



Financial Statements

For the fiscal year ended March 31, 2022

Independent auditor's report

To the Board of Trustees of
Calgary Health Foundation

Opinion

We have audited the accompanying financial statements of **Calgary Health Foundation** [the "Foundation"], which comprise the statement of financial position as at March 31, 2022, the statements of operations and changes in fund balances, accumulated remeasurement gains and losses and cash flows for the year then ended and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with Canadian public-sector accounting standards.

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 the financial statements in accordance with Canadian public sector accounting standards, 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.

Calgary, Canada
May 25, 2022

Ernst & Young LLP

Chartered Professional Accountants



Statement of Financial Position

March 31,	2022	2021
ASSETS		
Cash (note 3)	\$ 84,015,092	\$ 78,214,326
Accounts receivable (note 4)	467,273	581,186
Deposits and prepaid expenses (note 5)	2,563,357	1,513,632
Portfolio investments, at market value (note 6)	96,502,220	91,737,058
Other assets	2,441,450	2,353,970
Total Assets	\$ 185,989,392	\$ 174,400,172
LIABILITIES		
Accounts payable and accrued liabilities (note 10)	\$ 2,401,737	\$ 2,352,356
Charitable disbursements payable (note 10)	2,617,462	3,089,855
Deferred revenue	17,304,362	19,603,646
Total Liabilities	\$ 22,323,561	\$ 25,045,857
Commitments (note 9)		
FUND BALANCES		
Operating Fund	\$ 18,801,008	\$ 14,851,039
Restricted Fund	106,883,457	95,447,123
Endowment Fund (note 7)	33,335,927	31,289,150
	\$ 159,020,392	\$ 141,587,312
Accumulated remeasurement gains	4,645,439	7,767,003
Total Liabilities & Fund Balances	\$ 185,989,392	\$ 174,400,172

See accompanying notes

On behalf of the Board:

Signed "Sandy Edmonstone"
Director

Signed "Dan Silvester"
Director

Statement of Operations and Changes in Fund Balances

Year ended March 31,	Operating Fund		Restricted Fund		Endowment Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE								
Donations	\$ 2,140,378	\$ 1,866,824	\$ 7,782,069	\$ 6,324,630	\$ 17,902	\$ 50,350	\$ 9,940,349	\$ 8,241,804
Lotteries	1,417,378	1,121,318	34,936,939	31,083,122	-	-	36,354,317	32,204,440
Events	13,231	16,998	450,440	364,525	-	-	463,671	381,523
	3,570,987	3,005,140	43,169,448	37,772,277	17,902	50,350	46,758,337	40,827,767
Grants - Alberta Health Services (note 10a)	434,471	420,164	-	-	-	-	434,471	420,164
Grants - Other Government	6,376	11,785	-	-	-	-	6,376	11,785
Investment income (note 8)	4,030,574	2,259,457	1,679,733	1,289,703	1,238,707	-	6,949,014	3,549,160
	\$ 8,042,408	\$ 5,696,546	\$ 44,849,181	\$ 39,061,980	\$ 1,256,609	\$ 50,350	\$ 54,148,198	\$ 44,808,876
EXPENSES								
Operating (note 11)	\$ 3,390,470	\$ 3,399,639	\$ 3,328,810	\$ 3,524,463	\$ -	\$ -	\$ 6,719,280	\$ 6,924,102
Lotteries	-	-	19,443,398	18,375,168	-	-	19,443,398	18,375,168
Events	-	-	7,901	6,517	-	-	7,901	6,517
	3,390,470	3,399,639	22,780,109	21,906,148	-	-	26,170,579	25,305,787
Excess of revenue over expenses before charitable disbursements	\$ 4,651,938	\$ 2,296,907	\$ 22,069,072	\$ 17,155,832	\$ 1,256,609	\$ 50,350	\$ 27,977,619	\$ 19,503,089
CHARITABLE DISBURSEMENTS								
Alberta Health Services (note 10a)	\$ -	\$ -	\$ 6,724,557	\$ 10,606,428	\$ -	\$ -	\$ 6,724,557	\$ 10,606,428
University of Calgary	-	-	3,559,850	3,350,459	-	-	3,559,850	3,350,459
Other Organizations	-	-	260,132	149,887	-	-	260,132	149,887
	-	-	10,544,539	14,106,774	-	-	10,544,539	14,106,774
Excess of revenue over expenses and charitable disbursements	\$ 4,651,938	\$ 2,296,907	\$ 11,524,533	\$ 3,049,058	\$ 1,256,609	\$ 50,350	\$ 17,433,080	\$ 5,396,315
Fund balances, beginning of year	\$ 14,851,039	\$ 12,811,335	\$ 95,447,123	\$ 91,350,299	\$ 31,289,150	\$ 32,029,363	\$ 141,587,312	\$ 136,190,997
Inter-fund transfers (note 13)	(701,969)	(257,203)	(88,199)	1,047,766	790,168	(790,563)	-	-
Fund balances, end of year	\$ 18,801,008	\$ 14,851,039	\$ 106,883,457	\$ 95,447,123	\$ 33,335,927	\$ 31,289,150	\$ 159,020,392	\$ 141,587,312

See accompanying notes

Statement of Accumulated Remeasurement Gains and Losses

Year ended March 31,	2022	2021
Accumulated remeasurement gains/(losses) at beginning of year	\$ 7,767,003	\$ (6,399,393)
Unrealized gains attributable to: Portfolio investments	1,356,674	15,253,499
Less realized gains reclassified to the statement of operations: Portfolio investments	(4,478,238)	(1,087,103)
Net remeasurement (losses)/gains for the year	(3,121,564)	14,166,396
Accumulated remeasurement gains at end of year	\$ 4,645,439	\$ 7,767,003

See accompanying notes

Statement of Cash Flows

Year ended March 31,	2022	2021
OPERATING ACTIVITIES		
Cash received from:		
Operating grants	\$ 16,376	\$ 21,785
Donations	9,919,993	7,711,414
Events and lotteries	34,632,617	41,339,347
	44,568,986	49,072,546
Cash paid for:		
Operating expenses	\$ (7,289,560)	\$ (7,108,843)
Events and lotteries	(19,538,779)	(19,519,997)
Charitable disbursements	(11,002,168)	(18,525,779)
	(37,830,507)	(45,154,619)
Cash provided by operating activities	\$ 6,738,479	\$ 3,917,927
INVESTING ACTIVITIES		
Investment income	\$ 6,949,014	\$ 3,549,160
Investments purchased, net	(7,886,727)	(3,117,552)
Cash (used in)/provided by investing activities	\$ (937,713)	\$ 431,608
Net increase in cash	\$ 5,800,766	\$ 4,349,535
Cash beginning of year	78,214,326	73,864,791
Cash end of year	\$ 84,015,092	\$ 78,214,326
<i>See accompanying notes</i>		

Notes to Financial Statements

1. NATURE OF ORGANIZATION

Calgary Health Foundation (CHF) is a not-for-profit organization and a registered charity established under the *Income Tax Act* (Canada). It is a controlled entity of Alberta Health Services and subject to the provisions of the *Regional Health Authorities Act Foundations Regulation*. As of November 1, 2020, the organization began operating as CHF. The change in the name to CHF was approved by the Minister of Health on March 7, 2022.

The primary purpose of CHF is to coordinate fundraising efforts for the benefit of health programs and other health initiatives within the Calgary area. CHF also invests and manages designated endowment funds.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Canadian Public Sector Accounting Standards (PSAS), which sets out generally accepted accounting principles for government not-for-profit organizations in Canada. CHF has chosen to use the standards for government not-for-profit organizations that include PSAS 4200 to 4270. The financial statements have been prepared based on the significant accounting policies summarized below:

a. Fund Accounting

For financial reporting purposes, the accounts of CHF have been classified into the following funds:

i. Operating Fund

The Operating Fund accounts for the operating activities of CHF.

ii. Restricted Fund

The Restricted Fund accounts for donations and grants that are donor-designated for specified programs, sites and organizations. All funds held in the Restricted Fund are available to be disbursed for the designated charitable purpose.

iii. Endowment Fund

The Endowment Fund accounts for donations and investment income that are to be held permanently by CHF as directed by donors or the Board of Trustees.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Cash

Cash includes cash on hand. Cash held for investing activities by fund managers is included in investments.

c. Financial Instruments

Investments have been categorized as fair value and are recorded at market value. CHF's investments are held in investment pooled funds that are professionally managed and index funds in accordance with CHF's investment policies.

Transaction costs are recognized in the statement of operations in the period during which they are incurred.

Other financial instruments, including accounts receivable, accounts payable and accrued liabilities and charitable disbursements payable, are initially recorded at fair value and are subsequently measured at cost, net of any provisions for impairment.

CHF measures the fair market value of its financial assets based on their classification in a hierarchy comprising three levels, described as follows:

i. Level 1

Valuations are based on quoted prices (unadjusted) in active markets for identical assets.

ii. Level 2

Valuations are based on directly or indirectly observable inputs in active markets for similar assets, other than Level 1 prices, such as quoted interest or currency exchange rates.

iii. Level 3

Valuations are based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Other Assets

Other assets consist of costs related to future fundraising events and lotteries. These costs are expensed when the fundraising events and lotteries are held. Other assets also consist of the cash surrender value of life insurance policies. The annual premiums are paid by donors. As the realizable amount of such policies in excess of the cash surrender value is not certain, CHF records the benefits in excess of the cash surrender value when the proceeds are known.

e. Deferred Revenue

Revenue related to lotteries for which prize draws take place after the year-end and fundraising events that will take place subsequent to the year-end are deferred. Deferred revenue will be recognized when the fundraising events and lotteries are completed.

f. Revenue Recognition

CHF follows the restricted fund method of accounting for contributions. Grants, bequests and other donations are recorded when received or receivable, if the amounts to be received can be reasonably estimated and collection is reasonably assured. Pledged donations are recorded in the year received, since pledges are not legally enforceable claims. Externally restricted contributions, except endowment contributions, are recognized as revenue of the Restricted Fund when received. Unrestricted contributions are recognized as revenue of the Operating Fund when received. Externally restricted endowment contributions are recognized as revenue of the Endowment Fund when received. Generally, 5% of restricted donations are allocated to the Operating Fund to assist with the operational costs of CHF.

Investment income includes dividend and interest income, income distributions from pooled funds and realized gains or losses arising from the sale of investments. Unrealized gains and losses on investments are recognized in the Statement of Accumulated Remeasurement Gains and Losses until the related investments are sold. Once realized, these gains or losses are recognized in the Statement of Operations. Administration fees of 1% of the Endowment Fund balance is recognized as investment income earned in the Operating Fund and amounts that are available for disbursement allocation are recognized as revenue of the Restricted Fund. Unrestricted investment income earned on internally restricted Endowment Fund resources is recognized as revenue of the Operating Fund. Investment income that has been reinvested is recognized as revenue of the Endowment Fund. Unrestricted investment income earned on Endowment Fund, Restricted Fund and Operating Fund resources is recognized as revenue of the Operating Fund.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Contributed Materials and Services

Volunteers contribute a significant amount of time each year to assist CHF in carrying out its activities; however, the value of volunteer time is not recognized in these financial statements because the fair market value cannot be reasonably determined. Donated supplies and gifts-in-kind are valued based on fair market value when it is reasonably determinable.

3. CASH

March 31,	2022	2021
Operating Fund	\$ 5,954,131	\$ 6,300,643
Restricted Fund	78,058,616	71,863,333
Endowment Fund	2,345	50,350
	\$ 84,015,092	\$ 78,214,326

Cash held in the Restricted Fund includes lottery proceeds from previous lotteries, lottery ticket sales from the current Foothills Hospital Home Lottery and funds awaiting disbursement. CHF has received permission from Alberta Gaming, Liquor and Cannabis to defer disbursement of \$25.1 million for projects that will not be completed in 2022.

The amount of cash associated with lotteries in progress is \$14.6 million (2021 - \$16.9 million). In addition, CHF holds \$9.7 million (2021 - \$13.7 million) in high interest (2022 - 0.67%; 2021 - 0.65%) accounts pending investment in accordance with CHF's investment policies.

4. ACCOUNTS RECEIVABLE

March 31,	2022	2021
Events and lotteries	\$ 220,600	\$ 295,896
GST	246,673	225,382
Other	-	59,908
	\$ 467,273	\$ 581,186

5. DEPOSITS AND PREPAID EXPENSES

March 31,	2022	2021
Lottery prizes and expenses	\$ 2,171,150	\$ 1,144,789
Prepaid contracts	392,207	368,843
	\$ 2,563,357	\$ 1,513,632

6. FINANCIAL INSTRUMENTS

CHF's portfolio investments consist of the following categories:

Market value as at March 31,	2022	2021
Level 1		
Cash & cash equivalents	\$ 630,543	\$ 350,182
Core Canadian Short Term Bond Index	9,039,600	10,462,500
S&P/TSX 60 Index	10,824,000	7,769,100
Ishares Core S&P 500 Index ETF	3,066,840	2,357,300
Ishares MSCI EAFE Index	2,831,000	2,322,400
	26,391,983	23,261,482
Level 2		
Jarislowsky Fraser Bond Pooled Fund	\$ 9,982,538	\$ 9,351,926
Jarislowsky Fraser Canadian Equity Fund	19,298,707	19,069,457
Jarislowsky Fraser Global Equity Fund	40,828,992	40,054,193
	70,110,237	68,475,576
Total portfolio investments	\$ 96,502,220	\$ 91,737,058

The asset allocation of the Level 2 funds as at March 31, 2022 is as follows: short-term 1.1% (2021 - 2.0%), bonds 33.5% (2021 - 32.0%), Canadian equities 41.5% (2021 - 41.3%) and non-Canadian equities 23.8% (2021 - 24.7%). During 2022, Level 1 and Level 2 investment returns were 7.4% (2021 - 18.3%) and 2.3% (2021 - 22.5%), respectively.

There were no transfers of assets between Level 1, Level 2 and Level 3.

6. FINANCIAL INSTRUMENTS (CONTINUED)

During the year, donations of securities received by CHF were liquidated and the net proceeds were disbursed for charitable purposes or reinvested in professionally managed pooled funds or exchange traded funds.

Within the pooled funds, treasury bills, commercial paper, bankers' acceptances and discount notes mature between six days and one year and bear interest at an average effective yield to maturity of 0.88% (2021 - 0.15%).

Publicly traded fixed income instruments in the funds are managed with the objective of providing optimal returns while maintaining maximum security of capital. Return is optimized within risk constraints through the management of duration and issuer mix. The bonds held within the bond fund bear interest at an average effective yield to maturity of 3.21% (2021 - 1.67%).

Equity investments in the funds are managed with the objective of providing a diversified approach towards obtaining risk-adjusted returns through complete business cycles. Diversification is achieved through investing across an assortment of countries and sectors. The equity funds offer growth and, being long-term in nature, are ideal for protecting CHF's investment capital from the effects of inflation.

Foreign securities are translated into Canadian dollars at the exchange rate in effect on the last day of the fiscal year.

Foreign currency risk

CHF is exposed to foreign currency risk from possible negative fluctuations in foreign currency rates related to investments in foreign securities.

Interest rate risk

CHF is exposed to interest rate risk from holding securities with a fixed rate of interest and a specified maturity date.

Credit risk

CHF is exposed to credit risk in connection with its short-term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. Additionally, there is exposure to credit risk with the housing deposits for lotteries if the builders do not complete the houses as contracted.

Liquidity risk

CHF is exposed to liquidity risk in that it could encounter difficulty in meeting obligations associated with its financial liabilities.

Other price risk

CHF is exposed to other price risk through changes in market prices, other than changes arising from interest rate risk or foreign currency risks, in connection with its investments in equity securities and pooled funds.

6. FINANCIAL INSTRUMENTS (CONTINUED)

Foreign currency, credit risk and interest rate risk are managed in accordance with CHF's investment policies and through the use of professional portfolio managers whose performance is reviewed regularly. Liquidity risk is managed by maintaining significant cash balances in excess of current obligations. Other price risk is managed by investing in funds professionally managed with significant diversification.

7. ENDOWMENTS

Endowment net assets represent resources that are required by the donor or the Board of Trustees to be maintained by CHF on a permanent basis.

Endowment net assets consist of the following:

March 31,	2022	2021
Externally restricted	\$ 24,362,263	\$ 22,881,893
Internally restricted by the Board of Trustees	8,973,664	8,407,257
Balance, end of year, before accumulated remeasurement gains	33,335,927	31,289,150
Accumulated remeasurement gains	729,847	3,222,168
Balance, end of year	\$ 34,065,774	\$ 34,511,318

CHF has a policy designed to protect the real value of endowments by limiting the amount of investment income made available for spending in the following year to the lower of the investment income earned or 5% of the ending endowment balance as at March 31. Endowment Funds incur a 1% administration fee on the portfolio investment fund balance related to endowments, which is recorded in the Operating Fund. The balance remaining is reinvested, as are any funds not disbursed within the time frame allocated for spending. Reinvested investment income is recorded in the Endowment Fund.

In fiscal 2022, investment income on externally restricted endowment net assets was \$2,160,020 (2021 - \$952,106) and was recorded as revenue in the statement of operations. The amount of \$676,301 (2021 - \$704,126) was made available for spending and recorded in the Restricted Fund and \$1,238,707 (2021 - nil) was reinvested into the Endowment Fund (*note 8*).

In fiscal 2022, investment income on internally restricted endowment net assets was \$796,591 (2021 - \$354,179) and was recorded as revenue in the statement of operations. The amount of \$215,741 was inter-fund transferred (2021 - \$256,983) to the Restricted Fund, representing the investment income made available for spending, and \$485,728 was inter-fund transferred to the Endowment Fund (2021 - nil) representing the amount reinvested (*note 8*).

8. INVESTMENT INCOME ALLOCATION

Investment Income Allocation for the year ended 2022						
	Investment Income ¹	Internally Restricted Endowments	Restricted Income Allocation ²	Restricted Disbursement Allocation	Administration Fees	Total
Operating Fund	\$ 650,635	\$ 701,469	\$ 2,283,886	\$ -	\$ 394,584	\$ 4,030,574
Restricted Fund	3,341,769	-	(2,283,886)	676,301	(54,451)	1,679,733
Endowment Fund (note 7)	2,956,610	(701,469)	-	(676,301)	(340,133)	1,238,707
	\$ 6,949,014	\$ -	\$ -	\$ -	\$ -	\$ 6,949,014

Investment Income Allocation for the year ended 2021						
	Investment Income ¹	Internally Restricted Endowments	Restricted Income Allocation ²	Restricted Disbursement Allocation	Administration Fees	Total
Operating Fund	\$ 254,447	\$ 256,983	\$ 1,344,354	\$ -	\$ 403,673	\$ 2,259,457
Restricted Fund	1,988,428	-	(1,344,354)	704,126	(58,497)	1,289,703
Endowment Fund (note 7)	1,306,285	(256,983)	-	(704,126)	(345,176)	-
	\$ 3,549,160	\$ -	\$ -	\$ -	\$ -	\$ 3,549,160

¹ Investment income in the year consists of interest and dividends of \$1,979,300 (2021 - \$1,932,148) and realized gains of \$4,478,238 (2021 - \$1,087,103) that were earned on the portfolio investments and \$491,476 (2021 - \$529,909) of interest earned on cash.

² Investment income earned on restricted investments that do not have an investment income allocation agreement is recognized in the Operating Fund.

Year ended March 31,	2022	2021
Realized investment income	\$ 6,949,014	\$ 3,549,160
Unrealized investment (loss)/income	(3,121,564)	14,166,396
Total investment income	\$ 3,827,450	\$ 17,715,556

9. COMMITMENTS

As at March 31, 2022, CHF had committed to purchasing prizes of \$7.5 million for the 2022 Foothills Hospital Home Lottery (2021 Foothills Hospital Home Lottery - \$5.9 million) and \$3.6 million for the 2022 Hospital Home Lottery (2021 Hospital Home Lottery - \$3.3 million). These lotteries will be completed in fiscal 2023.

CHF had also committed to purchasing prizes for the 2023 and 2024 Foothills Hospital Home Lotteries totalling \$3.9 million and \$1.1 million, respectively, and for the 2023 and 2024 Hospital Home Lotteries totalling \$0.8 million and \$1.0 million, respectively. The 2023 lotteries will be completed in fiscal 2024 and the 2024 lotteries will be completed in fiscal 2025.

10. RELATED PARTY TRANSACTIONS

a. Alberta Health Services

The following amounts related to Alberta Health Services are included in the accompanying financial statements. As at March 31, 2022, there are accounts payable and accrued liabilities and charitable disbursements payable to Alberta Health Services totalling \$754,677 and \$1,635,369 (2021 - \$764,723 and \$2,900,247), respectively.

Year ended March 31,	2022	2021
Grants received from Alberta Health Services for operating expenses		
Cash - operating costs	\$ 10,000	\$ 10,000
Gifts in kind - rent	424,471	410,164
	\$ 434,471	\$ 420,164
Charitable disbursements to Alberta Health Services		
Cash	\$ 6,709,794	\$ 10,082,278
Gifts in kind	14,763	524,150
	\$ 6,724,557	\$ 10,606,428

b. Board of Trustees

A former member of CHF's Board of Trustees is a senior executive of the company that built and sold the homes that were awarded as prizes in the Foothills Hospital Home Lottery and Hospital Home Lottery programs. During the year ended 2022 and while that individual was on the Board, CHF purchased one home for \$2.6 million. During the year ended 2021, CHF purchased two homes totalling \$5.2 million.

11. OPERATING EXPENSES

Year ended March 31,	Operating	Restricted	2022	2021
Fundraising and donor stewardship	\$ 1,847,633	\$ 3,318,444	\$ 5,166,077	\$ 5,153,530
Organizational and volunteer support	802,624	-	802,624	657,156
Marketing and communications	494,520	-	494,520	866,460
Investment management and custodial fees	245,693	10,366	256,059	246,956
	\$ 3,390,470	\$ 3,328,810	\$ 6,719,280	\$ 6,924,102

12. FUNDRAISING EXPENSES

Section 7(2) of the Charitable Fundraising Act Regulation of Alberta requires CHF to disclose the expenses incurred for the purposes of soliciting donations. In fiscal 2022, these costs were \$3.4 million (2021 - \$3.6 million), which includes \$1.4 million (2021 - \$1.6 million) incurred in respect of CHF employees whose principal duty is fundraising. These costs are recognized as part of CHF's operating costs.

13. INTER-FUND TRANSFERS

Inter-fund transfers consist of reallocations requested by the contributors and approved by the Board in accordance with the approved policy. These transfers include allocations to the Endowment Fund from Restricted Funds for donors advising as to how funds are to be reinvested and from the Operating Fund for internally restricted reinvestments into the Endowment Fund.