

**Canadian Network for Maternal, Newborn & Child Health**  
**o/a Canadian Partnership for Women and Children's Health**  
**Financial Statements**  
For the year ended September 30, 2018

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## Independent Auditor's Report

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### To the Members of Canadian Network for Maternal, Newborn, and Child Health

We have audited the accompanying financial statements of Canadian Network for Maternal, Newborn, and Child Health (o/a Canadian Partnership for Women and Children's Health) which comprise the statement of financial position as at September 30, 2018 and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Network for Maternal, Newborn, and Child Health (o/a Canadian Partnership for Women and Children's Health) as at September 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

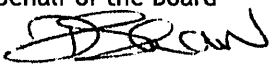
*BDO Canada LLP*

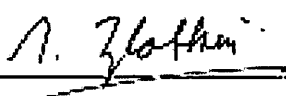
Chartered Professional Accountants, Licensed Public Accountants  
Lindsay, Ontario  
November 9, 2018

**Canadian Network for Maternal, Newborn, and Child Health  
(o/a Canadian Partnership for Women and Children's Health)  
Statement of Financial Position**

September 30	2018	2017
<b>Assets</b>		
<b>Current assets</b>		
Cash (Note 3)	\$ 620,316	\$ 1,529,235
Accounts receivable	827,521	44,760
Prepaid expense	9,504	1,796
	<u>\$ 1,457,341</u>	<u>\$ 1,575,791</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 4)	\$ 224,145	\$ 305,745
Deferred revenue (Note 5)	1,150,136	1,213,305
	<u>1,374,281</u>	<u>1,519,050</u>
<b>Net assets</b>		
Unrestricted	<u>83,060</u>	<u>56,741</u>
	<u>\$ 1,457,341</u>	<u>\$ 1,575,791</u>

On behalf of the Board

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**Canadian Network for Maternal, Newborn, and Child Health  
(o/a Canadian Partnership for Women and Children's Health)  
Statement of Operations and Net Assets**

For the year ended September 30

	General	Projects	WD Mobilization & Public Engagement	2018	2017
<b>Revenues</b>					
Grants and restricted contributions	\$ -	\$ 2,176,135	\$ 104,078	\$ 2,280,213	\$ 1,839,116
Unrestricted overhead contribution	169,738	-	-	169,738	-
Other income	33,033	-	-	33,033	50,903
	<u>202,771</u>	<u>2,176,135</u>	<u>104,078</u>	<u>2,482,984</u>	<u>1,890,019</u>
<b>Expenses</b>					
Communications	25,723	300	5,605	31,628	18,154
Consultants	14,709	101,418	-	116,127	535,676
Goods and supplies	9,842	460,318	18,434	488,594	29,875
Insurance	5,037	-	-	5,037	1,119
Meetings and events	19,489	305,674	9,492	334,655	314,942
Professional development	9,565	-	-	9,565	260
Professional fees	23,747	-	-	23,747	14,528
Translation	-	58,087	-	58,087	18,189
Wages	68,340	1,250,338	70,547	1,389,225	910,948
	<u>176,452</u>	<u>2,176,135</u>	<u>104,078</u>	<u>2,456,665</u>	<u>1,843,691</u>
<b>Excess of revenues over expenses</b>	<b>\$ 26,319</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,319</b>	<b>\$ 46,328</b>
<b>Net Assets, beginning of year</b>				<u>56,741</u>	<u>10,413</u>
<b>Net Assets, end of year</b>				<b>\$ 83,060</b>	<b>\$ 56,741</b>

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

**Canadian Network for Maternal, Newborn, and Child Health  
(o/a Canadian Partnership for Women and Children's Health)  
Statement of Cash Flows**

<b>For the year ended September 30</b>	<b>2018</b>	<b>2017</b>
<b>Cash flows from operating activities</b>		
Excess of revenue over expenses	\$ 26,319	\$ 46,328
Changes in non-cash working capital balances		
Accounts receivable	(782,761)	(35,933)
Prepaid expenses	(7,708)	(1,796)
Accounts payable and accrued liabilities	(81,600)	171,073
Deferred revenue	(63,169)	1,036,488
<b>Increase in cash during the year</b>	<b>(908,919)</b>	<b>1,216,160</b>
<b>Cash, beginning of year</b>	<b>1,529,235</b>	<b>313,075</b>
<b>Cash, end of year</b>	<b>\$ 620,316</b>	<b>\$ 1,529,235</b>

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# Canadian Network for Maternal, Newborn, and Child Health (o/a Canadian Partnership for Women and Children's Health) Notes to Financial Statements

September 30, 2018

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## 1. Nature of Operations and Summary of Significant Accounting Policies

**Nature of Organization** The Organization is incorporated in Canada without share capital as a non-profit organization comprised of members. The aim of the organization is to catalyze Canadian collaboration to improve women's and children's health worldwide.

The Organization is a not-for-profit organization under the Income Tax Act and is accordingly exempt from income taxes, provided certain requirements of the Income Tax Act are met.

**Basis of Accounting** The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

The organization follows the deferral method of accounting for contributions.

**Revenue Recognition** Grants and restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Revenue in excess of related expenses incurred is deferred.

Unrestricted overhead contribution is recognized as revenue in accordance with the terms of the contract with Global Affairs Canada.

Other income includes event fees, donations, sponsorships and investment income. Revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured with the exception of investment income which is recognized as revenue in the period for which it is earned.

**Financial Instruments** Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, all cash and investments have been designated to be in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

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**Canadian Network for Maternal, Newborn, and Child Health  
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Notes to Financial Statements**

**September 30, 2018**

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**2. Economic Dependence**

The Organization's primary source of funding comes from Global Affairs Canada. The Organization is economically dependent on this agency as it receives 94% (2017 - 97%) of its revenue from them. The Organization is in the third year of a five year contribution agreement with Global Affairs Canada authorizing programs in a service plan and spending in detailed budgets. The Organization must also comply with reporting and other accountability requirements established by Global Affairs Canada.

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**3. Financial Instrument Risk**

**Credit Risk**

The organization is exposed to credit risk arising from holding the bank accounts at one financial institution, therefore the balance over the \$100,000 threshold insured by the Canada Deposit Insurance Company is not covered.

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at year end, accounts receivable balances of \$781,618 (2017 - \$nil) are shown in US dollars and converted into Canadian dollars.

The organization considers this risk to be acceptable and therefore does not hedge its foreign exchange rate risks.

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**4. Accounts Payable**

	2018	2017
Trade	\$ 159,298	\$ 260,418
Government Remittances	64,847	45,327
	\$ 224,145	\$ 305,745

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**5. Deferred Revenue**

Deferred revenue, which consist of revenue received for specific purposes that have not been spent during the current year, are as follows:

	2018	2017
Global Affairs Canada	\$ 386,966	\$ 1,213,305
Bill and Melinda Gates Foundation	763,170	-
	\$ 1,150,136	\$ 1,213,305

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**Canadian Network for Maternal, Newborn, and Child Health  
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Notes to Financial Statements**

**September 30, 2018**

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**6. Comparative Amounts**

The comparative amounts presented in the financial statement have been restated to conform to the current year's presentation.