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# Financial statements of Save the Children Canada

December 31, 2019

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## Independent Auditor's Report

To the Members of  
Save the Children Canada

### Opinion

We have audited the financial statements of Save the Children Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets, and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 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 ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 audit 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 Organization'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 Organization or to cease operations, or has no realistic alternative but 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 GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

*Original signed by Deloitte LLP*

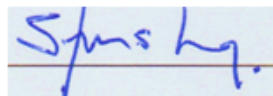
Chartered Professional Accountants  
Licensed Public Accountants  
May 19, 2020

**Save the Children Canada**  
**Statement of financial position**  
As at December 31, 2019

	Notes	<b>2019</b>	2018
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Current assets			
Cash	3	<b>8,109,387</b>	14,581,903
Marketable securities	3 and 4	<b>2,175,253</b>	2,110,186
Accounts receivable		<b>526,637</b>	1,450,424
Advances to partners		<b>5,968,827</b>	4,183,493
Prepaid expenses		<b>141,499</b>	129,910
		<b>16,921,603</b>	22,455,916
Capital assets			
	5	<b>895,791</b>	1,044,893
		<b>17,817,394</b>	23,500,809
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	11	<b>982,198</b>	1,920,805
Deferred revenue	6	<b>12,900,834</b>	16,311,095
		<b>13,883,032</b>	18,231,900
Commitments			
	7		
<b>Net assets</b>			
General Fund	14	<b>760,562</b>	1,295,109
Reserve Fund		<b>2,973,800</b>	2,973,800
Strategic Initiatives Fund		<b>200,000</b>	1,000,000
		<b>3,934,362</b>	5,268,909
		<b>17,817,394</b>	23,500,809

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

On behalf of the Board



\_\_\_\_\_, Director



\_\_\_\_\_, Director

## Save the Children Canada

### Statement of operations and changes in net assets

Year ended December 31, 2019

		General Fund	Strategic Initiatives Fund	Reserve Fund	2019 Total	General Fund	Strategic Initiatives Fund	Reserve Fund	2018 Total
	Notes	\$	\$	\$	\$	\$	\$	\$	\$
		(Note 14)				(Note 14)			
<b>Revenue</b>									
Contributions	11	11,352,023	—	—	11,352,023	15,187,151	—	—	15,187,151
Global Affairs Canada		30,104,411	—	—	30,104,411	30,938,930	—	—	30,938,930
International grants		3,448,120	—	—	3,448,120	1,843,723	—	—	1,843,723
Interest and other income		89,812	—	—	89,812	69,795	—	—	69,795
Unrealized capital gains		—	—	22,375	22,375	—	—	—	—
Bequests		94,825	—	537,341	632,166	288,342	—	1,633,944	1,922,286
<b>Total revenue</b>		<b>45,089,191</b>	<b>—</b>	<b>559,716</b>	<b>45,648,907</b>	<b>48,327,941</b>	<b>—</b>	<b>1,633,944</b>	<b>49,961,885</b>
<b>Program expenses</b>	10 and 16								
International	13	38,281,806	—	—	38,281,806	40,218,290	—	—	40,218,290
Canadian		1,012,191	—	—	1,012,191	1,377,633	—	—	1,377,633
		<b>39,293,997</b>	<b>—</b>	<b>—</b>	<b>39,293,997</b>	<b>41,595,923</b>	<b>—</b>	<b>—</b>	<b>41,595,923</b>
<b>Operating and other expenses</b>									
Fundraising	10	4,765,456	—	—	4,765,456	3,932,939	—	—	3,932,939
Communication		479,044	—	—	479,044	695,992	—	—	695,992
Unrealized capital losses		—	—	—	—	—	—	31,642	31,642
General administration	10	2,245,102	—	—	2,245,102	2,213,925	—	—	2,213,925
Amortization		176,667	—	—	176,667	180,935	—	—	180,935
		<b>7,666,269</b>	<b>—</b>	<b>—</b>	<b>7,666,269</b>	<b>7,023,791</b>	<b>—</b>	<b>31,642</b>	<b>7,055,433</b>
<b>Total expenses</b>		<b>46,960,266</b>	<b>—</b>	<b>—</b>	<b>46,960,266</b>	<b>48,619,714</b>	<b>—</b>	<b>31,642</b>	<b>48,651,356</b>
(Deficiency) excess of revenue over expenses for the year before the undernoted		(1,871,075)	—	559,716	(1,311,359)	(291,773)	—	1,602,302	1,310,529
Foreign exchange (loss) gain		(23,188)	—	—	(23,188)	1,269	—	—	1,269
(Deficiency) excess of revenue over expenses for the year		(1,894,263)	—	559,716	(1,334,547)	(290,504)	—	1,602,302	1,311,798
Net assets, beginning of year		1,295,109	1,000,000	2,973,800	5,268,909	683,311	350,000	2,923,800	3,957,111
Inter-fund transfers	8	1,359,716	(800,000)	(559,716)	—	902,302	650,000	(1,552,302)	—
<b>Net assets, end of year</b>		<b>760,562</b>	<b>200,000</b>	<b>2,973,800</b>	<b>3,934,362</b>	<b>1,295,109</b>	<b>1,000,000</b>	<b>2,973,800</b>	<b>5,268,909</b>

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

## Save the Children Canada

### Statement of cash flows

Year ended December 31, 2019

	2019	2018
	\$	\$
<b>Operating activities</b>		
(Deficiency) excess of revenue over expenses for the year	<b>(1,334,547)</b>	1,311,798
Items not affecting cash flows		
Unrealized capital gains	<b>(22,375)</b>	31,642
Amortization	<b>176,667</b>	180,935
	<b>(1,180,255)</b>	1,524,375
Changes in working capital items		
Accounts receivable	<b>923,787</b>	(696,470)
Advances to partners	<b>(1,785,334)</b>	174,569
Prepaid expenses	<b>(11,589)</b>	16,293
Accounts payable and accrued liabilities	<b>(938,607)</b>	(1,193,880)
Deferred revenue	<b>(3,410,261)</b>	(1,144,564)
	<b>(6,402,259)</b>	(1,319,677)
<b>Investing activities</b>		
Net change in marketable securities	<b>(42,692)</b>	(49,959)
Purchases of capital assets	<b>(27,565)</b>	(9,885)
	<b>(70,257)</b>	(59,844)
Net decrease in cash for the year	<b>(6,472,516)</b>	(1,379,521)
Cash, beginning of year	<b>14,581,903</b>	15,961,424
<b>Cash, end of year</b>	<b>8,109,387</b>	14,581,903

As indicated in Note 3, certain of the Organization's cash and marketable securities are restricted.

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

## **1. Nature of operations**

As a member of the world's leading independent child rights organization, Save the Children Canada's (the "Organization") mission is to inspire breakthroughs in the way the world treats children, and to achieve immediate and lasting change in their lives. The Organization works to create a world in which every child attains the right to survival, protection, development and participation.

The Organization is a registered charity under the Canadian Income Tax Act, was incorporated in 1946 under Part II of the Canada Corporations Act and was continued under the Canada Not-for-Profit Corporations Act on March 4, 2014. The Organization is, at the same time, a member of a federated model called Save the Children Association ("Save the Children"), a Swiss Membership organization.

Save the Children comprises 30 independent non-profit organization members (27 full members and 3 associate members). In 2011, members of the association created a global implementing structure called Save the Children International ("SCI"), a United Kingdom based charitable entity. All the members of Save the Children are working to deliver a shared strategy, including vision, mission, values and theory of change. While each member continues to direct and support its own programs, internationally these are implemented by SCI to be delivered through a merged operation within 120 countries, managed through seven regional hubs and reporting to a central office. In 2019 Save the Children movement celebrated 100 years since its foundation.

In addition to development and humanitarian programming, an important part of the Organization's work is achieved through advocacy campaigning. The Organization's current campaign, Stop the War on Children, is calling on world leaders to protect the world's children – our children – from the horrors of armed conflict. The Organization's campaign and program delivery is supported by five Global Thematic groups - in health and nutrition, education, child poverty, child protection and child rights governance.

The Organization continues to design programs, coordinate with donors and provide technical assistance to ensure program quality, monitoring and reporting. These activities are funded through grants from institutional donors such as Global Affairs Canada and multilateral funding institutions, partnership with corporations and foundations, and donations from the public.

The Organization controls STCC NPO by virtue of common Board members. STCC NPO was incorporated under the Canada Not-for-Profit Corporations Act on October 22, 2018 and established to pass through certain costs not related to Canadian operations and coordinate activities of the Organization with those of other Save the Children members.

## **2. Summary of significant accounting policies**

### *Basis of presentation*

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the deferral method of reporting restricted contributions, and reflect the following significant accounting policies. The financial statements of STCC NPO have not been consolidated with the financial statements of the Organization. Details of this non-consolidated entity are provided in Note 15.

### *Financial instruments*

The Organization's financial assets are comprised of cash, marketable securities, accounts receivable and advances to partners. Financial liabilities are comprised of accounts payable and accrued liabilities.



## **2. Summary of significant accounting policies (continued)**

### *Financial instruments (continued)*

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instruments. Subsequently, all financial instruments are measured at amortized cost, except for investments in marketable securities quoted in active markets, which are carried at fair value. Any subsequent changes in fair value are recorded in the Statement of operations and changes in net assets.

The fair value of marketable securities is determined directly from published bid prices in an active market.

### *Marketable securities*

Marketable securities are comprised of mutual funds traded in active markets.

### *Advances to partners*

Advances to partners, represent funding advanced to SCI and project partners for international and domestic projects and are recognized as program expenses when the underlying costs are incurred.

### *Capital assets*

Capital assets are recorded at cost. Amortization is recorded on the straight-line basis as follows:

Furniture, fixtures and equipment	5 years
Computer hardware	3 years
Computer software	3 years
Leasehold improvements	Term of lease

### *Revenue recognition*

The Organization uses the deferral method of accounting for restricted contributions. Under this method, restricted contributions and grants are deferred and recognized as revenue when the related eligible program expenses are incurred.

Interest and other income includes dividend and interest income and realized investment gains and losses.

### *Donated services*

The Organization's activities include time donated by a number of volunteers. Since no objective basis exists for recording and assigning values to these donated services, they are not reflected in these financial statements.

### *Expenses*

Program expenses are recorded on the accrual basis. General administration and fundraising expenses are recorded on the accrual basis and represent expenses incurred in Canada.

## **2. Summary of significant accounting policies (continued)**

### *Allocation of expenses*

The Organization allocates general support costs consisting of rent and utilities, and shared costs, to program and fundraising expenses based on budgeted headcount.

### *Foreign currency translation*

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at exchange rates in effect on the reporting dates, and revenue and expenses are translated at rates which approximate those in effect on the transaction dates. Net translation gains and losses are included in the Statement of operations and changes in net assets.

### *Reserve Fund*

The Reserve Fund was initially restricted by the Board of Directors to provide a reserve of approximately six months of operating expenses to protect the Board of Directors and the Organization in adverse circumstances. It is funded by an allocation of bequest revenue and through Board approved transfer of general revenue. Funding in excess of the Reserve Fund target is transferred to the General Fund or may be used for other specific expenses as determined by the Board of Directors.

### *Strategic Initiatives Fund*

The Strategic Initiatives Fund is internally restricted and was established in 2016 to be funded from transfers from the General Fund and used for specific purposes in building the capacity of the Organization and funding longer term initiatives, as determined by the Board of Directors.

### *Donations in-kind*

Donations in-kind are valued at fair value. The recognition of donations in-kind is limited to donations where the Organization takes possession or constructive title of the donation in-kind and either the Organization was the original recipient of the donations, or was involved in partnership with the end user third party organization, or the donations were used in the Organization's programs. Donations in-kind are recorded as revenue and expense at the time when they are received by the beneficiary of the donation in-kind.

### *Use of estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates and assumptions include the valuation of marketable securities, accrued liabilities, the recognition of deferred revenue, and amortization of capital assets.

**Save the Children Canada**  
**Notes to the financial statements**

December 31, 2019

**3. Restricted assets**

Certain of the Organization's cash and marketable securities are restricted as follows:

	<b>Externally restricted</b>	<b>Internally restricted</b>	<b>2019 Total</b>	Externally restricted	Internally restricted	2018 Total
	\$	\$	\$	\$	\$	\$
Deferred revenue (Note 6)	<b>12,900,834</b>	—	<b>12,900,834</b>	16,311,095	—	16,311,095
Reserve Fund	—	<b>2,973,800</b>	<b>2,973,800</b>	—	2,973,800	2,973,800
Strategic Initiatives Fund	—	<b>200,000</b>	<b>200,000</b>	—	1,000,000	1,000,000
	<b>12,900,834</b>	<b>3,173,800</b>	<b>16,074,634</b>	16,311,095	3,973,800	20,284,895
Add payable to partners	<b>88,749</b>	—	<b>88,749</b>	55,177	—	55,177
Less advances to partners	<b>(5,968,827)</b>	—	<b>(5,968,827)</b>	(4,183,493)	—	(4,183,493)
Total restricted	<b>7,020,756</b>	<b>3,173,800</b>	<b>10,194,556</b>	12,182,779	3,973,800	16,156,579
Unrestricted			<b>90,084</b>			535,510
Total cash and marketable securities			<b>10,284,640</b>			16,692,089
Consisting of						
Cash			<b>8,109,387</b>			14,581,903
Marketable securities (Note 4)			<b>2,175,253</b>			2,110,186
			<b>10,284,640</b>			16,692,089

**4. Marketable securities**

Marketable securities in the amount of \$2,175,253 (\$2,110,186 in 2018) are comprised of mutual funds.

	Cost \$	2019 Fair value \$	Cost \$	2018 Fair value \$
Mutual funds	<b>2,242,463</b>	<b>2,175,253</b>	2,199,771	2,110,186

**5. Capital assets**

	Cost \$	Accumulated amortization \$	2019 Net book value \$	2018 Net book value \$
Furniture, fixtures and equipment	<b>297,318</b>	<b>103,412</b>	<b>193,906</b>	238,735
Computer hardware	<b>551,286</b>	<b>521,980</b>	<b>29,306</b>	5,673
Computer software	<b>538,368</b>	<b>538,368</b>	—	35,136
Leasehold improvements	<b>880,630</b>	<b>208,051</b>	<b>672,579</b>	765,349
	<b>2,267,602</b>	<b>1,371,811</b>	<b>895,791</b>	1,044,893

**6. Deferred revenue**

Deferred revenue consists of the following:

	2019 \$	2018 \$
Global Affairs Canada grants	<b>9,802,522</b>	13,799,873
Donations	<b>2,333,184</b>	1,895,158
Other International Organizations	<b>367,100</b>	230,795
Foundations	<b>398,028</b>	385,269
	<b>12,900,834</b>	16,311,095

**7. Commitments**

The Organization has entered into operating commitments and rental leases with various expiry dates to March 2025. The annual payments are as follows:

	\$
2020	634,440
2021	640,241
2022	642,175
2023	638,388
2024	636,634
Thereafter	158,543
	<b>3,350,421</b>

## 8. Inter-fund transfers

During the year, the Board of Directors approved the following transfers:

- (a) \$559,716 (\$902,302 in 2018) from the Reserve Fund to the General Fund;
- (b) \$800,000 (\$nil in 2018) from the Strategic Initiatives Fund to the General Fund; and
- (c) nil (\$650,000 in 2018) from the Reserve Fund to the Strategic Initiatives Fund.

## 9. Guarantees

In the normal course of business, the Organization enters into agreements that meet the definition of a guarantee. The Organization's primary guarantees subject to disclosure are as follows:

- (a) The Organization has provided indemnities under a lease agreement for the use of an operating facility. Under the terms of this agreement, the Organization agrees to indemnify the counter parties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during, on or after, the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) The Organization indemnifies all directors and volunteers for various items, including but not limited to, all costs to settle suits or actions due to services provided to the Organization, subject to certain restrictions. The Organization has purchased liability insurance to mitigate the cost of any potential future suits or actions. The amount of any potential future payment cannot be reasonably estimated. There were no known actions as at December 31, 2019 and 2018.

## 10. Allocation of expenses

The Organization has allocated its general support costs based on budgeted headcount as follows:

	<b>Fundraising</b>	<b>Program expenses</b>	<b>General administration</b>	<b>2019</b>
	\$	\$	\$	\$
Rent and utilities	<b>160,452</b>	<b>304,858</b>	<b>144,407</b>	<b>609,717</b>
Shared costs	<b>108,003</b>	<b>205,206</b>	<b>97,203</b>	<b>410,412</b>
	<b>268,455</b>	<b>510,064</b>	<b>241,610</b>	<b>1,020,129</b>
	Fundraising	Program expenses	General administration	2018
	\$	\$	\$	Total
	\$	\$	\$	\$
Rent and utilities	152,874	315,700	140,129	608,703
Shared costs	69,657	143,848	63,850	277,355
	<b>222,531</b>	<b>459,548</b>	<b>203,979</b>	<b>886,058</b>

**11. Accounts payable and accrued liabilities**

There are no outstanding government remittances as at December 31, 2019 and 2018.

**12. Additional information**

The Organization is a member of Imagine Canada and has been accredited under its Standards Program, which requires disclosure of the amount of donations received for income tax purposes.

During the year, the Organization issued donation receipts for income tax purposes in the amount of \$9,525,419 (\$10,076,000 in 2018).

**13. International program expenses**

*International program expenses by region*

	<b>2019</b>	2018
	\$	\$
West Africa	<b>13,596,974</b>	8,223,299
East Africa	<b>9,004,915</b>	13,964,132
Program management	<b>7,483,173</b>	7,564,032
Middle East	<b>4,389,694</b>	5,899,870
India/Asia	<b>2,471,255</b>	2,692,977
South Africa	<b>557,853</b>	—
South America	<b>398,256</b>	1,760,537
Central America	<b>379,686</b>	113,443
	<b>38,281,806</b>	40,218,290

*International program expenses by context*

	<b>2019</b>	2018
	\$	\$
International Development	<b>23,649,928</b>	25,508,787
International Humanitarian Response	<b>14,631,878</b>	14,709,503
	<b>38,281,806</b>	40,218,290

**14. General Fund**

	<b>Operations</b>	<b>Invested in capital assets</b>	<b>2019 Total</b>
	\$	\$	\$
Balance, beginning of year	<b>250,216</b>	<b>1,044,893</b>	<b>1,295,109</b>
Deficiency of revenue over expenses	<b>(1,717,596)</b>	<b>(176,667)</b>	<b>(1,894,263)</b>
Inter-fund transfers (Note 8)	<b>1,359,716</b>	<b>—</b>	<b>1,359,716</b>
Purchases of capital assets	<b>(27,565)</b>	<b>27,565</b>	<b>—</b>
	<b>(135,229)</b>	<b>895,791</b>	<b>760,562</b>

**14. General Fund (continued)**

	Operations	Invested in capital assets	2018 Total
	\$	\$	\$
Balance, beginning of year	(532,632)	1,215,943	683,311
Deficiency of revenue over expenses	(109,569)	(180,935)	(290,504)
Inter-fund transfers (Note 8)	902,302	—	902,302
Purchases of capital assets	(9,885)	9,885	—
	<u>250,216</u>	<u>1,044,893</u>	<u>1,295,109</u>

**15. STCC NPO**

Financial summaries of STCC NPO as at, and for the year ended, December 31, 2019, are as follows:

*Financial position*

	<b>2019</b>	2018
	\$	\$
Total assets	<b>422,838</b>	54,055
Total liabilities	<b>420,380</b>	56,850
Total net assets (deficiency)	<b>2,458</b>	(2,795)
	<u><b>422,838</b></u>	<u>54,055</u>

*Results of operations*

	<b>2019</b>	2018
	\$	\$
Total revenue	<b>805,793</b>	54,154
Total expenses	<b>800,540</b>	56,949
Excess (deficiency) of revenue over expenses	<b>5,253</b>	(2,795)

*Related party balances and transactions:*

During the year, the Organization made payments on behalf of STCC NPO in the amount of \$769,272 (\$56,603 in 2018), of which \$139,110 (\$56,603 in 2018) is outstanding from STCC NPO as at December 31, 2019.

**16. Donations in-kind**

The financial statements include \$277,638 (\$467,825 in 2018) with respect to donations in-kind, which is included in contribution revenue and program expenses in the Statement of operations and changes in net assets.

**17. Subsequent event**

Subsequent to the year-end, on March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Organization in future periods.