

Grace Village Care Foundation
Financial Information
31 décembre 2021

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Compilation Engagement Report

To the Directors of
Grace Village Care Foundation

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On the basis of information provided by management, we have compiled the statement of financial position of Grace Village Care Foundation as at December 31, 2021, the statements of operations and changes in net assets for the year then ended and notes to financial information, including Note 2 which describes the basis of accounting applied in the preparation of the compiled financial information (hereafter "the financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it, and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Prior to compiling Grace Village Care Foundation's financial information, we prepared journal entries having a material impact on the financial information.

*Raymond Chabot Grant Thornton LLP*¹

Sherbrooke
June 21, 2022

¹ CPA, CPA permit no. 124217

Grace Village Care Foundation Operations

Year ended 31 décembre 2021

	<u>2021</u>	<u>2020</u>
	\$	\$
Revenues		
Donations - Capital Campaign	342 904	883 536
Donations - Dr. Klinck Fund	157 716	263 815
Donations - Better Living Fund	135 652	185 330
Endowment Fund - net investment income	60 124	15 351
Sherbrooke Hospital Foundation - net investment income	11 570	16 530
Encore Boutique - share of excess of revenues over expenses (Schedule A)	41 155	
Revenues from fundraising events	28 170	4 880
Net investment income	3 625	2 592
	<u>780 916</u>	<u>1 372 034</u>
Capital campaign expenditures		
Salaries and benefits	44 050	38 224
Printing and publicity	779	921
Office and administration		1 332
	<u>44 829</u>	<u>40 477</u>
General and Administrative Expenditures		
Technology	4 669	5 804
Insurance	2 783	2 721
Professional Fees	2 365	3 111
Bank charges	620	283
Other	409	1 189
Training		1 160
Fundraising expenses	10 500	502
	<u>66 175</u>	<u>55 247</u>
Excess of revenues over expenses before donations to Massawippi Retirement Communities	<u>714 741</u>	<u>1 316 787</u>
Grants to Massawippi Retirement Communities		
New building	500 000	1 000 000
Interest - bridge loan	150 000	200 758
Resident subsidization program	87 022	151 131
Furniture and equipment	28 791	
Gardens and other	17 639	10 331
Better Living projects	3 957	126 130
	<u>787 409</u>	<u>1 488 350</u>
Deficiency of revenues over expenses	<u>(72 668)</u>	<u>(171 563)</u>

Grace Village Care Foundation

Changes in Net Assets

Year ended 31 décembre 2021

	2021			2020	
	Endowment Fund - SH Foundation (note 3)	General Endowment Fund	Unrestricted	Total	Total
	\$	\$	\$	\$	\$
Balance, beginning of year	402 438	1 161 705	630 414	2 194 557	1 225 104
Deficiency of revenues over expenses			(72 668)	(72 668)	(171 563)
Endowment funds					
Endowment contributions					1 160 000
Interest and dividends	1 286	6 681		7 967	3 536
Investment management fees	(2 540)	(10 382)		(12 922)	
Realized capital loss	(10 135)	(29 975)		(40 110)	(22 520)
Balance, end of year	<u>391 049</u>	<u>1 128 029</u>	<u>557 746</u>	<u>2 076 824</u>	<u>2 194 557</u>

Grace Village Care Foundation

Financial Position

31 décembre 2021

	<u>2021</u>	<u>2020</u>
	\$	\$
ASSETS		
Current		
Investments, at cost (Note 3)	1 588 857	1 429 338
Cash	464 032	715 915
Inventory - donated artwork	52 355	52 355
Accrued interests receivable	<u>2 661</u>	
	<u>2 107 905</u>	<u>2 197 608</u>
LIABILITIES		
Current		
Trade payables and other operating liabilities	2 419	2 419
Due to an organization exercising control, without interest	<u>28 662</u>	<u>632</u>
	<u>31 081</u>	<u>3 051</u>
NET ASSETS		
Restricted		
Sherbrooke Hospital Foundation Endowment Fund	391 049	402 438
General Endowment Fund	1 128 029	1 161 705
Unrestricted	<u>557 746</u>	<u>630 414</u>
	<u>2 076 824</u>	<u>2 194 557</u>
	<u>2 107 905</u>	<u>2 197 608</u>

On behalf of the Board,

Director_____
Director

Grace Village Care Foundation

Notes to Financial Information

31 décembre 2021

1 - GOVERNING STATUTES AND PURPOSE OF THE FOUNDATION

The Foundation, incorporated under the Canada Not-for-profit Corporations Act for the purpose of providing and managing funds for the Massawippi Retirement Communities. It is a registered charity under the Income Tax Act. The name of the Foundation was changed as of July 1st 2019, previously Dr. W.J. Klinck Foundation.

2 - BASIS OF ACCOUNTING

The basis of accounting used in preparing the financial information is based on historical cost, taking into account cash transactions as well as items reflected in the financial information, and the following particulars:

- Inventory of donated artwork is valued at their fair market value at time of receipt.

3 - INVESTMENTS, AT COST

	<u>2021</u>	<u>2020</u>
	\$	\$
Fixed income securities and fixed income funds	790 050	657 529
Equities and equity funds	723 168	753 699
Cash and equivalents	75 639	18 110
	<u>1 588 857</u>	<u>1 429 338</u>

During the year, the Foundation received investments as donations in kind for an amount of \$10,781 (\$116,691 in 2020).

4 - ENDOWMENT PURPOSE

Sherbrooke Hospital Foundation contributions were provided for endowment purpose. The capital must be kept permanently; 90% of revenues generated by this donation (excluding changes in fair value of investments) are available to finance projects not related to the general operations and 10% are to be added to the capital. If there are no special projects in the fiscal year, the entire revenue must be capitalized. No amount is to be spent on salaries and general administrative expenses.

For the General Endowment Fund, 90 % of the earned income on the Endowment assets (excluding realized and unrealised capital gains and losses) are available to either fund capital projects or support resident subsidization, according to needs as decided by the Foundation board. 10 % of the investment income and all of the realized capital gains or losses are added to the Endowment Fund capital annually.

Grace Village Care Foundation

Encore Boutique - Share of Excess of Revenues over Expenses

Year ended 31 décembre 2021

	SCHEDULE A	
	2021	2020
	\$	\$
Revenues	69 729	
Operating expenses		
Rent	7 209	
Taxes and permits	2 450	
Store equipment	2 176	
Tent rental - yard sale	1 265	
Store supplies	1 020	
Repairs and maintenance	919	
Telecommunications	875	
Point of sale processing charges	771	
Mileage allowances	727	
Bank charges	665	
Advertising & publicity	99	
Meals	77	
Office	32	
	18 285	-
Excess of revenues over expenses	51 444	-
Less - Options Pregnancy Center share (20%)	(10 289)	
Grace Village Care Foundation share of excess of revenues over expenses	41 155	-