



NORTHERN HEALTH
FOUNDATION

ANNUAL REPORT 2021

For the fiscal year ended December 31, 2021

BOARD OF DIRECTORS – 2021

The Northern Health Foundation’s Directors for the 2021 fiscal year were:

Carrie Atkinson, The Pas, MB	Board Chair
Douglas Lauvstad, The Pas, MB	Board Vice Chair
Margot Gray, Flin Flon, MB	Board Treasurer
Anthony McInnis, Thompson, MB	Board Secretary
Susan Lambert, The Pas, MB	Board Member
Brent Lethbridge, Flin Flon, MB	Board Member
Christopher Matechuk, Thompson, MB	Board Member
Brian Duncalfe, The Pas, MB	Board Member
Scott Hamel, Flin Flon, MB	Non-Voting Board Member
Helga Bryant, Flin Flon, MB	Non-Voting Board Member
Twyla Storey, Flin Flon, MB	CEO Non-Voting Board Member

The 2021 Board of Directors extends a huge thank you to all the communities for the outstanding support we received throughout this fiscal year. The Northern Health Foundation is a volunteer-based organization established by Northerners, for the benefit of Northerners, supporting the health needs of the Northern Health Region. The Foundation relies on donations from individuals, organizations and businesses as well as from monies raised during events and through community fundraising initiatives. These donations help us fund a variety of purchases, programs and projects for all who are served by the Northern Health Region.

The support and trust we receive from our donors are our greatest asset. Thank you for allowing us the privilege of managing your gifts to improve patient care in the Northern Health Region.

FINANCIAL STATEMENTS

The Financial Statements for the year ending December 31, 2021 were approved by the Board and are attached to this report.

An Audit of the Northern Health Foundation was performed by Kendall & Pandya Accounting Company.

WHAT HAPPENED IN 2021?

- In August, Winning Together NHR Staff 50/50 Payroll Draw was launched. This is a bi-weekly event with proceeds going to our “BUY A PUMP” Campaign
- Various equipment purchases and program support throughout the year
- Continued work on recruitment of new board members.

LOOKING FORWARD- WHAT ARE OUR PLANS FOR 2022?

The Northern Health Foundation will be:

- Increasing fundraising opportunities.
- Increasing awareness of the Foundation.
- Increasing attention to seeking new Board Members to sit on the Northern Health Foundation Board of Directors.
- Support the needs of the patients and staff in the Northern Health Region through increased attention to matching donations with needs of clinical areas through enhanced processes in collaboration with leadership of the Northern Health Region.
- Providing \$250,000.00 in financial support to the purchase of IV Pumps for the Northern Health Region.

THE NORTHERN HEALTH FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

THE NORTHERN HEALTH FOUNDATION

YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Directors of The Northern Health Foundation

Report on the Financial Statements*Opinion*

We have audited the accompanying financial statements of The Northern Health Foundation, which comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Northern Health Foundation as at December 31, 2021 and its operations and 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 The Northern Health 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 with the these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

In preparing the financial statements, management is responsible for assessing the The Northern Health 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 The Northern Health Foundation or to cease operations, or has no realistic alternative to do so.

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

Auditors' Responsibility 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 aggregate, they could 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 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 The Northern Health 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 The Northern Health 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 audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Northern Health 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 underlying transactions and events in a manner that achieves fair presentation.

We communicated 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.

Flin Flon, Manitoba
June 29, 2022

Baker Tilly HMA LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

THE NORTHERN HEALTH FOUNDATION

Statement of Financial Position

As at December 31, 2021

		<u>2021</u>	<u>2020</u>
ASSETS			
Current Assets			
Cash and short term investments		\$747,326	\$785,265
Accounts receivable			
Total Assets		<u>\$747,326</u>	<u>\$785,265</u>
LIABILITIES			
Current Liabilities			
Accounts payable & accrued liabilities		\$3,400	\$45,653
NET ASSETS			
Restricted funds:			
	Flin Flon	\$43,285	\$92,443
	The Pas	\$60,273	\$61,101
	Thompson	\$220,559	\$262,197
	Other communities	\$37,037	\$37,037
Unrestricted funds	General	\$382,772	\$286,834
		<u>\$743,926</u>	<u>\$739,612</u>
Total Liabilities and Equity		<u>\$747,326</u>	<u>\$785,265</u>

Approved by the Board:



Director

June 29, 2022

Date



Director

June 29, 2022

Date

THE NORTHERN HEALTH FOUNDATION

Statement of Operations

For the Fiscal Year Ending December 31, 2021

		2021	2020
REVENUE			
Donations received:			
	Flin Flon	\$114,678	\$221,280
	The Pas	\$895	\$20,589
	Thompson	\$20,270	\$82,856
	Other Communities	\$0	\$7,260
	General	\$65,326	\$579
Realized capital gains apportioned to income			
Investment income		\$85,657	\$37,886
TOTAL REVENUE		\$286,826	\$370,450
EXPENDITURES			
Grants			
Northern Health Region:			
	Flin Flon	\$163,836	\$218,928
	The Pas	\$1,723	\$19,563
	Thompson	\$61,908	\$84,572
	Other Communities	\$0	\$3,818
	General	\$41,259	
Total Grants		\$268,725	\$326,881
Administration and other expenses		\$13,786	\$20,897
TOTAL EXPENDITURES		\$282,511	\$347,778
EXCESS OF REVENUE OVER EXPENDITURES		\$4,314	\$22,672

THE NORTHERN HEALTH FOUNDATION

Statement of Changes in Net Assets

For the Fiscal Year Ending December 31, 2021

	Restricted Funds				Unrestricted Funds		2021	2020
	Flin Flon	The Pas	Thompson	Other Communities		General		
Beginning Balance	\$92,443	\$61,101	\$262,197	\$37,037	\$286,834	\$739,612	\$716,940	
Surplus (Deficit)	(49,158)	(828)	(41,638)	0	95,938	4,314	22,672	
Ending balance	\$43,285	\$60,273	\$220,559	\$37,037	\$382,772	\$743,926	\$739,612	

THE NORTHERN HEALTH FOUNDATION

Statement of Cash Flow

For the Fiscal Year Ending December 31, 2021

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 4,314	\$ 22,672
Changes in non-cash working capital items:		
Receivables	-	57,656
Liabilities	- 42,253	45,653
Grant commitments	-	-
	<u>- 37,939</u>	<u>125,981</u>
OTHER ACTIVITIES	\$ -	\$ -
NET INCREASE IN CASH POSITION	-\$ 37,939	\$ 125,981
CASH AND SHORT-TERM INVESTMENTS,		
BEGINNING OF YEAR	<u>\$ 785,265</u>	<u>\$ 659,284</u>
CASH AND SHORT-TERM INVESTMENTS,		
END OF YEAR	<u>\$ 747,326</u>	<u>\$ 785,265</u>

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Cash	<u>\$747,326</u>	<u>\$785,265</u>
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THE NORTHERN HEALTH FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

1. NATURE OF ORGANIZATION

The foundation is a charitable organization of volunteers dedicated to health services and betterment, in the Northern Manitoba region. The foundation is a charitable organization for income tax purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

REVENUE RECOGNITION

The organization recognizes its receipts of revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized as revenue when earned.

CAPITAL ASSETS

The organization does not own any capital assets. Minor office equipment used in the operation has a limited useful life of one year and is written off as an expense in the year of acquisition.

FINANCIAL INSTRUMENTS

i. The organization initially measures its financial assets and liabilities at fair value adjusted by, in the use of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The organization subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

Financial assets measured at amortized cost include cash and short term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

ii. Impairment

At the end of each reporting period The Northern Health Foundation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that come to the attention of the organization, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract such as a default or delinquency in interest or principal payments or bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the organization identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

i) the present value of the cash flow expected to be generated by holding the asset discounted

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

- using a current market rate of interest appropriate to the asset,
- ii) the amount that could be realized by selling the asset at the statement of financial position date and
 - iii) the amount the organization expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all necessary to exercise those rights.

The carrying amount of the asset is reduced directly or through the use of an allowance amount. The amount of the reduction is recognized as an impairment loss in the statement of operations.

When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement directly or by adjusting the allowance account. The amount of the reversal is recognized in the statements of operations in the period the reversal occurs.

MANAGEMENT ESTIMATES

The preparation of the financial statements in conformity 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 and 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. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

3. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, short term investments, accounts payable and accrued liabilities.

Fair value of financial instruments

The fair value of cash, short term investments, accounts payable and accrued liabilities approximate their carrying value due to their nature or capacity for prompt liquidation.

Currency, interest rate and market risk

The organization is exposed to currency risk, interest rate risk, and market risk. Currency risk refers to the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The organization is not exposed to currency risk as it does not conduct in or hold any foreign currency. Interest rate risk refers to the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The organization does not hold any interest bearing liabilities. Lastly, market risk refers to the risk that the fair value of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The organization is not exposed to market risk because the mutual funds held are guaranteed.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss or if there is a concentration of transactions carried out with the same party. The organization is currently not in any position where related parties are involved or any other such instances where they are exposed to credit risk.

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting a demand for cash or fund its obligations as they come due or liquidate assets in a timely manner at a reasonable price. At this time, the organization has more than adequate current assets to cover its current liabilities, therefore liquidity risk is minimal.

Other price risk

Other price risk includes the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Given the organization's financial instruments are primarily short term in nature, other price risk is low.