

Attendees: Members of Hypertension Canada
To vote in this meeting, membership must be current as at the Call to Order

Chair: Dr. Nadia Khan, President and Chair of the Board

AGENDA

- | | | |
|--|------------------|------------------|
| 1.0 Welcome and Call to Order | Chair | 7:45 (2) |
|
 | | |
| 2.0 Approval of the Minutes of the 2018 AGM | Chair | 7:47 (3) |
| <i><u>MOTION:</u> Approve the minutes of the November 29, 2018 Annual General Meeting of Members as circulated (or as amended, if necessary).</i> | | |
| <i><u>VOTING RESPONSES:</u> In favour, against, or abstain.</i> | | |
|
 | | |
| 3.0 President's Report | Chair | 7:50 (5) |
| <i>The Chair will highlight the three-year strategic plan and key activity since the 2018 AGM</i> | | |
|
 | | |
| 4.0 Operations Report | A. Berg | 7:55 (10) |
| <i>The Chief Executive Officer will report on Operations progress since the 2018 AGM.</i> | | |
|
 | | |
| 5.0 Presentation of Audited Financial Statements and Appointment of Auditor | T. Hudson | 8:05 (10) |
| <i>The Treasurer will present the Audited Financial Statements</i> | | |
| <i><u>MOTION:</u> Accept the Audited Financial Statements for the Fiscal year ended April 30, 2019.</i> | | |
| <i><u>MOTION:</u> Re-appoint Grant Thornton LLP as the organization's auditor for the Fiscal Year ended April 30, 2020, with remuneration to be fixed by the Board of Directors.</i> | | |
| <i><u>VOTING RESPONSES:</u> In favour, against, or abstain.</i> | | |
|
 | | |
| 6.0 Election of Directors | D. Morris | 8:15 (18) |
| <i>The Governance Committee Vice-Chair will present for election the 2020 Election Slate.</i> | | |
| <i><u>MOTION:</u> Re-elect or elect each individual presented on the pre-circulated slate as a Director of the Board.</i> | | |
| <i><u>VOTING RESPONSES:</u> In favour, against, or abstain.</i> | | |
|
 | | |
| 7.0 Remarks and Close | Chair | 8:33 (2) |

***The Annual General Meeting will be followed by
the presentation of Hypertension Canada's Annual Awards.***

Voting Members in Attendance: Nadia Khan (President & Chair), Glen Doucet (Vice-President), Trevor Hudson (Treasurer), Simon Bacon, Alan Bell, Peter Bolli, Norman Campbell, Dylan Burger, Tavis Campbell, Lyne Cloutier, Mike Cloutier, Ross Feldman, Robert Gros, Fady Hannah-Shmouni, Robert Herman, Janusz Kaczorowski, Laura Kuyper, Alexander Leung, Richard Lewanczuk, Patrice Lindsay, Alexander Logan, Donna McLean, Martin Myers, Raj Padwal, Pierre Paradis, Doreen Rabi, Ernesto Schiffrin, Guy Tremblay, Ross Tsuyuki.

Staff: Angelique Berg (Corporate Secretary CEO), Nancy Beshay, Crystal Ceres, Paul Landers, Jodi McNutt, Rebecca Sedore.

MINUTES OF MEETING

1.0 Welcome and Call to Order

With quorum confirmed, the Chair called the meeting to order at 8:00 pm.

2.0 Voting Instructions

Communications Manager Crystal Ceres outlined voting instructions with the digital platform.

3.0 Approval of the Minutes of the 2017 AGM

Upon motion duly made by ERNESTO SCHIFFRIN, seconded by DOREEN RABI, and unanimously carried, the minutes of the October 14, 2017 Annual General Meeting of Members were approved as circulated.

4.0 President's Report

The Chair recalled Hypertension Canada's Vision that Canadians will have the healthiest and best managed blood pressure in the world, and its core areas of excellence: knowledge translation, research, and advocacy. The Chair noted the strategic goals are (1) to expand influence and engagement among key target audiences including primary care, physicians, pharmacists, nurses and dietitians, and (2) to grow total revenues through optimizing traditional funding sources and diversifying total funding sources. Together, they focus efforts toward the Mission: to advance health through the prevention and control of hypertension and its complications.

The Chair reported on the organization's renewal of its core activities to best consider the current challenges faced by key stakeholders: the Hypertension Canada Guidelines transitioned to a two-year review cycle to enable a longer implementation cycle; improved research capacity is sought through trainee mentorship, including the 2019 Young Investigator Forum; and the Canadian Hypertension Congress' redesign aims to expand relevance and appeal to further strengthen research and advance knowledge translation. The Chair referred members to the 2018 Impact Report for more information.

The Chair announced the retirement, with thanks for their contributions, of four Directors, Barry Arbus, Ross Feldman, Sheldon Tobe, and Ross Tsuyuki. The Chair reported that these terms will remain vacant for a time, pending completion of a comprehensive Board Composition Plan to determine the ideal size, skills, diversity, and other factors to drive the organization's success.

The Chair concluded with invitation to the membership to be part of the innovation and momentum to lead the world in best managed blood pressure.

5.0 Operations Report

CEO Angelique Berg reported on Operations activity since the 2017 meeting across the organization's pillars of research, education and advocacy.

In research, Ms. Berg reported that the 2017 Canadian Hypertension Congress hosted 74 abstract presenters, and over 40 trainees at the inaugural Young Investigator Forum. Since, further action to develop trainee capacity includes their direct engagement in the next Young Investigator Forum planning committee, in development of a Research Trainee Strategy in partnership with CIHR's Institute of Circulatory and Respiratory Health, and in conference trainee exchanges.

In education, Ms. Berg reported greatly expanded reach of the Hypertension Canada Guidelines tools among primary care professionals. Current mid-year results in various indicators already near or exceed last year's total results, including the Hypertension Canada Guidelines highlights booklets circulation, the Guidelines digital app downloads, health care professionals education through in-person, online and partnered CME programs, and over 670,000 website visits in the first six months since its re-launch. Ms. Berg remarked that these increases are likely influenced in part by Hypertension Canada's presentations and booth presence at every national primary care conference in the last 12 months.

In advocacy, Ms. Berg reported that the re-launch of the Blood Pressure Measurement Device Recommendation Program in Hypertension Month, resulted in over 37 million media impressions and generated attention from around the world. Arising from this, Hypertension Canada is exploring collaboration with Health Canada on post-market surveillance of devices as part of efforts to improve accuracy in blood pressure detection and monitoring.

Ms. Berg noted that a small surplus was achieved in the 2018 financial results. She cautioned that this positive indication is but one year's results, and that priority remains growth in revenue to power the Mission, and expanded influence to improve hypertension control rates. She expressed gratitude to the membership for their engagement, and for their generosity of time and expertise.

There were no questions from the floor. The Chair thanked Ms. Berg for her presentation.

6.0 Presentation of Audited Financial Statements and Appointment of Auditor

Treasurer Trevor Hudson, with thanks to fellow Finance Committee members Barry Arbus, John Floras, and Pavel Hamet, presented the Audited Financial Statements for the Fiscal Year ended April 30, 2018. He reported the third audit with auditors Grant Thornton LLP was comprehensive, clean and with good cooperation from staff and the accountant.

Upon motion duly made by TREVOR HUDSON, seconded by ROSS FELDMAN and unanimously carried, the Audited Financial Statements for the Fiscal Year Ended April 30, 2018 were confirmed by the members.

Upon motion duly made by TREVOR HUDSON, seconded by ERNESTO SCHIFFRIN and unanimously carried, Grant Thornton LLP was appointed as the auditor for the fiscal year ending April 30, 2019.

The Chair thanked Mr. Hudson for his presentation, and the Finance Committee for their work.

7.0 Election of Directors

Ms. Berg, on behalf of Vice-President and Governance Committee Chair Glen Doucet, extended thanks to Committee members Dorothy Morris and Guy Tremblay for their work on this year's Election Slate. Ms. Berg called attention to the pre-circulated 2018 Election Slate, noted that seven of fourteen terms are expiring, with three Directors standing for re-election and four Directors retiring. Ms. Berg acknowledged the contributions of the retiring Directors:

Mr. Barry Arbus, appointed to the Board in 2011 and officially elected in 2012, played a pivotal role in guiding Hypertension Canada's first staff through the administration and risk management aspects of its establishing merger. Mr. Arbus served on the Finance Committee since his election, as the Committee's Vice-Chair since 2016, drove the Research and Trainee Funds definitions, and encouraged fund development diversification throughout his service.

Dr. Ross Feldman served as Hypertension Canada's first President and Board Chair, elected in 2010. Dr. Feldman was instrumental to the organization's establishment, and to the inaugural Canadian Hypertension Congress in 2011. Dr. Feldman serves on the Awards and Guidelines Committees, and as Vice-Chair on the Research Policy Committee. His contributions were recognized with the Distinguished Service Award in 2006 and the George Fodor Award in 2010.

Dr. Sheldon Tobe, first elected in 2012, is a founding member of the Canadian Hypertension Education Program, now the Hypertension Canada Guidelines, and played a key role on the Transition Committee that facilitated the organization's establishing merger. Dr. Tobe continues to serve on the Guidelines and Research Policy Committees, and his dedication to Hypertension Canada was recognized with a Certificate of Excellence in 2008.

Dr. Ross Tsuyuki was a founding Board member, elected in 2010, and played a key role on Hypertension Canada's Transition Committee, among many others. Dr. Tsuyuki continues to serve on the Guidelines Committee, as Co-Chair of the Research Policy and Education & Implementation Committees, and chairs the 2019 Canadian Hypertension Congress Scientific Program Committee. His dedication was honoured in 2007 with a Certificate of Excellence.

Ms. Berg called attention to the three Directors nominated for re-election: Alan Bell and Guy Tremblay to two year terms, and Ernesto Schiffrin to a one-year term only, at which point Dr. Schiffrin will reach the maximum allowable consecutive years of service.

Dr. Alan Bell is a family physician, clinical researcher, and an Assistant Professor of Family and Community Medicine at the University of Toronto. Dr. Bell serves on various guideline committees of the Canadian Cardiovascular Society, and as Vice-Chair of Thrombosis Canada. He has served as faculty and chair of various committees and advisory boards in continuing medical education, serving the common interests of the medical profession and the public. First elected in 2016, Dr. Bell co-chairs the Education & Implementation Committee, and will co-chair the 2019 Canadian Hypertension Congress.

Dr. Ernesto Schiffrin is Physician-in-Chief at Montreal's Jewish General Hospital, a world- renowned scientist, recipient of numerous awards within Canada and internationally, and was invested to the Order of Canada for his research in the field of hypertension. First elected in 2011, Dr. Schiffrin serves on the Executive, Research Policy, and Guidelines Committees, and is immediate Past-President.

Dr. Guy Tremblay is a cardiologist, epidemiologist and health services researcher, and professor of internal medicine in Quebec City. He has played a leading role in the widespread dissemination and adoption of clinical practice guidelines, including those of the Canadian Cardiovascular Society and Hypertension Canada.

Upon motion duly made by ROSS FELDMAN, seconded by TREVOR HUDSON and unanimously carried, each of the following were elected as a Director of the Board: Dr. Alan Bell and Dr. Guy Tremblay to two-year terms, and Dr. Ernesto Schiffrin to a one-year term.

Ms. Berg thanked the membership for their votes and announced that those elected join Directors with terms-in-progress: Glen Doucet, Trevor Hudson, Janusz Kaczorowski, Nadia Khan, David Lui, Dorothy Morris, and Raj Padwal; to form the 2018-2019 Board of Directors.

The Chair thanked Ms. Berg for facilitating the election, and the Governance Committee for their work on the 2018 Election Slate and on the Board Composition Plan.

8.0 Remarks and Close

The Chair thanked everyone for their participation in this 2018 Annual General Meeting and in the organization throughout the year.

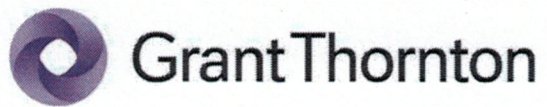
The Chair encouraged attendance at the 2019 Canadian Hypertension Congress, September 25-28, 2019, and wide promotion of the event by all members.

There being no further business, the meeting was closed at 8:51 pm.

Respectfully submitted to the Board of Directors,



Jodi McNutt for:
Angelique Berg,
Corporate Secretary
November 29, 2018



Financial Statements

Hypertension Canada

April 30, 2019

Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 13

Independent Auditor's Report

Grant Thornton LLP
Suite 200
15 Allstate Parkway
Markham, ON
L3R 5B4
T +1 416 366 0100
F +1 905 475 8906

To the Board of Directors of
Hypertension Canada

Opinion

We have audited the financial statements of Hypertension Canada, which comprise the statement of financial position as at April 30, 2019, and the statements of operations, changes in net assets and cash flows for the year ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Hypertension Canada as at April 30, 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.

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 Organization 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 these 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.



Markham, Canada
September 19, 2019

Chartered Professional Accountants
Licensed Public Accountants

Hypertension Canada

Statement of Operations

Year ended April 30

	2019	2018
Revenue		
Grants and sponsorships	\$ 415,410	\$ 1,025,262
Registration fees and other income	178,093	132,367
Investment income	138,613	96,151
Realized gain on disposal of investments	136,071	122,320
Membership dues	37,525	168,025
Donations	<u>28,172</u>	<u>10,984</u>
	<u>933,884</u>	<u>1,555,109</u>
Expenses (Note 3)		
Research	95,700	(19,282)
Education		
Professional education	243,939	468,631
Hypertension Canada Guidelines	129,126	205,833
Canadian Hypertension Congress	79,802	241,141
Patient education	77,306	71,567
Advocacy		
Public policy	72,840	97,762
Administration		
Administrative functions	267,387	308,769
Governance	50,478	38,499
Marketing and communication	83,475	74,566
Member services	<u>46,810</u>	<u>51,050</u>
	<u>1,146,863</u>	<u>1,538,536</u>
(Deficiency) excess of revenue over expenses before undernoted item	(212,979)	16,573
Unrealized gain (loss) in market value of investments	<u>2,412</u>	<u>(160,913)</u>
Deficiency of revenue over expenses	<u>\$ (210,567)</u>	<u>\$ (144,340)</u>

Hypertension Canada

Statement of Changes in Net Assets

Year ended April 30

	Unrestricted	Internally restricted	Internally restricted endowment	Externally restricted	Total 2019	Total 2018
Balance, beginning of year	\$ 323,316	\$ 331,873	\$ 2,000,000	\$ 908,658	\$ 3,563,847	\$ 3,708,187
(Deficiency) excess of revenue over expenses	(409,610)	128,765	-	70,278	(210,567)	(144,340)
Inter-fund transfers	<u>420,000</u>	<u>(420,000)</u>	-	-	-	-
Balance, end of year	<u>\$ 333,706</u>	<u>\$ 40,638</u>	<u>\$ 2,000,000</u>	<u>\$ 978,936</u>	<u>\$ 3,353,280</u>	<u>\$ 3,563,847</u>

See accompanying notes to the financial statements.

Hypertension Canada

Statement of Financial Position

April 30

2019

2018

Assets

Current

Cash	\$ 135,676	\$ 139,832
Accounts receivable	84,507	90,671
Prepaid expenses	<u>26,230</u>	<u>57,129</u>
	246,413	287,632

Investments (Note 4)	3,131,361	3,355,268
Property and equipment (Note 5)	<u>92,868</u>	<u>132,573</u>
	<u>\$ 3,470,642</u>	<u>\$ 3,775,473</u>

Liabilities

Current

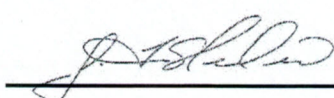
Accounts payable and accrued liabilities	\$ 50,092	\$ 162,179
Deferred revenue (Note 6)	<u>67,270</u>	<u>49,447</u>
	<u>117,362</u>	<u>211,626</u>

Net assets (Note 7)

Unrestricted	333,706	323,316
Internally restricted	40,638	331,873
Internally restricted endowment	2,000,000	2,000,000
Externally restricted	<u>978,936</u>	<u>908,658</u>
	<u>3,353,280</u>	<u>3,563,847</u>
	<u>\$ 3,470,642</u>	<u>\$ 3,775,473</u>

Commitment (Note 8)

On behalf of the Board



Director



Director

Hypertension Canada

Statement of Cash Flows

Year ended April 30

2019

2018

Increase (decrease) in cash

Operating

Deficiency of revenue over expenses	\$ (210,567)	\$ (144,340)
Items not involving cash		
Amortization	39,705	29,140
Realized gain on disposal of investments	(136,071)	(122,320)
Unrealized (gain) loss on investments	<u>(2,412)</u>	<u>160,913</u>

(309,345) (76,607)

Net change in non-cash working capital items

Accounts receivable	6,164	47,861
Prepaid expenses	30,899	411
Accounts payable and accrued liabilities	(112,087)	(68,057)
Deferred revenue	<u>17,823</u>	<u>29,087</u>

(366,546) (67,305)

Investing

Proceeds on sale of investments	465,000	456,000
Purchase of investments	(102,610)	(257,927)
Purchase of property and equipment	<u>-</u>	<u>(128,598)</u>

362,390 69,475

Net change in cash during the year

(4,156) 2,170

Cash, beginning of year

139,832 137,662

Cash, end of year

\$ 135,676 \$ 139,832

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

1. Nature of organization

Hypertension Canada (the "Organization") is a national organization whose main purpose is to advance health through the prevention and control of high blood pressure. Its main activities are research, professional and public education, and advocacy.

Hypertension Canada is incorporated in the province of Ontario as a not-for-profit organization without share capital and is exempt from tax. The Organization's registered charity number is 89701 6275 RR0001.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Fund accounting

The Organization maintains its accounts in accordance with the principles of fund accounting under which resources for particular purposes are classified for accounting and reporting into funds corresponding to those purposes.

Unrestricted – represents the results of ongoing mission work, grant activities, fundraising, and administrative activities where no restrictions are placed on activities.

Internally restricted – accounts for income arising from assets received from the International Society of Hypertension's Montreal meeting in 1990 and awards distributed out of the fund in honour of the May 1992 agreement and as directed by the Board of Directors.

The Board of Directors administers and awards these funds in accordance with the terms and spirit of the agreement described above and subject to the Organization's by-laws.

Internally restricted endowment – represents the original endowment received from the International Society of Hypertension's Montreal meeting in 1990, carried in honour of the May 1992 agreement, as directed by the Board of Directors. In recognition of the legacy agreement and the initial contribution, the Board approved that \$2,000,000 will remain in the Endowment Fund indefinitely.

Externally restricted – represent the results of activities related to proceeds received from donors who specify the use of donations, and specific grants allocated therefrom. The externally restricted funds include:

- (a) Ontario Hypertension Society – accounts for contributions and expenses relating to support of vascular biology/hypertension research in Ontario and the implementation of scientific meetings and networking opportunities for Ontario scientists and trainees.

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

2. Summary of significant accounting policies (continued)

Fund accounting (continued)

(b) Vancouver Hypertension 2010 – Pursuant to an agreement with the local organizers of the International Society of Hypertension's meeting in Vancouver in 2010, the Organization received a grant of \$630,000 in 2014, and an additional grant of \$200,000 in 2018, to be used for the following specific activities, for a period of 30 years:

- i. For an annual lecture on hypertension during the Canadian Hypertension Congress; and,
- ii. To support research, primarily of trainees or young investigators, in the area of hypertension and related diseases.

Interfund transfers

Transfers between funds are made when resources of one fund have been authorized to finance activities and acquisitions in another fund.

Revenue recognition

The Organization follows the restricted fund method of accounting for restricted contributions. Under this method, externally restricted contributions are recognized as revenue in the appropriate fund when received. Endowment contributions are recognized as direct increases in the Endowment Fund when received. Unrestricted revenue, including grants, sponsorships and donations, is recognized as revenue of the Unrestricted Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Registration fees are recognized in the period in which the event which requires registration takes place.

Membership fees are recognized as revenue when earned.

Investment income (loss) earned on endowment assets and the respective restricted fund balances is recognized in the appropriate restricted fund.

Allocation of expenses

The Organization allocates salaries and benefits to research, education, advocacy, administration, and member services functions. Allocations are based on the time spent by the employees on each function. The details of the allocation are disclosed in Note 3.

Contributed services

Volunteers contribute many hours so that the Organization can carry out its goals and objectives. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

2. Summary of significant accounting policies (continued)

Financial instruments

The Organization's financial instruments are initially measured at fair value when issued or acquired.

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (less impairment in the case of financial assets), except for investments which are measured at fair value. The financial instruments measured at amortized cost are cash, accounts receivable, and accounts payable.

For financial assets measured at amortized cost, the Organization regularly assesses whether there are any indications of impairment. Any impairment loss is recognized in the statement of operations.

Investments consist of pooled investment funds and are recorded at fair value. Unrealized gains and losses arising from the change in the fair value of investments are recorded in the excess (deficiency) of revenue over expenses for the fiscal year.

Property and equipment

Property and equipment is recorded at cost, less amortization, which is provided over the asset's estimated useful life on a declining balance basis as follows:

Computer software	30%
Office equipment	20%
Computer equipment	30%

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. Areas requiring the use of management estimates include accrued liabilities and rates of amortization. Actual results could differ from these estimates.

3. Expenses

Salaries and benefits are allocated to the Organization's functions as follows:

	<u>2019</u>	<u>2018</u>
Research	\$ 43,616	\$ 31,437
Education	240,076	241,013
Advocacy	69,420	52,394
Administration	158,120	157,183
Member services	<u>46,498</u>	<u>41,915</u>
Salaries and benefits	<u>\$ 557,730</u>	<u>\$ 523,942</u>

During fiscal 2019, at rates consistent with the prior year, salaries and benefits were allocated based on the amount of time spent on each function, as follows: 8% to research, 43% to education, 12% to advocacy, 28% to administration, and 8% to member services.

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

3. Expenses (continued)

Expenses of the Organization by object are as follows:

	<u>2019</u>	<u>2018</u>
Salaries and benefits	\$ 557,730	\$ 523,942
Shared services	110,745	144,989
Advertising, marketing display	107,177	203,361
Publications and printing	89,201	51,949
Conferences	69,769	241,882
Awards	62,601	91,176
Amortization	39,705	29,140
Electronic media	33,257	108,046
Investment management fees	33,097	35,159
Contract and temporary staff	25,361	76,084
Consulting fees	6,512	54,175
Audio visual	6,273	65,998
Website and translation	5,435	12,635
Canadian Vascular Network (Note 8)	-	(100,000)
	<u>\$ 1,146,863</u>	<u>\$ 1,538,536</u>

4. Investments

As at April 30, 2019, investments were held in a balanced pooled fund, consisting of fixed income securities (30.1%; 2018 – 32.6%), foreign equities (44.3%; 2018 – 42.2%), and Canadian equities (25.6%; 2018 – 25.2%). In fiscal 2019, the return earned on the investments was approximately 8.5% (2018 – 1.7%).

The investments are set aside to fund activities of the various restricted and endowed funds, as follows:

	<u>2019</u>	<u>2018</u>
Internally restricted	\$ 40,638	\$ 331,873
Internally restricted endowment	2,000,000	2,000,000
Externally restricted	978,936	908,658
Available for use in unrestricted activities	<u>111,787</u>	<u>114,737</u>
Total investments	<u>\$ 3,131,361</u>	<u>\$ 3,355,268</u>

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

5. Property and equipment

			<u>2019</u>	<u>2018</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer software	\$ 170,174	\$ 78,290	\$ 91,884	\$ 131,263
Office equipment	3,649	3,110	539	673
Computer equipment	<u>1,070</u>	<u>625</u>	<u>445</u>	<u>637</u>
	<u>\$ 174,893</u>	<u>\$ 82,025</u>	<u>\$ 92,868</u>	<u>\$ 132,573</u>

6. Deferred revenue

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 49,447	\$ 20,360
Funds received during the year	67,270	49,447
Less: funds recognized in revenue	<u>(49,447)</u>	<u>(20,360)</u>
Balance, end of year	<u>\$ 67,270</u>	<u>\$ 49,447</u>

7. Net assets

	<u>Net assets, beginning of year</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Transfers</u>	<u>Net assets, end of year</u>
Unrestricted	\$ 323,316	\$ 659,221	\$ (1,068,831)	\$ 420,000	\$ 333,706
Internally restricted	331,873	197,285	(68,520)	(420,000)	40,638
Internally restricted endowment	<u>2,000,000</u>	-	-	-	<u>2,000,000</u>
Externally restricted funds					
Ontario Hypertension Society	31,383	-	-	-	31,383
Vancouver Hypertension 2010	<u>877,275</u>	<u>79,790</u>	<u>(9,512)</u>	<u>-</u>	<u>947,553</u>
	<u>908,658</u>	<u>79,790</u>	<u>(9,512)</u>	<u>-</u>	<u>978,936</u>
	<u>\$ 3,563,847</u>	<u>\$ 936,296</u>	<u>\$ (1,146,863)</u>	<u>\$ -</u>	<u>\$ 3,353,280</u>

Hypertension Canada

Notes to the Financial Statements

April 30, 2019

8. Commitment

The Organization has a monthly rent obligation under a lease that ends on March 31, 2020 in the amount of \$2,284 per month, plus common fees.

9. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable, which is not considered to be significant.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is not exposed to significant liquidity risk due to its strong working capital position.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at April 30, 2019, investments of \$749,335 (2018 - \$746,212) and \$732,738 (2018 - \$669,711) are invested in United States and International equities, respectively, and are converted into Canadian dollars.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at April 30, 2019, investments of \$893,377 (2018 - \$1,093,817) are invested in fixed income investments and subject to interest rate risk.

Other price risk

Other price risk is the risk that the fair value of 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 other factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investments in equities.

Election Slate Overview

At the 2019 Annual General Meeting (AGM), a total of ten individuals are nominated for election or re-election to the Board of Directors, which has a maximum of fourteen Directors. Seven Directors are nominated for re-election, three individuals are nominated for election to vacant terms, and one term, held by Dr. Alan Bell, is in progress. Three terms will remain vacant at this time. Also at this AGM, one Director retires from the Board, having reached the maximum consecutive years of service.

Nominated for Re-election:

Mr. Glen Doucet, Ottawa (Ontario)
Mr. Trevor Hudson, Oakville (Ontario)
Dr. Janusz Kaczorowski, Montreal (Quebec)
Dr. Nadia Khan, Vancouver (British Columbia)
Mr. David Lui, Calgary (Alberta)
Dorothy Morris, Victoria (British Columbia)
Dr. Raj Padwal, Edmonton (Alberta)

Nominated for Election:

Dr. Rob Gros, London (Ontario)
Dr. Swapnil Hiremath, Ottawa (Ontario)
Dr. Ross Tsuyuki, Edmonton (Alberta)

Retiring from Board service:

Dr. Ernesto Schiffrin is Physician-in-Chief at Montreal's Jewish General Hospital, a world-renowned scientist, recipient of numerous awards within Canada and internationally, and was invested to the Order of Canada for his research in the field of hypertension. Dr. Schiffrin was first elected to Hypertension Canada's Board of Directors in 2011 and retires after eight years of continuous service. A highly prominent member and former President of the Canadian Hypertension Society, Dr. Schiffrin supported and guided Hypertension Canada's inception, helping to create one cohesive entity from the three heritage organizations. Having served in many capacities throughout the organization, Dr. Schiffrin served as Hypertension Canada's President from 2013 to 2016. He continues to serve on the Hypertension Canada Guidelines Committee and its varied subgroups. Dr. Schiffrin was recognized with the Distinguished Service Award in 2004, and his immeasurable contributions of time and expertise to Hypertension Canada continue, with the Board's gratitude for his enduring and exemplary leadership.

Nominated for Re-election:

Mr. Glen Doucet – Ottawa (Ontario)

Government and Public Relations, Charitable Sector Leader

Chief Executive Officer, Canadian Pharmacists Association

- First elected in 2014; nominated to fourth term (to 2021)*
- Holds the Office of Vice-President
- Current Board Committees: Executive (Vice-President), Governance (Chair)

Mr. Trevor Hudson – Oakville (Ontario)

Chartered Professional Accountant, Tax Compliance and Advisory Services

Partner, Deloitte

- First elected in 2014; nominated to fourth term (to 2021)*
- Holds the Office of Treasurer
- Current Board Committees: Executive (Treasurer), Finance (Chair)

Dr. Janusz Kaczorowski – Montreal (Quebec)

Professor and Research Director, Family and Emergency Medicine

- First elected in 2013, nominated to fourth term (to 2021)
- Current Board Committees: None

Dr. Nadia Khan – Vancouver (British Columbia)

Professor of Medicine, General Internal Medicine

- First elected in 2013; nominated to fourth term (to 2021)
- Holds the Office of President
- Current Board Committees: Executive (President)

Mr. David Lui – Calgary (Alberta)

Business and Marketing Leader

Vice-President of Marketing, Mark's Work Warehouse (Canadian Tire)

- First elected in 2015; nominated to third term (to 2021)
- Current Committees: Governance Committee

Ms. Dorothy Morris – Victoria (British Columbia)

Cardiovascular Nurse, Medical Association Leader

- First elected in 2014; nominated to fourth and final term (to 2021)*
- Current Committees: Awards (Chair), Governance (Vice-Chair)

Dr. Raj Padwal – Edmonton (Alberta)

Physician, Epidemiologist and Health Services Researcher, Professor, Internal Medicine

- First elected in 2015; nominated to third term (to 2021)
- Current Committees: Operations Committee (Co-Chair), Guidelines Committee

**** Includes partial terms (one-year)***

Nominated for Election:

Dr. Rob Gros – London (Ontario)

Scientist, Molecular Medicine: Vascular and Brain Health Group;

Director, Laboratory of Cardiovascular and Metabolic Phenotyping

Associate Professor, Departments of Physiology & Pharmacology and Medicine (Division of Clinical Pharmacology),

Robarts Research Institute, Schulich School of Medicine, Western University

Hypertension Canada volunteerism:

- Co-Chair, Canadian Hypertension Congress since the inaugural event
- Senior Mentor, Young Investigator Forum since the inaugural event
- Member and past Chair, Canadian Hypertension Congress Scientific Program Committee

[Continued next page]

Dr. Swapnil Hiremath – Ottawa (Ontario)

Nephrologist and Researcher, Associate Professor, Faculty of Medicine, University of Ottawa
Associate Scientist, Clinical Epidemiology Program, Ottawa Hospital Research Institute

Hypertension Canada volunteerism:

- Member, Blood Pressure Measurement Device Recommendations Program Expert Committee
- Hypertension Canada Guidelines Committee:
 - Chair, Resistant Hypertension Subgroup
 - Member, Health Behaviours Subgroup

Dr. Ross Tsuyuki – Edmonton (Alberta)

Professor and Chair, Department of Pharmacology
Professor of Medicine (Cardiology) and Director, EPICORE Centre
Faculty of Medicine and Dentistry, University of Alberta

Hypertension Canada volunteerism:

- Chair, Canadian Hypertension Congress Scientific Program Committee
- Co-Chair, Education & Implementation Committee
- Hypertension Canada Guidelines Committee:
 - Member, Adherence Subgroup
- Director of the Board, 2010-2018