
Financial statements of
Montreal Heart Institute Foundation

March 31, 2019

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Independent Auditor's Report

To the Members of the
Montreal Heart Institute Foundation

Opinion

We have audited the financial statements of the Montreal Heart Institute Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2019, and the statements of operations and 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2019, 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 (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 ASNPO, 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 GAAS 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 GAAS, 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.

Debitte LLP¹

June 11, 2019

¹ CPA auditor, CA, public accountancy permit No. A120628

Montreal Heart Institute Foundation
Statement of financial position
As at March 31, 2019

		2019			2018	
Notes	General Fund	Endowment Fund	Other Funds	Total	Total	
	\$	\$	\$	\$	\$	
Assets						
Investments	3	11,619,240	82,022,076	31,792,396	125,433,712	129,229,344
Cash		2,279,819	—	1,226,616	3,506,435	716,578
Interfund – General Fund		—	2,314,135*	—	—	—
Amounts due by the Other Funds		3,001,857*	—	—	—	—
Accounts receivable		787,708	—	64,618	852,326	1,073,928
Inventories		17,367	—	—	17,367	9,360
Other assets		369,389	—	—	369,389	372,978
		18,075,380	84,336,211	33,083,630	130,179,229	131,402,188
Liabilities						
Accounts payable and accrued liabilities		3,618,437	—	487,472	4,105,909	3,951,460
Interfund – Endowment Fund		2,314,135*	—	—	—	—
Amounts due to the General Fund		—	—	3,001,857*	—	—
		5,932,572	—	3,489,329	4,105,909	3,951,460
Commitments	9					
Fund balances						
Externally restricted	7 and 8	—	7,143,054	29,594,301	36,737,355	42,199,352
Internally restricted	7	—	77,193,157	—	77,193,157	77,438,107
Unrestricted		12,142,808	—	—	12,142,808	7,813,269
		12,142,808	84,336,211	29,594,301	126,073,320	127,450,728
		18,075,380	84,336,211	33,083,630	130,179,229	131,402,188

* These items are not reported in the total column because they offset each other.

The accompanying notes are an integral part of the financial statements.

Approved by the Board

_____, Director

_____, Director

Montreal Heart Institute Foundation
Statement of operations and changes in fund balances
Year ended March 31, 2019

Notes	General Fund		Endowment Fund		Other Funds		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Donations	3,331,875	3,130,445	—	—	10,192,385	9,615,770	13,524,260	12,746,215
Bequests	448,090	500,000	11,876	22,500	1,287,352	1,035,823	1,747,318	1,558,323
Interest and dividends	3,503,367	5,310,473	—	—	882,045	890,284	4,385,412	6,200,757
Gain on disposal of investments	2,361,447	1,150,649	—	—	4,037,373	1,841,499	6,398,820	2,992,148
Change in the unrealized fair value of investments	(2,171,677)	(1,653,554)	—	—	(3,650,239)	(779,538)	(5,821,916)	(2,433,092)
Fundraising activities	2,282,859	2,323,984	—	—	—	1,452,317	2,282,859	3,776,301
	9,755,961	10,761,997	11,876	22,500	12,748,916	14,056,155	22,516,753	24,840,652
Fundraising activities								
Direct cost of fundraising activities	545,180	617,624	—	—	—	1,452,317	545,180	2,069,941
Indirect costs of fundraising activities	795,182	696,339	—	—	—	—	795,182	696,339
Operation subtotal	8,415,599	9,448,034	11,876	22,500	12,748,916	12,603,838	21,176,391	22,074,372
Expenses								
Salaries, employee benefits and other compensation	2,049,594	1,791,262	—	—	—	—	2,049,594	1,791,262
Other operating charges	212,902	282,485	—	—	—	—	212,902	282,485
	2,262,496	2,073,747	—	—	—	—	2,262,496	2,073,747
Shared expenses	(113,125)	(155,321)	—	—	113,125	155,321	—	—
	2,149,371	1,918,426	—	—	113,125	155,321	2,262,496	2,073,747
Excess of revenue over expenses before the contributions	6,266,228	7,529,608	11,876	22,500	12,635,791	12,448,517	18,913,895	20,000,625
Contributions to research and technological development and other costs	6,052,467	6,144,411	—	—	14,238,836	14,360,883	20,291,303	20,505,294
(Deficiency) excess of revenue over expenses	213,761	1,385,197	11,876	22,500	(1,603,045)	(1,912,366)	(1,377,408)	(504,669)
Fund balances, beginning of year	7,813,269	7,864,784	84,719,285	77,912,927	34,918,174	42,177,686	127,450,728	127,955,397
Transfers	4,115,778	(1,436,712)	(394,950)	6,783,858	(3,720,828)	(5,347,146)	—	—
Fund balances, end of year	12,142,808	7,813,269	84,336,211*	84,719,285*	29,594,301**	34,918,174**	126,073,320	127,450,728

* See Note 7

** See Note 8

The accompanying notes are an integral part of the financial statements.

Montreal Heart Institute Foundation
Statement of cash flows
Year ended March 31, 2019

	2019	2018
	\$	\$
Operating activities		
Deficiency of revenue over expenses	(1,377,408)	(504,669)
Adjustments for:		
Gain on disposal of investments	(6,398,820)	(2,992,148)
Change in the unrealized fair value of investments	5,821,916	2,433,092
	(1,954,312)	(1,063,725)
Net changes in non-cash operating working capital items		
Accounts receivable	221,602	1,218,432
Inventories	(8,007)	1,269
Other assets	3,589	19,039
Accounts payable and accrued liabilities	154,449	(543,916)
	(1,582,679)	(368,901)
Investing activities		
Net change in investments	4,372,536	696,615
Net increase in cash	2,789,857	327,714
Cash, beginning of year	716,578	388,864
Cash, end of year	3,506,435	716,578

The accompanying notes are an integral part of the financial statements.

Montreal Heart Institute Foundation

Notes to the financial statements

Year ended March 31, 2019

1. Status and nature of activities

The Montreal Heart Institute Foundation (the "Foundation"), incorporated under Part III of the *Companies Act* (Québec), is a charitable organization within the meaning of the *Income Tax Act* and was created to support research activities and other activities at the Montreal Heart Institute.

2. 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:

Fund accounting

The Foundation uses the restricted fund method to account for its activities.

a) General Fund

The General Fund comprises unrestricted donations, bequests and other revenue, unrestricted investment income, as well as this fund's administrative and management expenses. With the exception of contributions paid by the Other Funds, contributions paid for research and technological development and other expenses are also charged to this fund. This fund reflects the unrestricted resources.

b) Endowment Fund

Investment income generated by the resources of the Endowment Fund is included in the General Fund. This fund is allocated as follows:

Externally restricted amounts – Endowment

Comprises donations that, based on the donors' instructions, must be held in perpetuity.

Internally restricted amounts – Other capital

Results from transfers from the General Fund and Other Funds. This capital, which is internally restricted, may not be used without obtaining prior consent from the board of directors.

c) Other Funds

Other Funds are made up of the Bal du cœur Fund, the BRM campaign Fund, the Dedicated donations Fund of the BRM campaign and the Dedicated donations Fund of the annual campaign and Prevent, Take Act and Get well campaign. These funds include donations that must be allocated to special projects (the expansion and construction of specific facilities such as laboratories, the purchase of high-tech equipment and the creation of bursaries for the training of specialists), donations dedicated to purposes specified by the donor, as well as investment income from resources attached to these funds. Expenses charged to these funds, if any, include direct development expenses and a share of the General Fund expenses.

2. Accounting policies (continued)

Revenue recognition

a) Donation and bequests

Donations and bequests are recorded in the year they are received. Pledges are disclosed in a note to the financial statements and recorded in the statement of operations when they are received.

b) Gifts in kind

Gifts in kind are measured at fair value and recognized in the year they are received.

c) Interest and dividends

Interest and dividends revenue are recognized in the year they are earned.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for the investments, which are measured at fair value at the statement of financial position date. The fair value of the mutual funds is valued based on the fair value of the units, as determined by the fund manager. Fair value fluctuations, including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included as revenue in the statement of operations and changes in fund balances.

Transaction costs related to financial instruments measured at fair value are expensed as incurred.

With respect to financial assets measured at cost or at amortized cost, the Foundation recognizes in the statement of operations and changes in fund balances an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. 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 shall be reversed in the statement of operations and changes in fund balances in the period the reversal occurs.

Sharing of expenses

Expenses are recorded in the statement of operations and changes in fund balances of the General Fund and rebilled to the Other Funds in the following proportions: 5.0% (7.5% in 2018) to the BRM campaign Fund.

Foreign currency translation

Foreign currency transactions are translated into Canadian dollars. Monetary assets and liabilities are translated at the exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at historical rates.

Revenue and expenses are translated at the day of transaction rate. Gains and losses on these translations are included in the change in the unrealized fair value of investments.

2. Accounting policies (continued)

Contributions for research and technological development

Contributions for research and technological development granted to the Montreal Heart Institute are recorded in the year that they are paid or become payable. Any excess of approved amounts over paid or payable amounts is reported as a commitment in a note to the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the period covered by the financial statements. Actual results could differ from these estimates.

3. Investments

	2019		2018	
	Fair value	Cost	Fair value	Cost
	\$	\$	\$	\$
General Fund				
Cash with trustee	226,532	226,532	57,007	56,973
Treasury bills and other discount securities, maturing through August 2021 (August 2019 in 2018)*	101,661	101,661	101,111	101,111
Mutual funds of Canadian bonds	11,291,047	11,783,218	10,711,370	11,430,091
Canadian shares	—	—	5,053	5,106
	11,619,240	12,111,411	10,874,541	11,593,281

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2019

3. Investments (continued)

	2019		2018	
	Fair value	Cost	Fair value	Cost
	\$	\$	\$	\$
Endowment Fund				
Cash with trustee	121,848	121,848	135,728	135,728
Treasury bills and other discount securities, maturing through June 2019 (May 2018 in 2018)	638,298	637,855	104,863	104,749
Mutual funds of Canadian bonds	20,005,090	20,566,574	14,155,765	15,133,705
Canadian shares and mutual funds of Canadian shares	32,274,465	29,924,687	37,073,733	33,731,473
Foreign shares and mutual funds of foreign shares	28,956,310	28,402,305	30,052,944	27,676,390
	81,996,011	79,653,269	81,523,033	76,782,045
Accrued interest and dividends	26,065	26,065	26,524	26,524
	82,022,076	79,679,334	81,549,557	76,808,569
Other Funds				
Cash with trustee	48,996	48,996	64,036	64,047
Treasury bills and other discount securities, maturing through June 2019 (June 2018 in 2018)	129,762	129,698	99,800	99,753
Mutual funds of Canadian bonds	17,032,378	17,740,724	15,768,033	16,872,803
Canadian shares	7,037,012	5,633,738	8,993,583	6,107,806
Foreign shares and mutual funds of foreign shares	7,526,219	7,199,384	11,849,547	8,958,524
	31,774,367	30,752,540	36,774,999	32,102,933
Accrued interest and dividends	18,029	18,029	30,247	30,247
	31,792,396	30,770,569	36,805,246	32,133,180
Total	125,433,712	122,561,314	129,229,344	120,535,030

* The Foundation signed three letters of guarantee totalling \$102,200 (\$101,111 in 2018), for which it acquired certificates of deposit of amounts totalling \$101,661. These letters of guarantee mature through August 2021 (August 2020 in 2018).

The General Fund's interest and dividends and gain on disposal of investments include revenue from resources held as endowments in an amount of \$3,160,328 (\$4,686,354 in 2018), after deduction of management fees of \$477,321 (\$433,012 in 2018). The General Fund's change in the unrealized fair value of investments also includes the portion of the loss from resources held as endowments in an amount of \$2,398,246 (loss of \$1,465,583 in 2018).

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2019

4. Pledges receivable

As at March 31, 2019, the Foundation held pledges for all the funds totalling \$33,986,731 and running through 2039 as follows:

	\$
2020	8,505,278
2021	7,261,604
2022	4,214,849
2023	3,205,000
2024 and thereafter	10,800,000

A \$3,000,000 pledge from the Marcelle and Jean Coutu Foundation was used to create the Marcelle and Jean Coutu Foundation's Research Chair in innovative surgical treatments for heart failure of Université de Montréal at the Montreal Heart Institute, and the Chaire Fondation Marcelle et Jean Coutu et Cal et Janine Moisan pour les meilleures pratiques en insuffisance cardiaque avancée de l'Université de Montréal à l'Institut de Cardiologie de Montréal. As at March 31, 2019, the total amount of \$3,000,000 from that pledge has been received.

5. Contributions to research and technological development and other costs

	2019	2018
	\$	\$
General Fund		
Laboratories and project operations*	3,147,640	2,903,227
Equipment* (Note 11)	2,618,811	2,961,770
Prevention*	178,775	156,223
Bursaries*	76,723	84,178
Miscellaneous*	30,518	39,013
	6,052,467	6,144,411
Other Funds		
Dedicated donations*	8,669,768	8,548,260
Equipment* (Note 11)	787,566	—
Laboratories and project operations*	385,052	—
University chairs	807,500	2,835,400
Prevention*	—	1,827,544
Education*	3,411,639	912,352
Bursaries*	176,000	210,000
Miscellaneous*	1,311	27,327
	14,238,836	14,360,883
	20,291,303	20,505,294

* Contributions to the Montreal Heart Institute

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2019

6. Fundraising activities

	2019		
	Revenue	Expenses	Net
	\$	\$	\$
General Fund			
Bal des vins-cœurs	1,290,103	367,276	922,827
Golfs	176,850	573	176,277
Montreal Auto Show Charity Preview	178,041	6,609	171,432
Golf Kanawaki	103,440	12,217	91,223
Travel lottery	117,863	38,617	79,246
Emerging Leaders Committee	106,420	42,610	63,810
Other	310,142	77,278	232,864
	2,282,859	545,180	1,737,679
Other Funds			
Parking	—	—	—
	2,282,859	545,180	1,737,679
			2018
	Revenue	Expenses	Net
	\$	\$	\$
General Fund			
Bal des vins-cœurs	1,258,458	383,915	874,543
Evening Cœur Universel	209,956	50,888	159,068
Golfs	169,381	815	168,566
Montreal Auto Show Charity Preview	153,469	8,333	145,136
Golf Kanawaki	110,000	12,402	97,598
Travel lottery	124,640	39,816	84,824
Emerging Leaders Committee	88,422	67,200	21,222
Other	209,658	54,255	155,403
	2,323,984	617,624	1,706,360
Other Funds			
Parking	1,452,317	1,452,317	—
	3,776,301	2,069,941	1,706,360

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2019

7. Balance of Endowment Fund

	2019		
	Endowment	Other capital	Total
	\$	\$	\$
Balance, beginning of year	7,281,178	77,438,107	84,719,285
Endowments received	11,876	—	11,876
Transfer from the General Fund*	—	(4,215,778)	(4,215,778)
Transfer from (to) the Other Funds**	(150,000)	3,970,828	3,820,828
Balance, end of year	7,143,054	77,193,157	84,336,211
Consisting of:			
Externally restricted amounts			7,143,054
Internally restricted amounts			77,193,157
			84,336,211
	2018		
	Endowment	Other capital	Total
	\$	\$	\$
Balance, beginning of year	7,258,678	70,654,249	77,912,927
Endowments received	22,500	—	22,500
Transfer from the General Fund*	—	1,416,712	1,416,712
Transfer from the Other Funds**	—	5,367,146	5,367,146
Balance, end of year	7,281,178	77,438,107	84,719,285
Consisting of:			
Externally restricted amounts			7,281,178
Internally restricted amounts			77,438,107
			84,719,285

* The board of directors authorized a transfer of \$4,215,778 from the Endowment Fund to the General Fund (a transfer of \$1,416,712 in 2018 from the General Fund to the Endowment Fund).

** The board of directors authorized a transfer of \$3,820,828 (\$5,367,146 in 2018) from the Other Funds to the Endowment Fund.

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2019

8. Other Funds balances

	2019				2018
	Bal du Coeur Fund	BRM campaign Fund	Dedicated donations Fund	Total	Total
	\$	\$	\$	\$	\$
Revenue					
Donations	44,679	260,000	9,887,706	10,192,385	9,615,770
Bequests	—	—	1,287,352	1,287,352	1,035,823
Interest and dividends	43,751	838,294	—	882,045	890,284
Gain on disposal of investments	(61,472)	4,098,845	—	4,037,373	1,841,499
Change in the unrealized fair value of investments	87,235	(3,737,474)	—	(3,650,239)	(779,538)
Fundraising activities	—	—	—	—	1,452,317
	114,193	1,459,665	11,175,058	12,748,916	14,056,155
Fundraising activities					
Direct cost of fundraising activities	—	—	—	—	1,452,317
Operation subtotal	114,193	1,459,665	11,175,058	12,748,916	12,603,838
Expenses, excluding contributions	—	113,125	—	113,125	155,321
Contributions to research and technological development and other costs	175,000	6,766,519	7,297,317	14,238,836	14,360,883
	175,000	6,879,644	7,297,317	14,351,961	14,516,204
(Deficiency) excess of revenue over expenses	(60,807)	(5,419,979)	3,877,741	(1,603,045)	(1,912,366)
Balance, beginning of year	1,725,222	25,896,027	7,296,925	34,918,174	42,177,686
Transfers from (to) the Endowment Fund	68,393	(4,116,253)	227,032	(3,820,828)	(5,367,146)
Transfers from the General Fund	—	—	100,000	100,000	20,000
Balance, end of year	1,732,808	16,359,795	11,501,698	29,594,301	34,918,174

9. Commitments

The Foundation is committed to pay the Montreal Heart Institute amounts totalling \$35,955,220 (\$6,379,543 by the General Fund and \$29,575,677 by the Other Funds). These amounts include a commitment of \$16,118,253 for Phase II of the Montreal Heart Institute *Investir dans l'excellence* construction project and a commitment of \$4,000,000, conditional on the Montreal Heart Institute meeting certain conditions for strategic initiatives to the research center.

10. Financial instruments

Because of its financial assets, the Foundation is exposed to the following risks related to the use of financial instruments:

Market risk

Market risk is the risk that investments are exposed to, caused by changes in interest rates, exchange rates, stock exchange indicators and the level of volatility of these rates and indicators.

Foreign exchange risk

The Foundation held cash and investments in U.S. dollars of a total amount of CAN\$83,981 (CAN\$13,804,127 as at March 31, 2018). The Foundation is therefore exposed to foreign exchange fluctuations. The same applies to income related to these investments.

Investment policy

Funds must be managed in adherence to the principles of consistency and continuity. The principle of conservatism predominates when the investment committee is engaged in decision-making and applying strategies.

The objective is to optimize the return on the funds while considering the risk that the Foundation is prepared to assume, as well as specific constraints set out in the investment policy. Risk stems from the uncertainty inherent to several factors (loss in value of specific investments, decrease in fair value caused by financial market fluctuations, etc.), the combined actions of which could have consequences on the Foundation's ability to meet its commitments.

Return is optimized through an ideal combination of financial assets, diversification and sufficient latitude to use investment vehicles with higher return potential depending on the periods.

11. Related party transactions

Transactions conducted with the Montreal Heart Institute, which is a related party, as well as related accounts receivable and accounts payable, are presented separately in the financial statements and in the notes to the financial statements, with the exception of an amount of \$116,244 (\$398,547 in 2018) included in Accounts receivable, an amount of \$3,170,144 (\$3,299,014 in 2018) included in Accounts payable and accrued liabilities and an amount of nil (\$1,452,317 in 2018) with regard to parking included in the direct costs of fundraising activities.

Equipment in an amount of \$1,902,789 (\$899,009 in 2018), acquired by the Foundation during the year and remaining its property, was subject to a bargain rent with the Montreal Heart Institute over the useful life of the equipment. This equipment is presented, net of the bargain rent, as equipment contributions.

These transactions are within the normal course of operations and are measured at the exchange amount.