

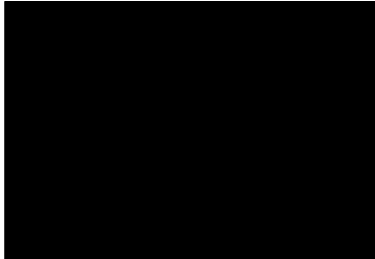


Financial Statements

Thunder Bay Regional Health Sciences  
Foundation

March 31, 2022

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# Independent Auditor's Report

To the Directors of  
Thunder Bay Regional Health Sciences Foundation

**Opinion**

We have audited the financial statements of Thunder Bay Regional Health Sciences Foundation ("the Foundation"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Thunder Bay Regional Health Sciences Foundation as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Opinion**

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 opinion.

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

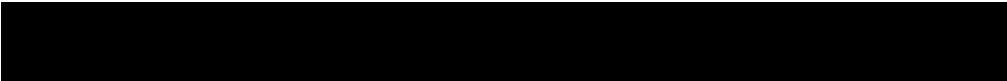
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 a 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 judgment 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.

Thunder Bay, Canada  
[REDACTED]

[REDACTED]

Chartered Professional Accountants  
Licensed Public Accountants

# Thunder Bay Regional Health Sciences Foundation

## Statement of Financial Position

As at March 31	2022	2021
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	11,416,740	3,094,592
Investments, at fair value <i>[note 3[a]]</i>	7,430,924	10,215,759
Accounts receivable	7,701	62,441
Prepaid expenses	23,354	9,320
Interest receivable <i>[note 3[b][iii]]</i>	120,000	120,000
<b>Total current assets</b>	<b>18,998,719</b>	<b>13,502,112</b>
<b>Non-current assets</b>		
Long-term interest receivable <i>[note 3[b][iii]]</i>	287,789	287,789
Long-term investments <i>[note 3[b]]</i>	8,340,262	6,068,765
<b>Total non-current assets</b>	<b>8,628,051</b>	<b>6,356,554</b>
<b>Property and equipment, net <i>[note 4]</i></b>	<b>24,278</b>	<b>26,497</b>
	<b>27,651,048</b>	<b>19,885,163</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current</b>		
Accounts payable	167,329	219,811
Due to Thunder Bay Regional Health Sciences Centre	363,120	458,670
Deferred revenue	114,969	116,169
CEBA loan <i>[note 5]</i>	-	30,000
<b>Total current liabilities</b>	<b>645,418</b>	<b>824,650</b>
<b>Fund balances</b>		
Restricted <i>[schedule 1]</i>	19,589,931	16,320,462
Unrestricted	7,391,421	2,713,554
Investment in property and equipment	24,278	26,497
<b>Total fund balances</b>	<b>27,005,630</b>	<b>19,060,513</b>
	<b>27,651,048</b>	<b>19,885,163</b>

See accompanying notes to the financial statements.

On behalf of the Board:

Director  
Kyle Shaen

Director  
David S Kubinec,

# Thunder Bay Regional Health Sciences Foundation

## Statement of Operations

Year ended March 31

	General Fund		Restricted Funds		2022	2021
	2022	2021	2022	2021		
	\$	\$	\$	\$	\$	\$
	[schedule 1]					
<b>REVENUE</b>						
Donations	639,537	624,251	3,507,426	4,896,646	4,146,963	5,520,897
Realized gain on sale of investments	29,509	19,514	133,683	135,578	163,192	155,092
Lotteries, net [note 13]	6,043,311	1,396,002	973,589	21,458	7,016,900	1,417,460
Events, net [note 13]	-	-	60,414	21,622	60,414	21,622
Grant	2,096	3,065	8,935	16,095	11,031	19,160
Government assistance-wage subsidy	-	36,145	-	189,757	-	225,902
Investment income	122,671	76,236	472,530	404,355	595,201	480,591
Other	-	11,541	-	8,315	-	19,856
	<b>6,837,124</b>	<b>2,166,754</b>	<b>5,156,577</b>	<b>5,693,826</b>	<b>11,993,701</b>	<b>7,860,580</b>
<b>EXPENSES</b>						
Amortization	11,063	10,616	-	-	11,063	10,616
Bank charges	4,464	3,713	19,029	19,494	23,493	23,207
Catering/meetings	391	-	7,926	1,094	8,317	1,094
Conference and seminars	1,342	1,193	5,721	6,263	7,063	7,456
Fundraising	26,585	31,667	170,949	153,254	197,534	184,921
Investment fees	10,596	4,344	57,509	33,678	68,105	38,022
Memberships	1,520	1,341	6,482	7,044	8,002	8,385
Office	7,472	6,365	31,859	33,418	39,331	39,783
Professional fees	14,445	4,069	61,582	21,362	76,027	25,431
Salaries and benefits	207,362	166,413	884,016	873,664	1,091,378	1,040,077
Travel	1,731	1,616	7,380	8,484	9,111	10,100
	<b>286,971</b>	<b>231,337</b>	<b>1,252,453</b>	<b>1,157,755</b>	<b>1,539,424</b>	<b>1,389,092</b>
<b>Excess of revenue over expenses before the following</b>	<b>6,550,153</b>	<b>1,935,417</b>	<b>3,904,124</b>	<b>4,536,071</b>	<b>10,454,277</b>	<b>6,471,488</b>
Parking revenue [note 14]	2,188,864	1,516,537	-	-	2,188,864	1,516,537
Parking expenses [note 14]	(2,051,426)	(1,425,575)	-	-	(2,051,426)	(1,425,575)
	137,438	90,962	-	-	137,438	90,962
Unrealized gain on investments	196,627	106,634	406,143	522,770	602,770	629,404
	<b>334,065</b>	<b>197,596</b>	<b>406,143</b>	<b>522,770</b>	<b>740,208</b>	<b>720,366</b>
<b>Excess of revenue over expenses before donations</b>	<b>6,884,218</b>	<b>2,133,013</b>	<b>4,310,267</b>	<b>5,058,841</b>	<b>11,194,485</b>	<b>7,191,854</b>
Donations [note 6]	2,208,570	728,684	1,040,798	2,572,396	3,249,368	3,301,080
<b>Excess of revenue over expenses for year</b>	<b>4,675,648</b>	<b>1,404,329</b>	<b>3,269,469</b>	<b>2,486,445</b>	<b>7,945,117</b>	<b>3,890,774</b>

See accompanying notes to the financial statements.

# Thunder Bay Regional Health Sciences Foundation

## Statement of Changes in Fund Balances

Year ended March 31

	General Fund		Restricted Funds		
	Unrestricted \$	Investment in Property and Equipment \$	2022 Total \$ <i>[schedule 1]</i>	2022 Total \$	2021 Total \$
Balance, beginning of year	2,713,554	26,497	16,320,462	19,060,513	15,169,739
Excess of revenue over expenses for year	4,675,648	-	3,269,469	7,945,117	3,890,774
Net change in investment in property and equipment	2,219	(2,219)	-	-	-
<b>Balance, end of year</b>	<b>7,391,421</b>	<b>24,278</b>	<b>19,589,931</b>	<b>27,005,630</b>	<b>19,060,513</b>

See accompanying notes to the financial statements.

# Thunder Bay Regional Health Sciences Foundation

## Statement of Cash Flows

Year ended March 31	2022	2021
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (shortfall) of revenue over expenses for year		
General Fund	4,675,648	1,404,329
Restricted Funds	3,269,469	2,486,445
Add charges (deduct credits) to earnings not involving a current payment (receipt) of cash		
Amortization	11,063	10,616
Realized gain on sale of investments		
General Fund	(29,509)	(19,514)
Restricted Funds	(133,683)	(135,578)
Unrealized loss (gain) on investments		
General Fund	(196,627)	(106,634)
Restricted Funds	(406,143)	(522,770)
	<b>7,190,218</b>	<b>3,116,894</b>
Net change in non-cash working capital balances related to operations <i>[note 7]</i>	<b>(108,526)</b>	<b>331,160</b>
<b>Cash provided by operating activities</b>	<b>7,081,692</b>	<b>3,448,054</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of property and equipment	(8,844)	(20,047)
Sale (purchase) of investments, net	1,279,300	(2,760,204)
<b>Cash (used in) provided by investment activities</b>	<b>1,270,456</b>	<b>(2,780,251)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds (repayment) of Loan <i>[note 5]</i>	(30,000)	30,000
<b>Cash (used in) provided by financing activities</b>	<b>(30,000)</b>	<b>30,000</b>
<b>Increase in cash during year</b>	<b>8,322,148</b>	<b>697,803</b>
Cash, beginning of year	3,094,592	2,396,789
<b>Cash, end of year</b>	<b>11,416,740</b>	<b>3,094,592</b>

See accompanying notes to the financial statements.

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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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### GENERAL

The Thunder Bay Regional Health Sciences Foundation ("Foundation") is incorporated under the laws of Ontario as a corporation without share capital and is a registered charity under the Income Tax Act. Its principal activity is the raising of capital funds for use in the Thunder Bay Regional Health Sciences Centre. This activity is undertaken through donation receipts and campaigns.

### 1. AMENDMENTS TO ACCOUNTING POLICIES

#### Section 3856 Financial Instruments

The Canadian Accounting Standards Board recently issued amendments to Section 3856 Financial Instruments, which outline the accounting guidelines related to the classification and measurement financial assets and financial liabilities in related party transactions.

##### Financial instruments in related party transactions

The Foundation applied the new accounting policy retrospectively, subject to certain transitional provisions. The adoption of the amendments did not have a significant impact on the Foundation's financial statements.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The standards require entities to select policies appropriate for their circumstances from choices provided in the specific standards. Following are details of the choices selected by the Foundation and applied in these financial statements.

#### Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue in the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate Restricted Fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on restricted fund resources is recognized in the appropriate Restricted Fund. Other investment income is recognized as revenue of the General Fund when earned. Changes in fair value of investments are recognized in the statement of operations.



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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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### Contributed services

A substantial number of volunteers contribute a significant amount of their time each year. Since these services are not normally purchased by the Foundation and because of the difficulty of determining fair market value, donated services are not recognized in these financial statements.

### Property and equipment

Property and equipment are recorded at cost. Computer equipment and furniture are amortized using the straight-line method over five years and the donor recognition system is amortized using the straight-line method over ten years. Amortization is expensed in the General Fund.

### Pledges

Pledges to donate funds to the Foundation are not recorded until such time as the funds are received, as they do not represent legally enforceable claims against donors.

### Investment valuation

Investments include funds invested by the Foundation which are managed by an external fund manager. Investments are valued at fair market value.

### Exchange translation

A portion of the Foundation's investment activity is transacted in U.S. dollars. Transactions denominated in U.S. dollars are translated to Canadian dollars by applying exchange rates in effect during the month in which the transaction occurred. At year-end, monetary assets denominated in U.S. dollars are translated using the exchange rate at that date. Any resulting exchange gains and losses are included in earnings in the year in which they are realized. Changes in unrealized exchange gains and losses related to financial instruments held at fair market value are included in the statement of operations.

### Fund accounting

In order to ensure observance of limitations and restrictions placed on funds administered by the Foundation, the accounts of the Foundation are maintained in accordance with the principles of "Fund Accounting". Under these principles, resources for various purposes are classified for accounting purposes into funds whose transactions are grouped together and treated in accordance with the particular activities or objectives specified.

[a] The General Fund is used to account for donation revenues not specifically earmarked for any other fund. Accumulated funds are to be expensed for a portion of administrative and operational costs and for charitable purposes to assist the Thunder Bay Regional Health Sciences Centre and others to carry out health research projects, to fund major renovations and equipment purchases, and to provide additional support for patient care programs and services.

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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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- [b] The Designated Department Donations Fund is used to account for donations that have been earmarked for specific hospital departments at the Thunder Bay Regional Health Sciences Centre.
- [c] The Endowment Fund is used to account for donations where either donor or internal restrictions require that the principal must be maintained by the Foundation for a specified period of time.
- [d] The Northern Cardiac Fund is used to fund equipment for the Cardiovascular and Stroke Program.
- [e] The Northern Cancer Fund was established as a result of the integration of the Thunder Bay Regional Health Sciences Foundation and the Northern Cancer Research Foundation on April 1, 2008. The Fund consists of various cancer related funds.
- [f] The Health Sciences Discovery Fund is used to support the research efforts of the Thunder Bay Regional Health Sciences Centre.

### Gifts-in-kind

The Foundation records gifts-in-kind based on their fair market value. The gifts-in-kind are recorded as donation revenue and as gifts-in-kind expense in the period that they are received.

### Financial instruments

The Foundation considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Foundation accounts for the following as financial instruments:

- Cash
- Investments
- Accounts receivable
- Accounts payable
- Due to Thunder Bay Regional Health Sciences Centre

A financial asset or liability is recognized when the Foundation becomes party to contractual provisions of the instrument.

### Measurement

Financial assets or liabilities obtained in arm's-length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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Financial assets and financial liabilities are subsequently measured according to the following methods:

Financial assets measured at amortized cost include cash and accounts receivables.

Financial assets measured at fair value include investments.

Financial liabilities measured at amortized cost include accounts payable and due to Thunder Bay Regional Health Sciences Centre.

### **Financial instruments in related party transactions**

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Foundation does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Foundation initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Foundation has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

### **Derecognition**

The Foundation removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

### **Impairment**

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revisions. Many items in the preparation of these financial statements require management's best estimate based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

Significant items subject to management estimates include:

<u>Financial statement element</u>	<u>Management estimate</u>
Property and equipment	Asset useful lives

### 3. INVESTMENTS

#### [a] Investments

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
	\$	\$	\$	\$
Fixed income	-	-	5,973,174	6,002,501
Stocks	5,709,379	7,118,843	3,687,465	4,074,650
Foreign securities	245,016	312,081	124,582	138,608
	<b>5,954,395</b>	<b>7,430,924</b>	9,785,221	10,215,759

#### [b] Long-term investments

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
	\$	\$	\$	\$
Fixed income (i)	7,374,587	6,840,163	4,668,024	4,568,666
██████████ (ii)	1,500,099	1,500,099	1,500,099	1,500,099
	<b>8,874,686</b>	<b>8,340,262</b>	6,168,123	6,068,765

i) The fixed income investments consist of bonds and debentures having face value interest rates of 1.75% to 5.85%.

ii) In 2013, the Foundation entered into a 20 year agreement with Thunder Bay Regional Health Sciences Centre and private equity to create ██████████ and has obtained an equity ownership in the company. ██████████ is operating a medical and office building at ██████████ on lands owned by Thunder Bay Regional Health Sciences Centre. The \$1,500,000 represents an interest bearing promissory note from ██████████ for the project.

# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

### 4. PROPERTY AND EQUIPMENT

Details of year-end property and equipment balances are as follows:

	2022		2021	
	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
Computer equipment	99,437	75,159	24,278	26,497
Donor recognition system	289,130	289,130	-	-
Furniture	35,521	35,521	-	-
	<b>424,088</b>	<b>399,810</b>	<b>24,278</b>	<b>26,497</b>

Amortization for the year is \$11,063 [2021 - \$10,616].

### 5. CEBA LOAN

	2022 \$	2021 \$
Canada Emergency Business Account ("CEBA") loan payable, interest free with no scheduled payment required until December 31, 2022. Fully repaid in the year.	-	30,000

In the prior year, the Foundation received the CEBA loan, which had a face value of \$40,000, of which \$10,000 was forgiven as the \$30,000 was repaid before December 31, 2022. The Foundation recognized the \$10,000 forgivable portion as other revenue in the prior year.

# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

### 6. DONATIONS

The Thunder Bay Regional Health Sciences Centre, a recipient of a majority of the Foundation's fundraising revenue, provides payroll services and office space at no cost to the Foundation. The net amount payable of \$363,119 [2021 - \$458,670] to the Thunder Bay Regional Health Sciences Centre, consisting of capital and the reimbursement of expenses, is transferred on a monthly basis.

The following amounts were contributed to regional healthcare providers:

	2022 \$	2021 \$
Dryden Regional Health Centre	16,248	-
North of Superior Healthcare Group	43,784	51,009
Sioux Lookout Meno Ya Win Health Centre	-	5,543
Thunder Bay Breast Cancer Support Group	-	5,000
Thunder Bay Regional Health Sciences Centre	3,189,336	3,239,528
	<b>3,249,368</b>	<b>3,301,080</b>

### 7. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2022 \$	2021 \$
Accounts receivable	54,740	(27,427)
Prepaid expenses	(14,034)	6,307
Accounts payable	(52,482)	92,585
Due to Thunder Bay Regional Health Sciences Centre	(95,550)	261,110
Deferred revenue	(1,200)	(1,415)
	<b>(108,526)</b>	<b>331,160</b>

### 8. PLEDGES

Pledges of \$3,678,926 [2021 - \$5,739,608] made to the Foundation, but not recorded, are as follows:

	2022/2023 \$	2023/2024 \$	2024/2025 \$	Thereafter \$	Total \$
General Fund	62,756	27,400	12,500	-	102,656
Northern Cardiac Fund	1,302,761	694,636	145,965	534,348	2,677,710
Health Sciences					
Discovery Fund	617,760	187,200	93,600	-	898,560
	<b>1,983,277</b>	<b>909,236</b>	<b>252,065</b>	<b>534,348</b>	<b>3,678,926</b>

# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

### 9. ENDOWMENT FUNDS

The Foundation's endowment funds, disclosed at fair market value, consist of externally restricted and internally restricted endowment funds, which consist of the following:

	Designation	2022 \$	2021 \$
<b>Externally restricted</b>			
	Cancer Care	39,490	37,022
	Cancer Research	572,732	536,938
	General Healthcare	82,731	77,561
	NICU	39,577	37,104
	General Endowment	26,758	25,086
	The General Hospital of Port Arthur School of Nursing Alumnae (1909-1970) Cardiology		
	Cardiac Care	107,598	100,874
	Ophthalmology Clinic	116,372	109,100
	General Healthcare	87,412	81,949
	Cancer Research	38,864	36,435
	Cardiovascular	76,313	71,544
	Cardiovascular	85,060	79,226
	Maternal Child	169,220	158,593
	Paediatrics	50,665	47,499
	Lab Scholarship	41,299	51,370
	Leadership Education	47,002	44,064
	Maternal Child	106,716	100,047
	Cancer Research - Lung	638,520	598,615
	Pathology Scholarship	31,416	29,452
	NP Scholarship	67,323	63,074
	General Healthcare	1,083,216	1,015,518
	Other	7,485	7,017
		<b>3,515,769</b>	<b>3,308,088</b>
<b>Internally restricted</b>			
	Board Directed Northern Cardiac Fund Endowment	844,525	813,366
	Board Directed General Endowment	1,467,486	1,430,162
	General Bequests	412,432	398,996
		<b>2,724,443</b>	<b>2,642,524</b>
		<b>6,240,212</b>	<b>5,950,612</b>

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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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### 10. FINANCIAL INSTRUMENTS

The main risk the Foundation is exposed to through its financial instruments is market risk.

#### Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

#### [i] Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Approximately 8% [2021 - 9%] of the Foundation's investments are in foreign currency.

#### [ii] Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of long-term debt, fixed-rate instruments subject the Foundation to a fair value risk while the floating-rate instruments subject it to a cash flow risk.

#### [iii] Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments quoted in an active market.

### 11. BEQUESTS

The Foundation is a designated beneficiary of twelve bequests as officially notified by the Estates' Trustee with an approximate value of \$2,076,127 are anticipated to be disbursements in the next one to three years and will be recorded as donation revenue when received.



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# Thunder Bay Regional Health Sciences Foundation

## Notes to the Financial Statements

March 31, 2022

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### 12. COMMITMENTS

The Foundation has committed the following to the Thunder Bay Regional Health Sciences Centre and other regional hospitals:

	\$
2023	<b>2,088,289</b>

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The Foundation has accumulated sufficient balances in the Unrestricted General Fund and Restricted Funds to fund these commitments.

### 13. EVENTS AND LOTTERIES

Events and lotteries are reported net. Gross revenue and expenses (including prizes) related to lotteries were \$18,443,423 and \$11,426,523 [2021 - \$3,473,555 and \$2,056,095] and events were \$95,198 and \$34,784 [2021 - \$27,815 and \$6,193] respectively.

### 14. PARKING AGREEMENT

On October 31, 2011 the Foundation entered into an agreement to lease the parking premises owned by Thunder Bay Regional Health Sciences Centre. The term of the lease was extended and expires October 31, 2026. The Foundation has entered into a lease and management agreement with the Thunder Bay Regional Health Sciences Centre whereby Thunder Bay Regional Health Sciences Centre was appointed manager of the premises. Management fees are calculated in accordance with the management agreement and are based on a percentage of parking revenues.

### 15. LIFE INSURANCE POLICIES

The Foundation is the designated beneficiary of five life insurance policies. Proceeds receivable on the demise of the donors will be \$120,000. The Foundation will record the donation revenue when the proceeds are received or receivable.

### 16. COMPARATIVE FIGURES

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

# Thunder Bay Regional Health Sciences Foundation

## Restricted Funds

## Schedule 1

Year ended March 31

2022

	Designated Department Donations \$	Endowment Funds \$ [note 9]	Northern Cardiac Fund \$	Northern Cancer Fund \$	Health Sciences Discovery Fund \$	Total \$
<b>REVENUE</b>						
Donations	808,396	590	2,261,694	431,121	5,625	3,507,426
Realized gain on sale of investments	-	37,555	72,256	16,856	7,016	133,683
Lotteries, net [note 13]	-	-	479,663	493,926	-	973,589
Events, net [note 13]	12,100	-	4,262	44,052	-	60,414
Grant	-	-	7,391	1,544	-	8,935
Investment income	-	120,990	270,559	62,704	18,277	472,530
	<b>820,496</b>	<b>159,135</b>	<b>3,095,825</b>	<b>1,050,203</b>	<b>30,918</b>	<b>5,156,577</b>
<b>EXPENSES</b>						
Bank charges	-	-	15,740	3,289	-	19,029
Catering/meetings	-	-	7,638	288	-	7,926
Conference and seminars	-	-	4,732	989	-	5,721
Fundraising	55,931	-	83,450	31,568	-	170,949
Investment fees	-	22,994	25,945	6,052	2,518	57,509
Memberships	-	-	5,361	1,121	-	6,482
Office	-	-	26,352	5,507	-	31,859
Professional fees	-	-	50,938	10,644	-	61,582
Salaries and benefits	-	-	731,223	152,793	-	884,016
Travel	-	-	6,104	1,276	-	7,380
	<b>55,931</b>	<b>22,994</b>	<b>957,483</b>	<b>213,527</b>	<b>2,518</b>	<b>1,252,453</b>
<b>Excess of revenue over expenses before the following</b>	<b>764,565</b>	<b>136,141</b>	<b>2,138,342</b>	<b>836,676</b>	<b>28,400</b>	<b>3,904,124</b>
Unrealized gain on investments	-	165,459	207,605	17,364	15,715	406,143
<b>Excess of revenue over expenses before donations</b>	<b>764,565</b>	<b>301,600</b>	<b>2,345,947</b>	<b>854,040</b>	<b>44,115</b>	<b>4,310,267</b>
Donations [note 6]	597,776	12,000	-	334,556	96,466	1,040,798
<b>Excess (shortfall) of revenue over expenses for year</b>	<b>166,789</b>	<b>289,600</b>	<b>2,345,947</b>	<b>519,484</b>	<b>(52,351)</b>	<b>3,269,469</b>
Balance, beginning of year	2,887,449	5,950,612	5,483,779	1,353,598	645,024	16,320,462
<b>Balance, end of year</b>	<b>3,054,238</b>	<b>6,240,212</b>	<b>7,829,726</b>	<b>1,873,082</b>	<b>592,673</b>	<b>19,589,931</b>

**Schedule 1 (continued)**

2021

	Designated Department Donations \$	Endowment Funds \$ [note 9]	Northern Cardiac Fund \$	Northern Cancer Fund \$	Health Sciences Discovery Fund \$	Total \$
<b>REVENUE</b>						
Donations	786,649	957,751	2,568,787	484,655	98,804	4,896,646
Realized gain on sale of investments	-	50,566	56,964	19,965	8,083	135,578
Lotteries, net [note 13]	-	-	25,972	(4,514)	-	21,458
Events, net [note 13]	-	-	-	21,622	-	21,622
Grant	-	-	13,029	2,491	575	16,095
Government assistance - wage subsidy	-	-	153,613	29,367	6,777	189,757
Investment income	-	68,975	238,798	70,682	25,900	404,355
Other	-	-	6,773	1,253	289	8,315
	<u>786,649</u>	<u>1,077,292</u>	<u>3,063,936</u>	<u>625,521</u>	<u>140,428</u>	<u>5,693,826</u>
<b>EXPENSES</b>						
Bank charges	-	-	15,781	3,017	696	19,494
Catering/meetings	-	-	1,094	-	-	1,094
Conference and seminars	-	-	5,070	969	224	6,263
Fundraising	550	-	97,523	41,163	14,018	153,254
Investment fees	-	14,755	12,680	4,444	1,799	33,678
Memberships	-	-	5,702	1,090	252	7,044
Office	-	-	27,053	5,172	1,193	33,418
Professional fees	-	-	17,293	3,306	763	21,362
Salaries and benefits	-	-	707,252	135,210	31,202	873,664
Travel	-	-	6,868	1,313	303	8,484
	<u>550</u>	<u>14,755</u>	<u>896,316</u>	<u>195,684</u>	<u>50,450</u>	<u>1,157,755</u>
<b>Excess of revenue over expenses before the following</b>	<b>786,099</b>	<b>1,062,537</b>	<b>2,167,620</b>	<b>429,837</b>	<b>89,978</b>	<b>4,536,071</b>
Unrealized gain on investments	-	231,579	213,411	52,678	25,102	522,770
<b>Excess of revenue over expenses before donations</b>	<b>786,099</b>	<b>1,294,116</b>	<b>2,381,031</b>	<b>482,515</b>	<b>115,080</b>	<b>5,058,841</b>
Donations [note 6]	961,098	34,923	647,093	802,569	126,713	2,572,396
<b>Excess (shortfall) of revenue over expenses for year</b>	<b>(174,999)</b>	<b>1,259,193</b>	<b>1,733,938</b>	<b>(320,054)</b>	<b>(11,633)</b>	<b>2,486,445</b>
Balance, beginning of year	3,062,448	4,691,419	3,749,841	1,673,652	656,657	13,834,017
<b>Balance, end of year</b>	<b>2,887,449</b>	<b>5,950,612</b>	<b>5,483,779</b>	<b>1,353,598</b>	<b>645,024</b>	<b>16,320,462</b>