

Boundary Trails Health Centre Foundation Inc.

Notes to Financial Statements

March 31, 2022

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, 2022

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

	2022	2021
Restricted cash	\$ -	\$ 717,857
Cash	636,387	2,746,319
	\$ 636,387	\$ 3,464,176

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, 2022

3. Long-term Investments

	2022	2021
Access Credit Union guaranteed investment certificate	\$ -	\$ 500,000
Access Credit Union guaranteed investment certificate	-	900,000
Access Credit Union guaranteed investment certificate	-	240,000
Access Credit Union guaranteed investment certificate maturing August 8, 2023 and bearing interest at 2.25% per annum.	3,000,000	-
Access Credit Union guaranteed investment certificate maturing August 8, 2023 and bearing interest at 2.25% per annum.	1,000,000	-
Access Credit Union guaranteed investment certificate maturing August 14, 2023 and bearing interest at 2.25% per annum.	1,000,000	-
MD Management Limited (cost - \$1,345 2021 - \$175,894)	1,345	175,894
	5,001,345	1,815,894
Less: current portion of long-term investments	-	(1,640,000)
	\$ 5,001,345	\$ 175,894

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$1,957 (2021 - \$1,516).

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2022

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:

	2022	2021
Balance, beginning of year	\$ 2,357,857	\$ 2,142,519
Add: donations received	360,291	571,271
Less: amounts recognized as revenue	<u>(238,227)</u>	<u>(355,933)</u>
Balance, end of year	<u>\$ 2,479,921</u>	<u>\$ 2,357,857</u>

The balance is represented by the following:

	2022	2021
Building for the future	\$ 1,834,308	\$ 1,753,581
Palliative/Cancer care	371,436	425,722
Equipment	90,494	-
Spiritual Care	90,282	94,178
Rehab Surgery	300	-
Obstetrics	1,113	-
Rehab services	42,270	42,270
Memorial garden/flower fund	2,949	2,949
APEIL program	5,044	5,767
Dialysis	25,454	11,551
Imaging department	1,458	1,458
Emergency/ICU/ACC	<u>14,813</u>	<u>20,381</u>
	<u>\$ 2,479,921</u>	<u>\$ 2,357,857</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, 2022

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.

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.
