

**Boundary Trails Health Centre
Foundation Inc.**
Financial Statements
For the Year Ended March 31, 2023

Draft - Subject to Change

Boundary Trails Health Centre Foundation Inc.
Financial Statements
For the Year Ended March 31, 2023

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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, 2023, 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, 2023, 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 10, 2023

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Boundary Trails Health Centre Foundation Inc. Statement of Financial Position

March 31	2023	2022
Assets		
Current		
Cash (Note 2)	\$ 2,460,426	\$ 636,387
Current portion of long-term investments (Note 3)	5,112,500	-
Accounts receivable	7,050	6,629
Accrued interest receivable	16,010	15,658
	<u>7,595,986</u>	<u>658,674</u>
Long-term investments (Note 3)	-	5,001,345
	<u>\$ 7,595,986</u>	<u>\$ 5,660,019</u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 99,443	\$ 7,507
Deferred contributions (Note 5)	3,992,083	2,479,921
	<u>4,091,526</u>	<u>2,487,428</u>
Net assets		
Unrestricted	2,890,302	2,558,433
Internally restricted fund (Note 6)	614,158	614,158
	<u>3,504,460</u>	<u>3,172,591</u>
	<u>\$ 7,595,986</u>	<u>\$ 5,660,019</u>

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	Internally Restricted Fund	2023	2022
Net assets, beginning of year	\$ 2,558,433	\$ 614,158	\$ 3,172,591	\$ 2,898,663
Excess of revenue over expenditures for the year	331,869	-	331,869	273,928
Net assets, end of year	\$ 2,890,302	\$ 614,158	\$ 3,504,460	\$ 3,172,591

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	2023	2022
Revenue		
General donations	\$ 249,552	\$ 67,415
Designated donations		
Dialysis	2,709	200
Cancer/palliative care	163,508	153,966
APEIL program	2,797	723
Emergency	-	5,819
BTHC expansion	36,554	-
Equipment donations	139,494	7,656
Banquet fundraiser	23,156	-
Golf tournament fundraiser	26,163	61,475
Donation conversation	-	158,019
Lotto/raffle	39,512	58,380
Staff 50/50	340,060	227,873
Spiritual care	71,327	69,864
Gift-in-kind	314	1,384
TV rental income	12,004	1,836
Investment income	142,768	59,980
Education grant	\$ 10,000	\$ -
	<u>1,259,918</u>	<u>874,590</u>
Expenditures		
Designated donations		
Dialysis	2,709	200
Cancer/palliative care	163,508	153,966
APEIL program	2,797	723
Emergency	-	5,819
BTHC expansion	36,554	-
Staff 50/50	267,042	171,038
Fundraising expenses	71,926	100,588
General equipment	168,053	7,656
Gift-in-kind	2,000	1,384
Bank and credit card service charges	3,874	1,302
Donor board	279	-
Office expenses	12,145	12,279
Professional development	4,313	1,553
Professional fees	5,040	4,514
Salaries and wages	103,094	67,825
Spiritual care	71,327	69,864
Travel expenses	697	222
TV Expense	9,464	-
Website, internet	3,227	1,729
	<u>928,049</u>	<u>600,662</u>
Excess of revenue over expenditures for the year	<u>\$ 331,869</u>	<u>\$ 273,928</u>

Boundary Trails Health Centre Foundation Inc. Statement of Cash Flows

For the year ended March 31	2023	2022
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 331,869	\$ 273,928
Changes in non-cash working capital:		
Accounts receivable	(774)	5,837
Accounts payable and accrued liabilities	91,938	(44,167)
Deferred contributions	1,512,161	122,064
	<u>1,935,194</u>	<u>357,662</u>
Cash flows from investing activities		
Change in long-term investments	5,001,345	(3,185,451)
Change in short-term investments	<u>(5,112,500)</u>	<u>-</u>
	<u>(111,155)</u>	<u>(3,185,451)</u>
Net increase (decrease) in cash	1,824,039	(2,827,789)
Cash, beginning of the year	<u>636,387</u>	<u>3,464,176</u>
Cash, end of the year	<u>\$ 2,460,426</u>	<u>\$ 636,387</u>

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2023

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, 2023

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>2023</u>	<u>2022</u>
Cash	<u>\$ 2,460,426</u>	<u>\$ 636,387</u>

Restricted cash includes donations received but not yet disbursed for the following restricted projects: palliative care, hospice, rehab services, Building for the Future/hospital expansion project, 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, 2023

3. Long-term Investments

	<u>2023</u>	<u>2022</u>
Access Credit Union guaranteed investment certificate maturing August 8, 2023 and bearing interest at 2.25% per annum.	\$ 3,067,500	\$ 3,000,000
Access Credit Union guaranteed investment certificate maturing August 8, 2023 and bearing interest at 2.25% per annum.	1,022,500	1,000,000
Access Credit Union guaranteed investment certificate maturing August 14, 2023 and bearing interest at 2.25% per annum.	1,022,500	1,000,000
MD Management Limited (cost - \$NIL 2022 - \$1,345)	-	1,345
	<u>5,112,500</u>	<u>5,001,345</u>
Less: current portion of long-term investments	<u>(5,112,500)</u>	-
	<u>\$ -</u>	<u>\$ 5,001,345</u>

4. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$-NIL (2022 - \$1,957).

Boundary Trails Health Centre Foundation Inc. Notes to Financial Statements

March 31, 2023

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:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 2,479,921	\$ 2,357,857
Add: donations received	1,977,871	360,291
Less: amounts recognized as revenue	(494,267)	(238,227)
Transfer from unrestricted	28,558	-
Balance, end of year	<u>\$ 3,992,083</u>	<u>\$ 2,479,921</u>

The balance is represented by the following:

	<u>2023</u>	<u>2022</u>
Building for the future	\$ 3,430,086	\$ 1,834,308
Palliative/Cancer care	370,014	371,436
Equipment	-	90,494
Spiritual Care	100,245	90,282
Rehab Surgery	300	300
Obstetrics	2,371	1,113
Rehab services	42,270	42,270
Memorial garden/flower fund	2,949	2,949
APEIL program	2,247	5,044
Dialysis	25,330	25,454
Imaging department	1,458	1,458
Emergency/ICU/ACC	14,813	14,813
	<u>\$ 3,992,083</u>	<u>\$ 2,479,921</u>

6. Internally Restricted Fund

The board of directors has internally restricted surplus of \$215,000 for equipment purchases, \$260,000 for program funds and \$139,158 as a perpetual fund. 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, 2023

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. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.
