BERMUDA CANCER AND HEALTH CENTRE

Financial Statements
(With Independent Auditor's Report Thereon)

For the year ended December 31, 2017

KPMG Audit Limited
Crown House
4 Par-la-Ville Road
Hamilton HM 08 Bermuda

Mailing Address:
P.O. Box HM 906
Hamilton HM DX Bermuda

Telephone +1 441 295 5063
Fax +1 441 295 9132
Internet www.kpmg.bm

Independent Auditor's Report

To the Members of Bermuda Cancer and Health Centre

Qualified Opinion

We have audited the financial statements of Bermuda Cancer and Health Centre (the "Centre"), which comprise the statement of financial position as at December 31, 2017, the statements of revenues and expenditures, change in net assets and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada ("ASNFPO").

Basis for Qualified Opinion

In common with many charitable organizations, the Centre derives $1,115,149 of its revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. We are unable to obtain sufficient appropriate audit evidence over the completeness of donations. Accordingly, our verification of donations and deferred contributions was limited to the amounts recorded in the records of the Centre and we were not able to determine whether any adjustments might be necessary to total revenues and excess of revenues over expenditures reported in the statement of revenues and expenses for the year ended December 31, 2017, and deferred contributions, cash and cash equivalents and net assets reported in the statement of financial position as at that date.

We conducted our audit in accordance with International Standards on Auditing ("ISA"). 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 Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bermuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNFPO 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

KPMG

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 ISA 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 ISA 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 Centre'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 Centre'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 Centre 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.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
June 7, 2018

BERMUDA CANCER AND HEALTH CENTRE

Statement of Financial Position

As at December 31, 2017
(Expressed in Bermuda Dollars)

	2017	2016
Assets		
Current assets		
Cash and cash equivalents (Notes 2(c) and 7)	$ 1,917,049	$ 3,234,461
Term deposits (Note 3)	500,000	–
Donations receivable (Note 6)	675,000	842,000
Accounts receivable (Net of a provision of $560,648; 2016 - $nil)	1,419,853	227,786
Prepaid expenses	113,842	82,657
Inventories (Note 2(d))	23,221	46,273
Total current assets	4,648,965	4,433,177
Investments (Note 3)	194,919	167,403
Term deposits (Note 3)	–	500,000
Capital assets (Note 4)	11,475,402	6,511,050
Total assets	$ 16,319,286	$ 11,611,630
Liabilities and net assets		
Current liabilities		
Bank loan, current (Note 5)	$ 500,000	$ 500,000
Accounts payable and accrued liabilities (Notes 11 and 15)	1,094,778	616,104
Total current liabilities	1,594,778	1,116,104
Bank loan, non-current (Note 5)	2,999,494	1,027,841
Deferred contributions (Note 6)	6,652,257	5,671,563
Total liabilities	11,246,529	7,815,508
Net assets		
Unrestricted net assets	4,414,736	2,446,157
Restricted net assets (Note 7)	658,021	1,349,965
Total net assets	5,072,757	3,796,122
Total liabilities and net assets	$ 16,319,286	$ 11,611,630

The accompanying notes are an integral part of these financial statements

On behalf of the Board of Directors:

_________________ Director

_________________ Director

BERMUDA CANCER AND HEALTH CENTRE

Statement of Revenues and Expenditures

For the year ended December 31, 2017
(Expressed in Bermuda Dollars)

	2017	2016
Revenues		
Radiation therapy services	$ 4,119,033	$ –
Mammography services	2,225,447	1,674,789
Donations	1,115,149	493,841
Amortization of deferred contributions (Note 6)	728,538	441,603
Densitometry services	407,331	440,554
Donations for uninsured and underinsured patients	346,657	146,127
Ultrasound services	304,483	336,282
Biopsy service - breast	127,350	85,470
Net change in fair value of investments (Note 3)	27,516	27,792
Biopsy service – prostate	20,257	10,208
Interest income	18,339	22,129
Dividends from investments	6,667	6,583
Prescription sales	3,381	60,901
Other income	950	375
Total revenues	9,451,098	3,746,654
Expenditures		
General and administrative (Note 8)	4,703,708	2,964,287
Radiation therapy expenses (Note 9)	1,817,526	71,969
Donation to uninsured patients (Note 10)	561,033	98,941
Subsidy for underinsured patients (Note 10)	425,185	55,205
Mammography services	261,129	232,586
Interest expense	133,674	–
Fundraising and education	107,425	163,440
Biopsy expenses - breast	41,036	20,764
Loss on disposal of asset	37,786	–
Ultrasound services	32,389	27,311
Densitometry services	31,997	30,842
Prescription purchases (Note 2 (d))	14,725	57,947
Biopsy expenses – prostate	5,821	69
Genetics program	1,029	–
Total expenditures	8,174,463	3,723,361
Excess of revenues over expenditures	$ 1,276,635	$ 23,293

The accompanying notes are an integral part of these financial statements

BERMUDA CANCER AND HEALTH CENTRE

Statement of Changes in Net Assets

Year ended December 31, 2017
(Expressed in Bermuda Dollars)

	Restricted net assets (Note 7)								
	Radiation Therapy	Scholarship	Cancer Information Services	Under/ uninsured	Men's Health	Total	Unrestricted net assets	2017 Total	2016 Total
Balance beginning of year	$ 274,412	$ 552,302	$ 271,672	$ 75,219	$ 176,360	$ 1,349,965	$ 2,446,157	$ 3,796,122	$ 3,772,829
Net appropriations for assets	(774,412)	–	–	–	–	(774,412)	774,412	–	–
Transfer	500,000	(500,000)	–	–	–	–	–	–	–
Excess (deficit) of revenues over expenses	–	1,046	(6,906)	102,195	(13,867)	82,468	1,194,167	1,276,635	23,293
Balance at end of year	$ –	$ 53,348	$ 264,766	$ 177,414	$ 162,493	$ 658,021	$ 4,414,736	$ 5,072,757	$ 3,796,122

The accompanying notes are an integral part of these financial statements

BERMUDA CANCER AND HEALTH CENTRE

Statement of Cash Flows

For the year ended December 31, 2017
(Expressed in Bermuda Dollars)

	2017	2016
Operating activities		
Excess of revenues over expenditures	$ 1,276,635	$ 23,293
Adjustments for:		
Depreciation of capital assets	1,052,934	574,775
Amortization of deferred contributions	(728,538)	(441,603)
Bad debt expense	560,648	16,060
Loss on disposal of assets	37,786	–
Net change in fair value of investments	(27,516)	(27,792)
Changes in non-cash working capital balances:		
Accounts receivable	(1,752,715)	141,823
Donations receivable	167,000	(842,000)
Prepaid expenses	(31,185)	26,390
Inventories	23,052	63,296
Accounts payable and accrued liabilities	478,674	322,168
Cash provided by (used in) operating activities	1,056,775	(143,590)
Investing activities		
Purchase of capital assets	(6,055,072)	(3,519,940)
Cash used in investing activities	(6,055,072)	(3,519,940)
Financing activities		
Amount received on bank loan, net (Note 5)	1,971,653	1,527,841
Net cash contributions received for capital campaigns (Note 6)	1,709,232	2,295,888
Cash provided by financing activities	3,680,885	3,823,729
Net (decrease) increase in cash and cash equivalents	(1,317,412)	160,199
Cash and cash equivalents at beginning of year	3,234,461	3,074,262
Cash and cash equivalents at end of year	$ 1,917,049	$ 3,234,461
Supplementary information:		
Interest paid (Note 5)	$ 199,323	$ 7,582

The accompanying notes are an integral part of these financial statements

1. General

The Bermuda Cancer and Health Centre (the "Centre") is a registered charity formed on July 17, 1945 for the original purpose of assisting tuberculosis, cancer and diabetic patients in Bermuda. On July 2, 2007, the Centre converted from an unincorporated Association to a company limited by guarantee and changed its name from Bermuda Tuberculosis, Cancer and Health Association to Bermuda Cancer & Health Resource Centre. On August 31, 2007, the Centre changed its name to Bermuda Cancer and Health Centre and its current mission is to provide the highest standard of early detection, radiation treatment, support, care and education for cancer and other diseases to all.

2. Significant accounting policies

These financial statements were prepared in accordance with accounting standards for not-for-profit organizations generally accepted in Bermuda and Canada ("ASNFPO") contained in Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook – Accounting, and include the following significant accounting policies:

(a) Use of estimates

The preparation of these financial statements in conformity with ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. These estimates are reviewed periodically and adjustments are made to revenues and expenditures as appropriate in the year they become known. Actual results could differ from the amount estimated.

(b) Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions that relate to expenses of future periods are deferred and, to the extent they have been received or pledged, are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues from services are recognized when the service is provided to the client and the collectability of the related receivable from the client's insurance provider is reasonably assured.

All other income, except for contributions, is recognized on the accruals basis when earned.

(c) Cash and cash equivalents

The Centre considers all cash on hand, deposits with financial institutions that can be withdrawn without notice or penalty, and short-term deposits with an original maturity of ninety days or less as equivalent to cash. Interest earned on cash and cash equivalents is at rates ranging between nil% and 0.5% (2016 - nil% and 0.10%) per annum.

2. **Significant accounting policies** (continued)

(d) *Inventories*

Inventories are carried at the lower of cost and net realizable value, and are valued on a first-in, first-out basis. Included in prescription purchases are recognized inventory expenses of $14,725 (2016 - $57,947). There were $7,579 in inventories written off during the year (2016 - $nil) and no provision for obsolete or slow-moving inventories at the reporting date (2016 - $nil).

(e) *Capital assets*

Capital assets are recorded at cost less accumulated depreciation and impairment losses, if any. Land is not depreciated. Depreciation of buildings, equipment and other assets is provided over the estimated useful lives of the assets on a straight line basis as follows:

Buildings	20 years
Building improvements	10 years
Medical equipment	5-15 years
Vehicle	5 years
Furniture and fixtures	5 years
Office equipment	3 years
Website development	5 years

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Capital assets under construction or not ready for use are capitalized at cost. Costs include construction costs professional fees, borrowing costs and all other directly attributable costs associated with the construction of the new Radiation Therapy Unit and the purchase of the associated Radiation Therapy equipment (Note 4). Depreciation of these assets, are on the same basis as capital assets, and commence when the assets are available for their intended use.

(f) *Donated services*

Volunteer efforts and non-cash donations are reflected in the financial statements only when a fair value can be reasonably estimated.

(g) *Donations receivable*

Donations receivable are recognized on the statement of financial position when the Centre can reliably estimate the amount to be received and collection of this amount is fairly certain. Donations receivable for longer than a 12 month period from the statement of financial position date are not recognized.

2. **Significant accounting policies** (continued)

(h) Financial instruments

Financial assets consist of cash and cash equivalents, term deposits, investments, accounts receivable and donations receivable. Financial liabilities consist of bank loan payable and accounts payable.

Investments quoted in an active market are initially measured at fair value as at the trade date, and then re-measured to fair value at the reporting date, with the related net change in fair value included in revenues and expenditures. The fair value of the investments is based on quoted market values. Transaction costs are recognized in revenues and expenditures in the period incurred.

Purchases and sales of investments are accounted for at the transaction date.

All other financial assets are initially measured at cost being the fair value of the consideration paid. Subsequent to initial recognition, other financial assets are measured at amortized cost, less any adjustment for impairment.

Financial liabilities are measured at amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenues and expenditures. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

3. **Investments and term deposits**

Investments include marketable securities consisting of:

		2017		2016	
Number of shares	Securities held	Cost	Fair value	Cost	Fair value
2,318	Butterfield Bank	$ 38,871	$ 84,607	$ 38,871	$ 71,974
4,000	Somers Limited (formerly Bermuda Commercial Bank Ltd.)	21,575	57,000	21,575	55,000
4,509	Ascendant Group Ltd.	70,712	42,836	70,712	32,014
3,492	KeyTech Limited	49,213	10,476	49,213	8,415
		$ 180,371	$ 194,919	$ 180,371	$ 167,403

As at December 31, 2017, the Centre has $500,000 (2016 - $500,000) of its cash invested in a certificate of deposit with a Bermuda bank with an annual interest rate of 2.5% payable quarterly and a maturity date of April 30, 2018.

4. **Capital assets**

Capital assets consist of:

	2017			2016
	Cost	Accumulated depreciation	Net book value	Net book value
Land	$ 987,428	$ –	$ 987,428	$ 987,428
Assets under construction	–	–	–	3,201,276
Building and building improvements	8,436,734	2,732,780	5,703,954	1,301,879
Medical equipment	6,035,163	1,954,012	4,081,151	583,482
Vehicle	17,630	12,148	5,482	7,245
Office equipment and furniture	1,612,566	927,136	685,430	418,186
Website development	46,217	34,260	11,957	11,554
	$ 17,135,738	$ 5,660,336	$ 11,475,402	$ 6,511,050

The cost and accumulated depreciation of capital assets at December 31, 2016 were $11,639,346 and $5,128,296, respectively. During the year the Centre disposed of capital assets with a cost of $558,680 and a net book value of $37,786 (2016 - $nil) which were no longer in use at $nil proceeds.

In May 2014, the Centre launched a capital campaign for the construction of a Radiation Therapy Unit. Assets under construction amounting to $5,329,158 (2016 - $3,201,276) were capitalized during the year relating to this project. Depreciation on these assets under construction commenced in May 2017 when the Radiation Therapy Unit treated its first patients.

5. **Bank loan**

	2017	2016
Current	$ 500,000	$ 500,000
Long-term	2,999,494	1,027,841
Total	$ 3,499,494	$ 1,527,841

The Centre has a $5,000,000 loan facility with Bermuda Commercial Bank (the "Bank"). Interest is payable in arrears at a rate of three month LIBOR plus 4.5% per annum adjusted quarterly. The facility was available through October 31, 2017 at which time un-drawn funds lapsed. Interest expense amounting to $192,156 (2016 - $7,582) was recognized during the year, of which $58,482 (2016 - $7,582) was capitalized as part of assets under construction. An arrangement fee expense for this facility in the amount of $25,000 was incurred in 2016 and also capitalized (Note 4).

5. **Bank loan** (continued)

The Bank has a fixed and floating charge over the Centre's building.

The Centre is subject to loan covenants imposed by the Bank for which it is fully compliant.

The minimum principal repayments due on the current drawn portion are as follows:

2018	$ 500,000
2019	500,000
2020	500,000
2021	1,999,494
	$ 3,499,494

6. **Deferred contributions**

Deferred contributions represent unamortized restricted contributions for capital campaigns. Changes in the deferred contributions balance are as follows:

	2017	2016
Balance, beginning of year	$ 5,671,563	$ 3,817,278
New contributions during the current year, net	1,034,232	1,453,888
Donations receivable	675,000	842,000
Amounts amortized to revenue in the year	(728,538)	(441,603)
Balance, end of period	$ 6,652,257	$ 5,671,563

In 2000, the Centre launched a building campaign to raise $4 million for a new Cancer Resource Centre.

In May 2014, the Centre launched a new capital campaign for a Radiation Treatment Centre. The deferred contributions balance comprises amounts contributed during the current year and prior years, which is externally restricted for the building of, and new equipment for, the Centre.

Donations receivable in the amount of $675,000 (2016 - $842,000) has been recognized with respect to the Radiation Therapy Unit campaign. These amounts are expected to be received within the next 12 months from various donors.

7. **Restricted net assets**

Restricted net assets represent unspent resources internally restricted for the Scholarship Fund as well as restricted capital campaign funds. The externally restricted funds include the Cancer Information Services ("CIS"), Radiation Therapy, Men's Health and Underinsured/Uninsured Fund.

8. General and administrative expenditures

	2017	2016
Salaries and related costs (Note 11)	$ 2,298,721	$ 1,560,078
Depreciation of capital assets (Note 4)	1,052,934	574,775
Bad debt expense	560,648	16,060
Radiologist support and outsourced costs	232,506	440,459
Electricity and water	135,111	20,652
Professional fees	123,302	99,114
Insurance	82,807	63,142
Building operation and maintenance	74,728	74,954
Membership and license fees	55,732	24,829
Telephone and postage	44,285	42,731
Office supplies	15,227	17,060
Bank charges	12,365	10,510
Office equipment maintenance	8,006	9,058
Miscellaneous	6,916	8,627
Annual charity fee	420	420
System implementation expenses	–	1,818
	$ 4,703,708	$ 2,964,287

9. Radiation therapy expenses

Radiation therapy expenses totaling $1,817,526 (2016 - $71,969) includes operational expenses for treatment services of $909,066 (2016 - $nil) and pre-opening expenses not capitalized of $908,460 (2016 - $71,969).

10. Donation to uninsured patients and subsidy for underinsured patients

The donation to uninsured patients of $561,033 (2016 - $98,941) represents services donated by the Centre for patients without insurance. The subsidy for underinsured patients of $425,185 (2016 - $55,205) represents services not covered by other agencies.

11. Employee future benefits

The Centre has a defined contribution pension plan providing pension benefits to all of its employees. Employee pension contributions of 5% are matched by the Centre. Pension expense incurred by the Centre in the current year was $67,540 (2016 - $61,940) and is included in general and administrative expenditures under salaries and related costs (Note 8). Included in accounts payable and accrued liabilities as at December 31, 2017 is $6,642 in accrued pension contributions (2016 - $nil).

12. Financial instruments

The estimated fair values of financial instruments, including cash and cash equivalents, term deposits, accounts receivable and accounts payable approximate their carrying values due to their relative short-term nature or the fact that they attract market rates of interest. The estimated fair value of marketable securities based on year-end quoted market bid prices is disclosed in Note 3.

The estimates of fair values presented herein are subjective in nature and are not necessarily indicative of the amounts that the Centre would realize in a current market exchange. Certain items such as inventories, deferred contributions and capital assets are excluded from the fair value disclosure. Thus the individual fair value amounts cannot be aggregated to determine the underlying fair value of the Centre.

The Centre has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include, liquidity risk, credit risk and market risk.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet its financial obligations when they become due. It arises mainly in respect of the bank loan payable. The Centre manages liquidity to ensure sufficient funds are available to meet its liabilities in any situation when they fall due. Management believes that the Centre is not exposed to any significant concentration of liquidity risk.

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 Centre's exposure to credit risk is limited to the carrying amount of its cash and cash equivalents and accounts receivable. The Centre holds cash and cash equivalents and term deposits with three Bermuda-based financial institutions which are externally regulated by the Bermuda Monetary Authority. The Centre monitors its accounts receivable balances and recorded a provision for impairment of accounts receivable of $560,648 (2016 - $nil). Management believes that the Centre is not exposed to any significant concentration of credit risk other than the receivables generated in the normal course of business with the local insurance companies.

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. The Centre is exposed to market risk with respect to its marketable securities which comprise investments in Bermuda listed companies quoted on the Bermuda Stock Exchange and interest rate risk through the bank loan payable which bears interest at a variable rate. The Centre has no significant exposure to currency risk.

13. Related party transactions

During the normal course of its operations, the Centre purchased employee health benefits of $207,199 (2016 - $152,544) and property contents, vehicles, medical malpractice, and directors and officers liability insurance totaling $84,723 (2016 - $63,097), from BF&M Ltd. where a Board member of the Centre was the Senior Vice President. In addition, the Centre has a defined contribution pension plan (Note 11) administered by BF&M Ltd.

14. Capital management

The Centre defines capital, for its own purposes, as restricted and unrestricted fund balances. During the year the Centre's objective when managing capital, which was unchanged from previous years, was to hold sufficient unrestricted funds to enable it to withstand negative unexpected financial events and continue as a going concern. The Centre seeks to achieve this objective by holding sufficient cash and cash equivalents to maintain liquidity and enable it to meet its obligations as they become due. The Centre is not subject to any externally imposed requirements on capital.

15. Government remittances payable

Included in accounts payable and accrued liabilities are government remittances payable of $38,721 (2016 - $25,366).

16. Capital commitments

The Centre has no contractual capital commitments at December 31, 2017 (2016 – $5,362,513 relating to assets under construction (Note 4)).