



HOSPITALS OF REGINA®  
FOUNDATION

Better lives. Made possible by you.

**Financial Statements of**

**HOSPITALS OF REGINA FOUNDATION INC.**  
and Independent Auditor's Report thereon

For the year ended December 31, 2023

Management's Responsibility for Financial Reporting.....	1
Auditor's Report .....	2
Statement of Financial Position .....	5
Statement of Operations and Changes in Net Assets .....	6
Statement of Cash Flows.....	7
Notes to the Financial Statements .....	8

---

## Management's Responsibility for Financial Reporting

The accompanying financial statements of the Hospitals of Regina Foundation Inc. are the responsibility of management. Management has prepared the financial statements in accordance with Canadian accounting standards for not-for-profit organizations. The Foundation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, accurate and complete in all material respects, and that the Foundation's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit and Finance Committee, whose members are appointed by the Board. The Audit and Finance Committee meets with management and the external auditors to discuss internal controls over the financial reporting process, audit findings, financial reporting issues, and to satisfy itself that each party has properly discharged its responsibilities. The Audit and Finance Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the members in the annual report.



Dino Sophocleous, CFRE  
President & CEO  
Date: March 20, 2024



**KPMG LLP**

Hill Centre Tower II  
1881 Scarth Street, 20th Floor  
Regina, SK S4P 4K9  
Canada  
Telephone 306-791-1200  
Fax 306-757-4703

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Hospitals of Regina Foundation Inc.

***Opinion***

We have audited the financial statements of Hospitals of Regina Foundation Inc. (the Foundation), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter 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 December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditor’s Responsibilities for the Audit of the Financial Statements**” section of our auditor’s 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 the 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 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.
- 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.

The image shows the handwritten signature "KPMG LLP" in black ink. The letters are bold and slightly slanted. Below the signature is a long, horizontal, slightly wavy line that serves as a signature flourish.

Chartered Professional Accountants

Regina, Canada

March 20, 2024


**HOSPITALS OF REGINA FOUNDATION INC.**  
**Statement of Financial Position**

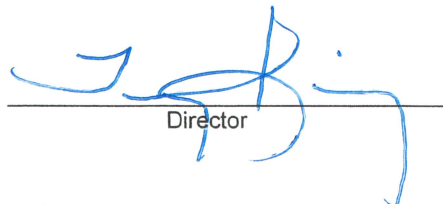
December 31, 2023 with comparative information for December 31, 2022

	General Fund	Endowment and Special Purpose Funds	Total 2023	Total 2022
<b>Assets</b>				
<b>Current assets</b>				
Cash	\$ 2,042,915	\$ -	\$ 2,042,915	\$ 2,493,116
Short-term investments (note 3)	38,368,593	-	38,368,593	32,630,690
Accounts receivable and accrued interest receivable	614,678	-	614,678	573,757
Lottery showhome deposits	625,000	-	625,000	250,000
Prepaid expenses	122,107	-	122,107	76,296
Gift shop inventory	45,499	-	45,499	-
Pledges receivable (note 4)	387,000	-	387,000	703,000
Planned giving receivable (note 5)	755,889	-	755,889	844,316
Due from (to) other funds	283,559	(283,559)	-	-
	43,245,240	(283,559)	42,961,681	37,571,175
Investments (note 3 and 9)	18,567,845	5,850,729	24,418,574	22,355,298
Tangible capital assets (note 6)	208,396	-	208,396	307,722
	\$ 62,021,481	\$ 5,567,170	\$ 67,588,651	\$ 60,234,195
<b>Liabilities and net assets</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 877,405	\$ -	\$ 877,405	\$ 1,327,877
Deferred revenue	27,300	-	27,300	-
	904,705	-	904,705	1,327,877
<b>Long term liabilities</b>				
Deferred pledge revenue (note 4)	387,000	-	387,000	703,000
Deferred planned gifts (note 5)	755,889	-	755,889	844,316
	2,047,594	-	2,047,594	2,875,193
<b>Net assets</b>				
Investment in tangible capital assets	208,396	-	208,396	307,722
Operating reserve	2,000,000	-	2,000,000	2,000,000
Designated funds	57,765,491	-	57,765,491	46,389,514
Endowment and special purpose funds	-	5,567,170	5,567,170	8,661,766
	59,973,887	5,567,170	65,541,057	57,359,002
Commitments (notes 10 and 11)				
	\$ 62,021,481	\$ 5,567,170	\$ 67,588,651	\$ 60,234,195

See accompanying notes to the financial statements

Approved by the Board:

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**HOSPITALS OF REGINA FOUNDATION INC.**  
**Statement of Operations and Changes in Net Assets**

For the year ended December 31, 2023 with comparative information for the year ended December 31, 2022

	Investment in Capital Assets	Operating Reserve	Designated Funds	Endowment and Special Purpose Funds	2023	2022
<b>Revenue:</b>						
Charitable giving	\$ -	\$ -	\$ 5,678,720	\$ -	\$ 5,678,720	\$ 7,225,089
Charitable gaming (note 7)	-	-	3,143,718	-	3,143,718	4,003,221
Gift shop revenue (net) (note 8)	-	-	47,537	-	47,537	-
Investment income (loss)	-	55,129	2,304,136	(62,540)	2,296,725	1,203,213
Unrealized gains (losses) on investments	-	71,915	639,149	745,174	1,456,238	(3,266,022)
	-	127,044	11,813,260	682,634	12,622,938	9,165,501
<b>Expenses:</b>						
Direct fundraising costs	-	-	406,910	-	406,910	457,165
Administration	46,593	-	418,478	-	465,071	419,912
Communications and marketing	-	-	114,347	-	114,347	85,209
Salaries and benefits	-	-	1,544,879	-	1,544,879	1,572,983
	46,593	-	2,484,614	-	2,531,207	2,535,269
Excess (deficiency) of revenue over expenses	(46,593)	127,044	9,328,646	682,634	10,091,731	6,630,232
Net assets, beginning of year	307,722	2,000,000	46,389,514	8,661,766	57,359,002	57,095,305
Transfers	(52,733)	(127,044)	3,951,630	(3,771,853)	-	-
Distributions (note 11)	-	-	(1,904,299)	(5,377)	(1,909,676)	(6,366,535)
Net assets, end of year	\$ 208,396	\$ 2,000,000	\$ 57,765,491	\$ 5,567,170	\$ 65,541,057	\$ 57,359,002

See accompanying notes to the financial statements



**HOSPITALS OF REGINA FOUNDATION INC.**  
**Statement of Cash Flows**

For the year ended December 31, 2023, with comparative information for the year ended December 31, 2022

	2023	2022
<b>Cash provided by (used for)</b>		
<b>Operations:</b>		
Excess of revenue over expenses	\$ 10,091,731	\$ 6,630,232
<b>Items not involving cash:</b>		
Amortization of tangible capital assets	46,593	46,079
Net change in fair value of investments	(1,456,238)	3,266,022
<b>Change in non-cash operating items:</b>		
Accounts receivable	(40,921)	(495,741)
Lottery showhome deposits	(375,000)	375,000
Prepaid expenses	(45,811)	(5,819)
Purchase of inventory	(45,499)	-
Accounts payable	(385,473)	439,183
Deferred revenue	27,300	-
	7,816,682	10,254,956
<b>Investing:</b>		
Net purchases of investments	(6,344,940)	(2,462,964)
Purchase of tangible capital assets	(12,267)	(90,791)
	(6,357,207)	(2,553,755)
<b>Financing:</b>		
Distributions	(1,909,676)	(6,366,535)
(Decrease) increase in cash	(450,201)	1,334,666
Cash, beginning of year	2,493,116	1,158,450
Cash, end of year	\$ 2,042,915	\$ 2,493,116

See accompanying notes to the financial statements

**1. Nature of the Organization:**

The Hospitals of Regina Foundation Inc. (the "Foundation") was incorporated in 1987 under the provisions of the *Non-Profit Corporations Act (Saskatchewan)*. The Foundation solicits, manages and distributes funds for the purchase of medical equipment, education and research to the benefit of patients served by the Regina General Hospital, the Pasqua Hospital and the Wascana Rehabilitation Centre, all of which operate under the authority of the Saskatchewan Health Authority (the "Authority").

**2. Significant Accounting Policies:**

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The most significant policies are as follows:

**(a) Fund Accounting and Reserves:**

The accounts of the Foundation are reported in accordance with the restricted fund method. A fund is defined as a self-balancing accounting entity established to report the assets held against the capital of the fund or against monies received for specific designated purposes. The following funds are maintained by the Foundation:

**The General Fund** accounts for the Foundation's fundraising, administrative and capital asset activities. The fund reports unrestricted resources and designated funds that are to be used for the purposes of which the funds were given.

**The Endowment and Special Purpose Fund** reports donations contributed for endowment and donations allocated for long-term special purposes, less authorized withdrawals for equipment, educational or research purposes.

**Reserves**

Within the General Fund, externally restricted funds received from donors are shown as designated funds.

The operating reserve is set aside to stabilize the Foundation's finances by providing a cushion against unexpected events, losses of revenue, and large unbudgeted expenses. Fund balances and their adequacy will be reviewed on an annual basis. This internally restricted amount is not available for other purposes without approval by the Board of Directors.

**(b) Revenue Recognition:**

The Foundation records donor pledges and irrevocable bequests as assets in the General Fund representing the right to receive funds at a future date as specified by the donor. Amounts are recognized in revenue when received.

Gifts-in-kind are recorded in revenue at fair value as at the date tendered by the donor. Donations of materials are recorded in revenue at fair value when they otherwise would have been purchased and when fair value can reasonably be estimated, as at the date received.

Contributions for endowments are recognized as revenue in the Endowment and Special Purpose Fund. Investment income that is earned on assets of the Endowment and Special Purpose Fund and that must be used in accordance with conditions imposed by the donor is recognized as revenue of the donor-restricted fund the date it was earned.

The Foundation raises funds through two lotteries conducted under lottery licenses issued by the Saskatchewan Liquor and Gaming Authority. These financial statements reflect the results of the lotteries which ended within the fiscal year 2023.

**For the year ended December 31, 2023**

---

**2. Significant Accounting Policies (continued):**

**(b) Revenue Recognition (continued):**

Special event revenue is recognized on completion of the event and reported under charitable giving. Planned gifts include insurance policies irrevocably pledged to the Foundation and bequests. Insurance policies of which the Foundation is the irrevocable beneficiary are recorded at the fair value of the policy. Funds to be received through bequests are recognized at fair value upon receipt of formal legal notification.

All of the Foundation's investments have been measured at fair value, whereby changes in fair value are recognized immediately in revenue. Investment income is recognized on the accrual basis.

**(c) Tangible Capital Assets:**

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined. Amortization is provided on a declining-balance basis over the assets' estimated useful lives, varying from 3 to 10 years.

**(d) Financial Assets and Liabilities:**

Financial instruments are recorded at fair value on initial recognition. Subsequently, investments are accounted for at their fair values, which are determined based on closing market values at year-end, except guaranteed income certificates (GICs), which are valued at amortized cost. All other financial instruments are subsequently recorded at cost or amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method. Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial assets. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial assets or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

**(e) Income Taxes:**

The Foundation is a registered charity and no income taxes are payable on reported income under paragraph 149(1) (f) of the *Income Tax Act*.

**(f) Volunteer Services:**

Volunteers contribute a significant amount of time each year to assist the Foundation in carrying out its fundraising activities. Because of the difficulty of determining their fair values, these volunteer services are not recognized in the financial statements.

**(g) Use of Estimates:**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant items subject to such estimates and assumptions include the valuation of investments and pledges receivable. Actual results could differ from those estimates.

**HOSPITALS OF REGINA FOUNDATION INC.**  
**Notes to the Financial Statements (continued)**

**For the year ended December 31, 2023**

**3. Investments:**

	<b>2023</b>	<b>2022</b>
Short-term investments:		
Savings deposits	\$ 2,212,265	\$ 163,830
Guaranteed Income Certificates (GIC's)	32,505,000	29,000,000
Pooled fixed income funds	3,651,328	3,466,860
	<b>38,368,593</b>	<b>32,630,690</b>
Long-term investments		
Pooled equity funds	9,350,729	10,889,186
Pooled fixed income funds	15,067,845	11,466,112
	<b>24,418,574</b>	<b>22,355,298</b>
	<b>\$ 62,787,167</b>	<b>\$ 54,985,988</b>

The long-term investments are comprised of pooled equity funds and pooled fixed income funds. The Foundation's investments in pooled funds have no fixed maturity dates and fund returns are based on the success of the fund managers.

The Foundation's short-term investments are comprised of savings deposits bearing a floating rate of interest (2022 – floating rate of interest), pooled fixed income funds and GIC's as per below:

	<b>2023</b>	<b>2022</b>
GICs:		
• RBC cashable GIC with interest fluctuating with prime, maturing November 9, 2024	\$ 7,000,000	\$ -
• RBC fixed GIC earning interest at 6.2%, maturing November 9, 2025	10,000,000	-
• RBC fixed GIC earning interest at 6.65%, maturing November 3, 2024	10,000,000	-
• RBC fixed GIC earning interest at 6.65%, maturing August 15, 2024	3,500,000	-
• RBC fixed GIC earning interest at 6.57%, maturing May 7, 2024	2,000,000	-
• RBC fixed GIC to secure letter of credit, earning interest at 4.75% and maturing August 31, 2024	5,000	-
• RBC GIC with interest fluctuating with prime, maturing September 16, 2023	-	20,000,000
• RBC cashable GIC with interest at 4.3%, maturing September 18, 2023	-	5,000,000
• RBC cashable GIC with interest at 4.3%, maturing September 18, 2023	-	4,000,000
	<b>\$ 32,505,000</b>	<b>\$ 29,000,000</b>

**HOSPITALS OF REGINA FOUNDATION INC.**  
**Notes to the Financial Statements (continued)**

**For the year ended December 31, 2023**

**4. Pledges Receivable and Deferred Pledge Revenue:**

	<b>2023</b>		<b>2022</b>	
2023	\$	31,000	\$	509,500
2024		163,000		193,500
Thereafter		193,000		-
	\$	387,000	\$	703,000

Pledges have been designated as follows:

	<b>2023</b>		<b>2022</b>	
Surgical campaign	\$	12,000	\$	112,000
Cardiac Care campaign		-		200,000
Other equipment purchases and general support		375,000		391,000
	\$	387,000	\$	703,000

**5. Planned Giving Receivable and Deferred Planned Gifts:**

	<b>2023</b>		<b>2022</b>	
Insurance policies	\$	205,889	\$	205,889
Bequests		550,000		638,427
	\$	755,889	\$	844,316

**HOSPITALS OF REGINA FOUNDATION INC.**  
**Notes to the Financial Statements (continued)**

**For the year ended December 31, 2023**

**6. Tangible Capital Assets:**

			<b>2023</b>	<b>2022</b>
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Carrying Value</b>	<b>Carrying Value</b>
Computer hardware and software	\$ 200,733	\$ 182,724	\$ 18,009	\$ 23,384
Donor recognition centers	404,678	331,560	73,118	87,715
Furniture and equipment	245,795	161,122	84,673	90,878
Leasehold improvements	293,092	260,496	32,596	105,745
	<b>\$ 1,144,298</b>	<b>\$ 935,902</b>	<b>\$ 208,396</b>	<b>\$ 307,722</b>

Amortization for the year totaled \$46,593 (2022: \$46,079).

**7. Charitable Gaming Revenue:**

	<b>2023</b>	<b>2022</b>
Lottery revenue	\$ 11,008,575	\$ 11,684,036
Lottery expenses		
Prizes	5,231,165	5,217,610
Marketing and administration	2,733,692	2,563,205
	<b>3,043,718</b>	<b>3,903,221</b>
Provincial Gaming Grant	100,000	100,000
	<b>\$ 3,143,718</b>	<b>\$ 4,003,221</b>

**8. Gift Shop Revenue:**

The Foundation took over operation of the gift shop at the Regina General Hospital from the Regina General Hospital Auxiliary on April 3, 2023. The gift shop opened for business on October 23, 2023.

	<b>2023</b>
Gift shop revenue:	
Gift shop sales	\$ 65,200
Donation of inventory	43,667
	<b>108,867</b>
Gift shop expenses:	
Cost of sales	19,467
Salaries	35,993
Gift shop expenses	5,870
	<b>61,330</b>
	<b>\$ 47,537</b>

**HOSPITALS OF REGINA FOUNDATION INC.**  
**Notes to the Financial Statements (continued)**

**For the year ended December 31, 2023**

**9. Endowments and Special Purpose Funds:**

Endowments are established for specific donor-designated purposes, subject to the concurrence of the Foundation and a prescribed minimum donation amount. The Foundation will also designate funds received for similar special purposes. Investment income is to be used only for these purposes and as specified by agreement with the donor and/or the special purpose of the fund.

	Endowment Capital	Designations and Earnings	Fund Balance 2023	Fund Balance 2022
MRI	\$ -	\$ -	\$ -	\$ 3,694,797
Fleming Medical Education	698,952	1,262,588	1,961,540	1,749,725
Caring for Life	396,265	1,286,922	1,683,187	1,501,430
Schmirler (NICU)	137,324	407,906	545,230	486,354
GI / Endoscopy	153,490	427,867	581,357	518,580
Cardiac Care	169,445	335,159	504,604	450,115
Nursing Research	-	207,938	207,938	185,484
Nuclear Pharmacy	21,240	55,988	77,228	68,889
McIntosh Veterans'	-	289,645	289,645	258,368
	\$ 1,576,716	\$ 4,274,013	\$ 5,850,729	\$ 8,913,742

During the year, the Board approved to convert the MRI endowment into an expendable MRI and Imaging Fund.

**10. Commitments:**

The Foundation is committed under an operating lease ending March 31, 2026. Annual payments for the next three years total:

2024 –	\$ 103,247
2025 –	103,247
2026 –	25,812

The Foundation lottery program main prizes are committed for in advance. The total commitment as at December 31, 2023 is \$3,400,000 (2022 - \$3,400,660).

**11. Distributions:**

The Foundation has a policy of disbursing funds to the Saskatchewan Health Authority once appropriate documentation confirming the purchase of equipment or funding of medical research or education has been received by the Foundation from the Authority.

There can be a delay from the time at which a commitment to provide funding is made to the time at which funding for equipment, research or education is actually made. Approved funding commitments to the Authority of \$10,346,124 were outstanding at December 31, 2023 (2022 - \$6,011,199).

**For the year ended December 31, 2023**

---

**12. Financial Risk and Concentration of Risk:**

The Foundation faces certain financial risks such as interest rate, credit risk and liquidity risk which can impact its financial performance. There has been no change in the risk exposures from 2022.

**Interest Rate Risk:**

The Foundation is exposed to interest rates with respect to its certain investments. Financial instruments are not used for trading or speculative purposes. The Foundation mitigates risk associated with these financial instruments through the Foundation's established investment policy.

**Credit Risk:**

The Foundation's cash, accounts receivable, planned giving receivable, pledges receivable and certain investments are not subject to any significant concentration of credit risk. The carrying amounts of financial assets in the statement of financial position represent the Foundations maximum credit exposure at the statement of financial position date. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Credit risk within investments is primarily related to savings deposits and money market fund. The Board has developed investment guidelines that limit debt instruments to those of high credit quality along with limits to the maximum notional amount of exposure.

**Liquidity Risk:**

The Foundation manages its liquidity risk by maintaining adequate cash and investments, preparing operating budgets and reviewing the cash flow needs of the Foundation on a regular basis.

**Market Risk:**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation's pooled equity fund investments are subject to risks arising from changes in market conditions.

**13. Fair Values:**

For the following financial assets and liabilities, carrying amounts approximate fair value due to their immediate or short-term nature: cash, accounts receivable, lottery showhome deposits, pledges receivable, and accounts payable.

The fair value of planned giving receivable has been omitted because it is not practical to determine fair value with sufficient reliability.

**14. Related Party Transactions:**

The Foundation provides donations of funds to the Saskatchewan Health Authority for the benefit of the Regina General Hospital, Pasqua Hospital and Wascana Rehabilitation Centre. These donations allow the Authority to purchase medical equipment and to fund medical education and research.

The Foundation has purchased services from companies in which Board members are owners, partners or senior managers in the amount of \$77,768 (2022 - \$59,291).