
Financial statements of Montreal Heart Institute Foundation

March 31, 2023

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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, 2023, 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, 2023, 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.

Deloitte LLP

June 7, 2023

¹ CPA auditor, public accountancy permit No. A120628

Montreal Heart Institute Foundation
Statement of financial position
As at March 31, 2023

					2023	2022
Notes	General Fund	Endowment Fund	Other Funds	Total	Total	
	\$	\$	\$	\$	\$	
Assets						
Investments	3	11,410,452	97,486,104	20,535,032	129,431,588	133,937,215
Cash		4,680,091	—	104,833	4,784,924	1,438,819
Interfund –						
Endowment Fund		3,873,478*	—	—	—	—
Amounts due by the						
General Fund		—	—	6,083,315*	—	—
Accounts receivable		513,373	—	433,519	946,892	482,798
Inventories		—	—	—	—	14,918
Other assets		768,425	—	—	768,425	703,450
		21,245,819	97,486,104	27,156,699	135,931,829	136,577,200
Liabilities						
Accounts payable						
and accrued						
liabilities		6,902,038	—	13,957	6,915,995	3,395,421
Interfund –						
General Fund		—	3,873,478*	—	—	—
Amounts due to the						
Other Funds		6,083,315*	—	—	—	—
		12,985,353	3,873,478	13,957	6,915,995	3,395,421
Commitments	9					
Fund balances						
Externally restricted	7 and 8	—	9,150,033	27,142,742	36,292,775	37,243,394
Internally restricted	7	—	84,462,593	—	84,462,593	87,144,586
Unrestricted		8,260,466	—	—	8,260,466	8,793,799
		8,260,466	93,612,626	27,142,742	129,015,834	133,181,779
		21,245,819	97,486,104	27,156,699	135,931,829	136,577,200

* 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, 2023

	Notes	General Fund		Endowment Fund		Other Funds		Total	
		2023	2022	2023	2022	2023	2022	2023	2022
		\$	\$	\$	\$	\$	\$	\$	\$
Revenue									
Donations		4,193,122	3,985,465	556,581	556,445	12,868,410	8,311,813	17,618,113	12,853,723
Bequests		500,000	500,000	—	—	2,556,766	986,953	3,056,766	1,486,953
Interest and dividends	3	2,672,379	4,184,146	—	—	497,592	835,429	3,169,971	5,019,575
Gain on disposal of investments	3	1,386,575	1,188,252	—	—	590,797	1,586,312	1,977,372	2,774,564
Change in the unrealized fair value of investments	3	(3,930,085)	(700,455)	—	—	(1,512,159)	(297,551)	(5,442,244)	(998,006)
Fundraising activities	6	1,859,140	1,748,226	—	—	190,409	67,945	2,049,549	1,816,171
		6,681,131	10,905,634	556,581	556,445	15,191,815	11,490,901	22,429,527	22,952,980
Fundraising activities									
Direct costs of fundraising activities	6	603,109	521,926	—	—	—	—	603,109	521,926
Indirect costs of donations and fundraising activities		1,208,745	978,624	—	—	—	—	1,208,745	978,624
Operational subtotal		4,869,277	9,405,084	556,581	556,445	15,191,815	11,490,901	20,617,673	21,452,430
Expenses									
Salaries, employee benefits and other compensation		2,814,151	2,465,208	—	—	—	—	2,814,151	2,465,208
Other operating charges		234,670	355,853	—	—	—	—	234,670	355,853
		3,048,821	2,821,061	—	—	—	—	3,048,821	2,821,061
Shared expenses		(106,709)	(98,737)	—	—	106,709	98,737	—	—
		2,942,112	2,722,324	—	—	106,709	98,737	3,048,821	2,821,061
Excess of revenue over expenses before the contributions		1,927,165	6,682,760	556,581	556,445	15,085,106	11,392,164	17,568,852	18,631,369
Contributions to the Montreal Heart Institute	5	5,801,799	5,614,426	—	—	15,932,998	16,086,101	21,734,797	21,700,527
(Deficiency) excess of revenue over expenses		(3,874,634)	1,068,334	556,581	556,445	(847,892)	(4,693,937)	(4,165,945)	(3,069,158)
Fund balances, beginning of year		8,793,799	9,449,649	95,738,038	91,481,487	28,649,942	35,319,801	133,181,779	136,250,937
Transfers	7 and 8	3,341,301	(1,724,184)	(2,681,993)	3,700,106	(659,308)	(1,975,922)	—	—
Fund balances, end of year		8,260,466	8,793,799	93,612,626*	95,738,038*	27,142,742**	28,649,942**	129,015,834	133,181,779

* 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, 2023

	2023	2022
	\$	\$
Operating activities		
Deficiency of revenue over expenses	(4,165,945)	(3,069,158)
Adjustments for:		
Donations in shares	(740,340)	(698,073)
Gain on disposal of investments	(1,977,372)	(2,774,564)
Change in the unrealized fair value of investments	5,442,244	998,006
	(1,441,413)	(5,543,789)
Net changes in non-cash operating working capital items		
Accounts receivable	(464,094)	88,339
Inventories	14,918	(3,236)
Other assets	(64,975)	(196,282)
Accounts payable and accrued liabilities	3,520,574	(25,285)
	1,565,010	(5,680,253)
Investing activities		
Net change in investments	1,781,095	4,560,403
Net increase (decrease) in cash	3,346,105	(1,119,850)
Cash, beginning of year	1,438,819	2,558,669
Cash, end of year	4,784,924	1,438,819

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

Montreal Heart Institute Foundation

Notes to the financial statements

March 31, 2023

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* created to collect and administer funds to support research, care, teaching, prevention, rehabilitation and the assessment of new technologies 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 to the Montreal Heart Institute are also charged to this fund. This fund reflects the unrestricted resources.

b) Endowment Fund

The Endowment 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 Bourses du Coeur of the Elina & Giuseppe Borsellino Foundation (the "Bourses du Coeur Fund"), the Heart Beat for the Future campaign Fund (Battre au Rythme du Monde, BRM), 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.

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 and changes in fund balances when they are received.

2. Accounting policies (continued)

Revenue recognition (continued)

b) Gifts in kind

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

c) Investment income

Investment income from General Fund resources is recognized at the time it is earned. Investment income from the resources of the Endowment Fund and Other Funds is recognized in the General Fund or Other Funds at the time it is earned, depending on the nature of the allocations stipulated by donors.

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Financial instruments originated or exchanged in related party transactions are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether or not the instrument has repayment terms. If it does have repayment terms, cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, cost is determined using the consideration transferred or received by the Foundation as part of the transaction.

Subsequent measurement

All financial instruments are measured at amortized cost except for investments, which are measured at fair value at the statement of financial position date. The fair value of mutual funds is measured using the fair value of the units established by the fund manager. Fluctuations in fair value, which include interest earned, interest accrued, gains and losses realized upon disposal, and unrealized gains and losses, are included in the revenue of the statement of operations and changes in fund balances.

Transaction costs

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

Impairment

With respect to financial assets measured 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 proportion of 3.5% (3.5% in 2022) to the BRM campaign Fund.

2. Accounting policies (continued)

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.

Contributions to the Montreal Heart Institute

Contributions 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.

Montreal Heart Institute Foundation
Notes to the financial statements
March 31, 2023

3. Investments

	2023		2022	
	Fair value	Cost	Fair value	Cost
	\$	\$	\$	\$
General Fund				
Cash with trustee	4,520	4,520	359,162	359,162
Short-term mutual funds	894	894	—	—
Shares	30,710	29,732	19,124	19,240
Mutual funds of Canadian bonds	11,374,328	13,509,506	11,552,454	13,195,089
	11,410,452	13,544,652	11,930,740	13,573,491
Endowment Fund				
Cash with trustee	80,616	80,616	226,784	226,784
Treasury bills and other discount securities, maturing through January 2024 (June 2022 in 2022)	905,248	905,248	1,523,435	1,523,042
Mutual funds of Canadian bonds	23,706,718	27,448,543	22,319,250	25,145,348
Canadian shares and mutual funds of Canadian equities	41,478,829	36,900,455	40,744,439	33,871,823
Foreign shares and mutual funds of foreign equities	31,251,656	24,406,143	32,183,719	25,109,932
	97,423,067	89,741,005	96,997,627	85,876,929
Accrued interest and dividends	63,037	63,037	45,311	45,311
	97,486,104	89,804,042	97,042,938	85,922,240

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2023

3. Investments (continued)

	2023		2022	
	Fair value	Cost	Fair value	Cost
	\$	\$	\$	\$
Other Funds				
Cash with trustee	36,566	36,566	108,460	108,460
Treasury bills and other discount securities, maturing through November 2023 (June 2022 in 2022)	245,839	245,841	324,649	324,565
Mutual funds of				
Canadian bonds	11,079,781	12,972,257	12,534,627	14,277,804
Canadian equities	5,333,496	3,959,603	6,762,896	4,382,276
Foreign equities and mutual funds of foreign equities	3,816,503	2,647,823	5,211,798	3,687,071
	20,512,185	19,862,090	24,942,430	22,780,176
Accrued interest and dividends	22,847	22,847	21,107	21,107
	20,535,032	19,884,937	24,963,537	22,801,283
Total of the funds	129,431,588	123,233,631	133,937,215	122,297,014

The General Fund's interest and dividends and gain on disposal of investments include revenue from resources held as endowments in an amount of \$3,749,370 (\$4,949,798 in 2022), after deduction of management fees of \$416,103 (\$631,194 in 2022). The General Fund's change in the unrealized fair value of investments also includes the portion of the unrealized loss from resources held as endowments in an amount of \$3,438,640 (gain of \$305,726 in 2022).

4. Pledges receivable

As at March 31, 2023, the Foundation held pledges for all the funds totalling \$38,207,000 and running through 2040 as follows:

	\$
2024	11,784,000
2025	9,678,000
2026	5,426,000
2027	2,839,000
2028 and thereafter	8,480,000

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2023

5. Contributions to the Montreal Heart Institute

	2023	2022
	\$	\$
General Fund		
Laboratories and project operations	4,446,421	4,218,669
Equipment (Note 11)	990,447	1,065,525
Prevention	99,808	237,682
Education	265,123	82,971
Bursaries	—	9,579
	5,801,799	5,614,426
Other Funds		
Dedicated donations	10,645,886	10,585,297
Equipment (Note 11)	4,664,347	4,891,248
Laboratories and project operations	444,856	504,593
Education	2,909	4,963
Bursaries	175,000	100,000
	15,932,998	16,086,101
	21,734,797	21,700,527

6. Fundraising activities

	2023		
	Revenue	Direct expenses	Net
	\$	\$	\$
All Funds			
Grand Bal des Vins-Cœurs	1,067,268	403,155	664,113
Tirage des Coeurs chanceux	254,659	42,754	211,905
HeartBeat	140,411	50,764	89,647
Sporting activities	183,682	18,715	164,967
Other	403,529	87,721	315,808
	2,049,549	603,109	1,446,440
			2022
	Revenue	Direct expenses	Net
	\$	\$	\$
All Funds			
Grand Bal des Vins-Cœurs	961,317	321,582	639,735
VP Challenge	61,416	5,504	55,912
Loto Cardio	133,931	42,394	91,537
Other	659,507	152,446	507,061
	1,816,171	521,926	1,294,245

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2023

7. Balance of Endowment Fund

	2023		
	Endowment	Other capital	Total
	\$	\$	\$
Balance, beginning of year	8,593,452	87,144,586	95,738,038
Endowments received	556,581	—	556,581
Transfer to the General Fund*	—	(3,341,301)	(3,341,301)
Transfer from the Other Funds**	—	659,308	659,308
Balance, end of year	9,150,033	84,462,593	93,612,626
Consisting of:			
Externally restricted amounts			9,150,033
Internally restricted amounts			84,462,593
			93,612,626
			2022
	Endowment	Other capital	Total
	\$	\$	\$
Balance, beginning of year	8,037,007	83,444,480	91,481,487
Endowments received	556,445	—	556,445
Transfer from the General Fund*	—	1,724,184	1,724,184
Transfer from the Other Funds**	—	1,975,922	1,975,922
Balance, end of year	8,593,452	87,144,586	95,738,038
Consisting of:			
Externally restricted amounts			8,593,452
Internally restricted amounts			87,144,586
			95,738,038

* The board of directors authorized a transfer of \$3,341,301 from the Endowment Fund to the General Fund (\$1,724,184 from the General Fund to the Endowment Fund in 2022).

** The board of directors authorized a transfer of \$659,308 from the Other Funds to the Endowment Fund (\$1,975,922 in 2022).

Montreal Heart Institute Foundation
Notes to the financial statements
Year ended March 31, 2023

8. Other Funds balances

	2023				2022
	Bourses du Cœur Fund	BRM campaign Fund	Dedicated donations Funds	Total	Total
	\$	\$	\$	\$	\$
Revenue					
Donations	200,000	100,000	12,568,410	12,868,410	8,311,813
Bequests	—	—	2,556,766	2,556,766	986,953
Interest and dividends	45,466	452,126	—	497,592	835,429
Gain (loss) on disposal of investments	(634)	591,431	—	590,797	1,586,312
Change in the unrealized fair value of investments	(71,604)	(1,440,555)	—	(1,512,159)	(297,551)
Fundraising activities	—	—	190,409	190,409	67,945
Operational subtotal	173,228	(296,998)	15,315,585	15,191,815	11,490,901
Expenses, excluding contributions	—	106,709	—	106,709	98,737
Contributions to the Montreal Heart Institute	175,000	5,430,537	10,327,461	15,932,998	16,086,101
	175,000	5,537,246	10,327,461	16,039,707	16,184,838
(Deficiency) excess of revenue over expenses	(1,772)	(5,834,244)	4,988,124	(847,892)	(4,693,937)
Balances, beginning of year	1,888,977	10,226,278	16,534,687	28,649,942	35,319,801
Transfers (to) from the Endowment Fund	25,080	(749,045)	64,657	(659,308)	(1,975,922)
Balances, end of year	1,912,285	3,642,989	21,587,468	27,142,742	28,649,942

9. Commitments

The Foundation is committed to pay the Montreal Heart Institute amounts totalling \$28,038,482 (\$4,634,755 by the General Fund and \$23,403,727 by the Other Funds). These amounts include a commitment of \$588,276 for Phase II of the Montreal Heart Institute *Investir dans l'excellence* construction project.

10. Financial instruments

Due to 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 the fair value or future cash flows of the Foundation's financial instruments will fluctuate due to changes in market prices. Market risk is comprised of interest rate risk, other price risk, and currency risk. The Foundation is exposed to these risks, as described below.

10. Financial instruments (continued)

Market risk (continued)

a) Interest rate risk

Investments in Treasury bills and other discount instruments bear interest at fixed rates. Consequently, a change in market interest rate will have an impact on the fair value of these investments. The Foundation is also indirectly exposed to this risk through its investments in fixed income mutual funds.

b) 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 in shares and mutual funds for which the value fluctuates with the quoted market price.

c) Currency risk

The Foundation holds cash in U.S. dollars totalling CA\$82,118 (CA\$21,940 in 2022). It is therefore exposed to foreign currency fluctuations.

Credit risk

Credit risk is attributable to the fact that the Foundation invests in fixed income funds which hold bonds and debentures. Therefore, there is a credit risk that the bond or debenture issuers will be unable to pay their obligations towards a fixed income fund, and this will have an impact on the assets of the Foundation.

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.

Montreal Heart Institute Foundation

Notes to the financial statements

Year ended March 31, 2023

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 \$654,466 (\$133,116 in 2022) included in *Accounts receivable*, and an amount of \$5,987,080 (\$2,470,948 in 2022) included in *Accounts payable and accrued liabilities*.

Equipment in an amount of \$6,711,955 (\$5,583,751 in 2022), 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.

12. Comparative figures

Certain prior comparative information has been reclassified to conform to the current year's presentation.