

**CANMORE AND AREA  
HEALTH CARE FOUNDATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2020**

**Baker Tilly Rockies LLP**

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## INDEPENDENT AUDITORS' REPORT

To the Directors of Canmore and Area Health Care Foundation:

### *Qualified Opinion*

We have audited the financial statements of Canmore and Area Health Care Foundation (the Foundation), which 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 notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2020, and results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit-Organizations.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, Canmore and Area Health Care Foundation derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Canmore and Area Health Care Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenses, net assets and cash flows from operations for the year ended March 31, 2020 and March 31, 2019, current assets as at March 31, 2020 and 2019 and net assets as at April 1, 2019 and 2018 and March 31, 2020 and 2019.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Canmore, Alberta  
September 8, 2020

*Baker Tilly Rockies LLP*  
CHARTERED PROFESSIONAL ACCOUNTANTS

**CANMORE AND AREA HEALTH CARE FOUNDATION**  
 (Created under the Regional Health Authorities Foundation Regulations of Alberta)

**STATEMENT OF FINANCIAL POSITION**

**MARCH 31, 2020**

**ASSETS**

	General Fund	Restricted Fund	Endowment Fund	Total 2020	Total 2019
Current assets					
Cash and cash equivalents	\$ 1,375,758	\$ 915,695	\$ -	\$ 2,291,453	\$ 1,936,194
Accounts receivable (note 2)	73,623	-	-	73,623	133,043
Inventory (note 3)	-	9,202	-	9,202	9,881
Prepays	949	-	-	949	6,994
Short-term investments (note 4)	-	247,234	-	247,234	-
	<u>1,450,330</u>	<u>1,172,131</u>	\$ -	<u>2,622,461</u>	<u>2,086,112</u>
Long-term restricted cash and cash equivalents	-	379,911	-	379,911	-
Long-term investments (note 4)	-	-	-	-	247,234
Cash surrender value of life insurance (note 5)	69,108	-	-	69,108	54,778
	<u>\$ 1,519,438</u>	<u>\$ 1,552,042</u>	\$ -	<u>\$ 3,071,480</u>	<u>\$ 2,388,124</u>

**LIABILITIES**

Current liabilities					
Accounts payable and accrued liabilities	\$ 17,014	\$ 80,322	\$ -	\$ 97,336	\$ 736,526
Deferred revenue (note 6)	4,000	-	-	4,000	28,700
	<u>21,014</u>	<u>80,322</u>	-	<u>101,336</u>	<u>765,226</u>

**NET ASSETS**

Externally restricted net assets (note 7)	-	1,471,720	-	1,471,720	1,274,493
Internally restricted net assets (note 8)	-	-	-	-	2,401
Unrestricted net assets	1,498,424	-	-	1,498,424	346,004
	<u>1,498,424</u>	<u>1,471,720</u>	-	<u>2,970,144</u>	<u>1,622,898</u>
	<u>\$ 1,519,438</u>	<u>\$ 1,552,042</u>	\$ -	<u>\$ 3,071,480</u>	<u>\$ 2,388,124</u>

Approved on behalf of the Board of Directors by:



David Somerville

**CANMORE AND AREA HEALTH CARE FOUNDATION**

**STATEMENT OF OPERATIONS**

**YEAR ENDED MARCH 31, 2020**

	General Fund (Schedule 1)	Restricted Fund (Schedule 1)	Endowment Fund	Total 2020	Total 2019
Fundraising revenue					
Donations	\$ 1,712,600	\$ 127,188	\$ -	\$ 1,839,788	\$ 278,503
Fundraising	72,574	50,254	-	122,828	153,780
	<u>1,785,174</u>	<u>177,442</u>	<u>-</u>	<u>1,962,616</u>	<u>432,283</u>
Less					
Event expenses	59,383	23,942	-	83,325	69,906
Program expenses	-	52,350	-	52,350	52,077
	<u>59,383</u>	<u>76,292</u>	<u>-</u>	<u>135,675</u>	<u>121,983</u>
Net fundraising revenue	<u>1,725,791</u>	<u>101,150</u>	<u>-</u>	<u>1,826,941</u>	<u>310,300</u>
Other revenue					
AHS operating grant	48,000	-	-	48,000	48,000
AHS High Potential grant	-	2,000	-	2,000	-
Endowment grant	45,702	-	-	45,702	41,370
Increase in cash surrender value of life insurance	14,330	-	-	14,330	11,219
Interest	37,250	-	-	37,250	32,798
	<u>145,282</u>	<u>2,000</u>	<u>-</u>	<u>147,282</u>	<u>133,387</u>
Total revenue	<u>1,871,073</u>	<u>103,150</u>	<u>-</u>	<u>1,974,223</u>	<u>443,687</u>
Other expenses					
Contracted services	10,352	-	-	10,352	7,029
Life insurance premium	15,032	-	-	15,032	15,032
Marketing and outreach	287	21,950	-	22,237	20,453
Office, administration and other	9,162	5,988	-	15,150	7,564
Professional fees	10,158	615	-	10,773	10,624
Salaries and wages	73,747	-	-	73,747	75,113
	<u>118,738</u>	<u>28,553</u>	<u>-</u>	<u>147,291</u>	<u>135,815</u>
Excess of revenue over expenses before the following	<u>1,752,335</u>	<u>74,597</u>	<u>-</u>	<u>1,826,932</u>	<u>307,872</u>
Donations (recovery)					
Canmore General Hospital (note 8)	(8,790)	138,476	-	129,686	135,369
Edmonton Community Foundation (note 9)	-	-	350,000	350,000	40,000
	<u>(8,790)</u>	<u>138,476</u>	<u>350,000</u>	<u>479,686</u>	<u>175,369</u>
Excess (deficiency) of revenue over expenses	<u>\$ 1,761,125</u>	<u>\$ (63,879)</u>	<u>\$ (350,000)</u>	<u>\$ 1,347,246</u>	<u>\$ 132,503</u>

**CANMORE AND AREA HEALTH CARE FOUNDATION**

**STATEMENT OF CHANGES IN NET ASSETS**

**YEAR ENDED MARCH 31, 2020**

	<b>General Fund Unrestricted</b>	<b>General Fund Internally Restricted</b>	<b>Total General</b>	<b>Restricted Fund</b>	<b>Endowment Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
Net assets, beginning of year	\$ 346,004	\$ 2,401	\$ 348,405	\$ 1,274,493	\$ -	\$ 1,622,898	\$ 1,490,395
Excess (deficiency) of revenue over expenses	30,805	1,730,320	1,761,125	(63,879)	(350,000)	1,347,246	132,503
	<u>376,809</u>	<u>1,732,721</u>	<u>2,109,530</u>	<u>1,210,614</u>	<u>(350,000)</u>	<u>2,970,144</u>	<u>1,622,898</u>
Interfund transfers (note 9)	1,121,615	(1,732,721)	(611,106)	261,106	350,000	-	-
	<u>1,121,615</u>	<u>(1,732,721)</u>	<u>(611,106)</u>	<u>261,106</u>	<u>350,000</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,498,424</u>	<u>\$ -</u>	<u>\$ 1,498,424</u>	<u>\$ 1,471,720</u>	<u>\$ -</u>	<u>\$ 2,970,144</u>	<u>\$ 1,622,898</u>

# CANMORE AND AREA HEALTH CARE FOUNDATION

## STATEMENT OF CASH FLOWS

**YEAR ENDED MARCH 31, 2020**

	<b>2020</b>	<b>2019</b>
Cash provided for (used by)		
Operating activities		
Grants - Alberta Government	\$ 50,000	\$ 98,000
Fundraising activities	84,406	25,759
Donations	1,824,756	265,772
Interest and endowment grant received	73,037	76,103
Inventory	679	(2,952)
Project and operating costs	(179,807)	(179,971)
Hospital payments	(767,901)	(107,631)
	<u>1,085,170</u>	<u>175,080</u>
Financing activities		
Endowment fund payments	(350,000)	(40,000)
Investing activities		
Redemption of short-term investments	-	247,234
Transfer to non-current restricted cash	(379,911)	-
	<u>(379,911)</u>	<u>247,234</u>
Cash inflow	355,259	382,314
Cash and cash equivalents, beginning of year	1,936,194	1,553,880
Cash and cash equivalents, end of year	<u>\$ 2,291,453</u>	<u>\$ 1,936,194</u>
Cash and cash equivalents consists of:		
Cash	\$ 105,829	\$ 315,658
High interest savings funds	2,185,624	1,620,536
	<u>\$ 2,291,453</u>	<u>\$ 1,936,194</u>
Unrestricted cash and cash equivalents	\$ 1,375,758	\$ 307,695
Restricted cash and cash equivalents	915,695	1,628,499
Current cash and cash equivalent	<u>\$ 2,291,453</u>	<u>\$ 1,936,194</u>

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

### Purpose of the organization

The Canmore and Area Health Care Foundation was created for the purpose of funding certain health care facilities, equipment, programs and services and health care education in the Town of Canmore and the surrounding area.

The Foundation was created under the provisions of the Regional Health Authority Foundation Regulations of Alberta on October 6, 2000.

Under the Income Tax Act of Canada, the Foundation qualifies as a charitable organization and is exempt from income tax pursuant to section 149(1)(f) of the Income Tax Act of Canada.

### 1. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations and include the following significant accounting policies:

#### a) Fund accounting

The General Fund is comprised of the total of the General Operating Fund and the General Hospital Fund. The General Operating Fund accounts for administrative activities while the General Hospital Fund accounts for unrestricted program delivery including donations to the Canmore General Hospital.

The Restricted Fund accounts for the Foundation's restricted program delivery as specified by external donors.

The Endowment Fund accounts for contributions and payments made to the Edmonton Community Foundation (ECF). The ECF assists in building and administering endowments created to serve the community. The ECF retains ownership of all endowment funds. Accordingly, the endowment funds have not been recorded in the records of the Foundation.

The Foundation will receive an amount annually determined by ECF as a percentage of the market value of the funds at the end of the previous year. These amounts are recorded in the General Fund as endowment interest.

#### b) Revenue recognition

The Foundation uses the fund method of accounting. As such, contributions are recognized in revenue as follows:

Unrestricted contributions are recognized as donation, fundraising, and other revenue in the General Fund in the year that the contribution is received.

Restricted contributions are recognized as donation and fundraising revenue as applicable, in the related restricted fund in the year that the contribution is received. If no restricted fund exists, the contribution is recognized in the General Fund using the deferral method until the related expense occurs.

Endowment contributions are recognized as donation revenue in the Endowment Fund in the year that the contribution is received.

Endowment and other interest is recognized as revenue in the general fund in the year that the contribution is received or receivable.



# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

1. Significant accounting policies (cont'd)

c) Cash and cash equivalents

Cash and cash equivalents include bank balances and investments in high interest savings funds. The Foundation maintains cash and cash equivalents at financial institutions.

d) Inventory

Inventory is stated at the lower of cost and estimated net realizable value, with costs determined principally on a first-in first-out basis.

e) Property and equipment

Property and equipment is capitalized when the item will have a life expectancy greater than one year and has a cost greater than or equal to \$ 1,000. Property and equipment is capitalized at cost.

Half year provision is taken in the year of addition. No amortization is taken in the year of disposal.

f) Contributed goods and services

Contributed goods are recognized at their fair value, if readily determinable.

Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

g) Restriction of net assets

The Foundation Board of Trustees has adopted an operational policy whereby unrestricted funds donated to the Foundation or through fundraising directly can be internally restricted by the Foundation Board of Trustees, with input from the Hospital Administrator.

h) Financial instruments

The Foundation's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, short and long term investments, cash surrender value of life insurance, and accounts payable and accrued liabilities. All financial instruments are initially recorded at fair market value and subsequently at amortized cost. They are evaluated for impairment at each statement of financial position date with a write-down recorded in the statement of operations. Impairment reversals may occur and the asset can be written up to its original cost. Changes in fair value are recognized in the statement of operations.

Unless otherwise noted, it is in management's opinion that the Foundation is not exposed to significant interest, currency, credit, market, or liquidity risks arising from these financial instruments.

i) Measurement uncertainty

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 and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of accounts receivable and accounts payable and accrued

liabilities. Actual results could differ from those estimates.

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

2. Accounts receivable

Accounts receivable consists of the following:	<b>2020</b>	<b>2019</b>
Casino fund receivable	\$ -	\$ 51,003
Donation receivable	-	2,000
Endowment grant receivable	45,702	41,370
Fundraising receivable	6,600	23,200
Interest receivable	18,677	13,094
Goods and Service Tax recoverable	2,644	2,376
	<u>\$ 73,623</u>	<u>\$ 133,043</u>

3. Inventory

The cost of tuck shop goods used during the year was \$ 18,006 (2019 - \$ 7,134).

4. Short-term and long-term investments

	<b>2020</b>	<b>2019</b>
Guaranteed investment certificate, bearing interest at 2.05 percent per annum, maturing on November 30, 2020	\$ 247,234	\$ 247,234
Less: Short-term investments	<u>247,234</u>	<u>-</u>
Long-term investments	<u>\$ -</u>	<u>\$ 247,234</u>

5. Cash surrender value of life insurance

In the 2018 fiscal year, the Foundation received a donation of a whole life insurance policy, which is reported at the cash surrender value of the policy as of the date of the financial statements. The policy death benefit is \$ 300,000 and the policy premiums will be paid by the insured. If the policy is surrendered or the death benefit received the total proceeds will be contributed to the endowment fund managed by Edmonton Community Foundation.

6. Deferred revenue

Deferred revenue represents externally restricted contributions received in the General Fund that are related to expenses that occur subsequent to the year end. Changes in the deferred revenue balance are as follows:

	<b>2020</b>	<b>2019</b>
Balance, beginning of year	\$ 28,700	\$ 29,055
Contributions	<u>4,000</u>	<u>28,700</u>
	32,700	55,755
Recognized as revenue	<u>28,700</u>	<u>29,055</u>
Balance, end of year	<u>\$ 4,000</u>	<u>\$ 28,700</u>

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

### 7. Externally restricted net assets

Transactions and fund balances of externally restricted programs reported in the Restricted Fund are as follows:

	Opening Balance	General Fund Transfer	Fund consolidation transfers	Revenues	Expenses	Closing Balance
Golden Eagle View LTC	\$ 608,489	\$ 248,606	\$ 12,867	\$ 58,335	\$ 49,596	\$ 878,701
Cancer care	257,474	-	-	5,094	21,930	240,638
Ladies auxiliary	64,220	-	-	56,131	38,426	81,925
Emergency department	61,885	-	-	16,900	35	78,750
Rehabilitation and physical therapy	60,235	-	-	-	-	60,235
Win Win 50 Lottery	27,106	-	-	15,834	8,815	34,125
Marketing and outreach	35,186	-	-	2,000	24,927	12,259
Staff appreciation	10,759	-	-	160	-	10,919
Acute care	2,920	-	7,761	170	-	10,851
Palliative care	10,777	-	-	-	-	10,777
Mental health and addictions	10,582	-	-	380	368	10,594
Homecare	10,271	-	-	220	-	10,491
P.A.R.T.Y.	2,561	-	6,110	2,650	2,246	9,075
Volunteer services	7,509	-	-	100	-	7,609
Garden fund	4,781	-	-	1,330	870	5,241
Mindfulness	4,114	12,500	-	6,086	18,792	3,908
Obstetrics	-	-	-	2,986	-	2,986
Music therapy	775	-	-	10,590	9,203	2,162
Operating rooms	-	-	-	474	-	474
Alzheimers	2,476	-	(2,476)	-	-	-
Cardiac care	7,761	-	(7,761)	-	-	-
Casino fund	68,111	-	-	-	68,111	-
Long-term care	10,391	-	(10,391)	-	-	-
Public health	6,110	-	(6,110)	-	-	-
	<u>\$ 1,274,493</u>	<u>\$ 261,106</u>	<u>\$ -</u>	<u>\$ 179,440</u>	<u>\$ 243,319</u>	<u>\$ 1,471,720</u>

Subsequent to year-end, the Board transferred funds into externally restricted funds as detailed in note 15.

### 8. Internally restricted net assets

The Board periodically restricts funds for the purpose of making donations to the Canmore General Hospital. The amounts approved for hospital purchases are at the recommendation of the Hospital Administrator. At the end of the year, nil (2019 - \$ 2,401) was internally restricted for future purposes. During the year, \$ 2,401 (2019 - nil) was transferred to the Golden Eagle View LTC fund. Further, the Foundation had a recovery of previously committed expenses of \$ 8,790 (2019 - donations of \$ 123,245).

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

### 9. Edmonton Community Foundation

By agreement dated January 25, 2011, the Foundation established a Permanent Endowment Fund through the Edmonton Community Foundation (ECF). The purpose of the Endowment Fund is to ensure the long term sustainability of the Canmore and Area Health Care Foundation. The ECF will hold the funds in perpetuity and currently pays 4.0 percent per annum on the deposit annually. The income from the fund is to be used at the discretion of the Board of Directors in accordance with the regulatory requirements of the agreement with the ECF. In accordance with these same regulations, contributions to the ECF are considered as donations and are recorded as such by the ECF. Contributions during the year can be made directly to the ECF. Income earned within the ECF and administrative expenses of the ECF are those of the ECF and as such have not been recorded as revenue and expenses in these financial statements.

	<b>2020</b>	<b>2019</b>
Balance, beginning of year	\$ 1,130,477	\$ 1,097,141
Contributions during the year by the Foundation	350,000	40,000
Income (loss) within the ECF	(60,701)	43,120
Administrative expense within the ECF	(7,722)	(7,871)
Grants requested and received by the Foundation	(41,370)	(41,913)
	<u>                    </u>	<u>                    </u>
Balance, end of year	<u>\$ 1,370,684</u>	<u>\$ 1,130,477</u>

### 10. Interfund transfers

Funds of \$ 350,000 (2019 - \$ 40,000) were transferred from the General Fund to the Endowment Fund in accordance with the Board of Trustee's policy to contribute to the Edmonton Community Foundation. The Board of Trustees make an annual contribution of up to 20 percent of unrestricted funds received or funds raised during the year to the Edmonton Community Foundation.

Funds of \$ 261,106 (2019 - \$ 39,600) were transferred from the General Fund to the Restricted Fund at the Board of Trustee's discretion as contributions to various restricted programs as disclosed in note 7.

The Board has reduced the number of restricted funds in order to reduce the administrative burden. During the year, the Board consolidated certain restricted funds by transferring balances as detailed in note 7.

### 11. Contributed gifts-in-kind

During the year, gifts in kind of \$ 1,547,144 (2019 - \$ nil) in publicly traded stocks and \$ 15,032 (2019 - \$ 15,032), being the premium on the life insurance policy were received by the foundation. The contributed assets were recognized as donation revenue in the General Fund at their fair value.

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

### 12. Financial instruments

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentration at March 31, 2020.

#### a) Credit risk

The financial instruments that potentially subject the foundation to credit risk consist primarily of cash and cash equivalents and accounts receivable. The Foundation mitigates its exposure of credit loss by placing its cash and cash equivalents with major financial institutions. The Foundation's accounts receivable are from repeat donors, government bodies and interest from an endowment held by The Edmonton Community Foundation. Collection of these accounts is reasonably assured and as such credit risk exposure is limited.

There has been no change in management's assessment of credit risk from the prior year.

#### b) Interest risk

Interest rate risk is the risk that the fair value and future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation's short-term and long-term investments bear interest at a fixed rate, and therefore are not subject to interest rate risk. The Foundation is exposed to interest rate risk on its cash and cash equivalents as certain savings and money market funds bear interest rates subject to market changes. As fluctuating interest rates are beyond the Foundation's control, the risk exposure has been assessed as moderate.

There has been no change to management's assessment of interest risk from the prior year.

### 13. Credit limit

The Foundation holds a credit card with a credit limit of \$ 3,000. Balances owing are included in accounts payable and accrued liabilities.

### 14. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

### 15. Subsequent events

#### **Covid-19**

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration of COVID-19 is unknown at this time and it is not possible to reliably estimate the financial and operational impact these developments will have on the Foundation.

# CANMORE AND AREA HEALTH CARE FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

**MARCH 31, 2020**

15. Subsequent events (cont'd)

### **Funds transfer and memorandum of understanding**

Subsequent to year-end, the Board of Directors motioned for funds totalling \$ 1,200,000 from a major donor gift to be transferred from the general fund to the restricted fund. The motion transferred \$ 446,073 to the Golden Eagle View LTC fund and \$ 753,928 to the Emergency department fund.

The funds transferred to the Golden Eagle View Long-Term Care fund are to support the commitment the Foundation has made to renovate the long-term care ward of the Canmore General Hospital, in order to improve the quality of life and care for Golden Eagle View residents. The Foundation has signed a memorandum of understanding with Alberta Health Services committing \$ 1,500,000 to the project. The project will begin in the 2021 fiscal year and is expected to be completed before June 30, 2022.

## CANMORE AND AREA HEALTH CARE FOUNDATION

## SCHEDULE OF GENERAL AND RESTRICTED FUNDS

## YEAR ENDED MARCH 31, 2020

	Operating Fund	Hospital Fund	Total General	Restricted Fund
Fundraising revenue				
Donations	\$ -	\$ 1,712,600	\$ 1,712,600	\$ 127,188
Fundraising	-	72,574	72,574	50,254
	<u>-</u>	<u>1,785,174</u>	<u>1,785,174</u>	<u>177,442</u>
Less				
Event expenses	-	59,383	59,383	23,942
Program expenses	-	-	-	52,350
	<u>-</u>	<u>59,383</u>	<u>59,383</u>	<u>76,292</u>
Net fundraising revenue	<u>-</u>	<u>1,725,791</u>	<u>1,725,791</u>	<u>101,150</u>
Other revenue				
AHS operating grant	48,000	-	48,000	-
AHS high potential grant	-	-	-	2,000
Endowment grant	45,702	-	45,702	-
Increase in cash surrender value of life insurance	-	14,330	14,330	-
Other interest	36,722	528	37,250	-
	<u>130,424</u>	<u>14,858</u>	<u>145,282</u>	<u>2,000</u>
Total revenue	<u>130,424</u>	<u>1,740,649</u>	<u>1,871,073</u>	<u>103,150</u>
Other expenses				
Bank charges and interest	1,956	1,860	3,816	1,096
Contract services	10,352	-	10,352	-
Life insurance premium	-	15,032	15,032	-
Marketing and outreach	-	287	287	21,950
Office	2,387	1,940	4,327	825
Professional fees	10,158	-	10,158	615
Salaries and wages	73,747	-	73,747	-
Telephone	1,019	-	1,019	-
Travel	-	-	-	4,067
	<u>99,619</u>	<u>19,119</u>	<u>118,738</u>	<u>28,553</u>
Excess of revenue over expenses before the following	<u>30,805</u>	<u>1,721,530</u>	<u>1,752,335</u>	<u>74,597</u>
Donations (recovery) to Canmore General Hospital	<u>-</u>	<u>(8,790)</u>	<u>(8,790)</u>	<u>138,476</u>
Excess (deficiency) of revenue over expenses	<u>\$ 30,805</u>	<u>\$ 1,730,320</u>	<u>\$ 1,761,125</u>	<u>\$ (63,879)</u>