

DRAFT

**CANADIAN NETWORK FOR
MATERNAL, NEWBORN AND CHILD
HEALTH / RÉSEAU CANADIEN SUR
LA SANTÉ DES MÈRES, DES
NOUVEAU-NÉS ET DES ENFANTS**

**OPERATING AS:
CANADIAN PARTNERSHIP FOR
WOMEN AND CHILDREN'S HEALTH /
PARTENARIAT CANADIEN POUR LA
SANTÉ DES FEMMES ET DES
ENFANTS (CanWaCH)**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Partnership for Women and Children's Health / Partenariat Canadien pour la Santé des Femmes et des Enfants (CanWaCH),

Opinion

We have audited the financial statements of Canadian Partnership for Women and Children's Health / Partenariat Canadien pour la Santé des Femmes et des Enfants (the organization), which comprise the statement of financial position as at September 30, 2022, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Canadian Partnership for Women and Children's Health / Partenariat Canadien pour la Santé des Femmes et des Enfants as at September 30, 2022 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 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 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.

INDEPENDENT AUDITOR'S REPORT (continued)

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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 your 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.

Other Matter

The financial statements of Canadian Partnership for Women and Children's Health / Partenariat Canadien pour la Santé des Femmes et des Enfants as at and for the year ended September 30, 2021 were audited by another auditor who expressed an unqualified opinion on those financial statements on November 16, 2021.

Chartered Professional Accountants
Licensed Public Accountants

Report date
Toronto, Ontario

CANADIAN PARTNERSHIP FOR WOMEN AND CHILDREN'S HEALTH /
PARTENARIAT CANADIEN POUR LA SANTÉ DES FEMMES ET DES ENFANTS

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STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	2022	2021
ASSETS		
Current assets		
Cash	\$ 1,569,391	\$ 1,035,463
Amounts receivable	53,000	499,132
HST recoverable	22,443	14,763
Prepaid expenses	<u>18,915</u>	<u>-</u>
	<u>\$ 1,663,749</u>	<u>\$ 1,549,358</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Amounts payable and accrued liabilities	\$ 110,942	\$ 94,481
Payroll source deductions payable	-	30,527
Deferred revenue	14,000	-
Deferred contributions (note 2)	<u>883,849</u>	<u>1,078,105</u>
	<u>1,008,791</u>	<u>1,203,113</u>
Net assets		
Unrestricted	<u>654,958</u>	<u>346,245</u>
	<u>\$ 1,663,749</u>	<u>\$ 1,549,358</u>

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

**CANADIAN PARTNERSHIP FOR WOMEN AND CHILDREN'S HEALTH /
PARTENARIAT CANADIEN POUR LA SANTÉ DES FEMMES ET DES ENFANTS**

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STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	2022	2021
REVENUE		
Contributions (note 3)	\$ 2,852,586	\$ 2,963,621
Membership fees	44,600	31,427
Events and sponsorships	11,540	21,000
Interest	<u>3,959</u>	<u>2,929</u>
	<u>2,912,685</u>	<u>3,018,977</u>
EXPENSES		
Personnel	1,560,874	1,680,817
Goods and supplies	255,557	659,721
Travel and meetings	249,842	168,091
Professional fees and consultants	225,257	77,956
Canadian Global Health Collaborative	162,781	97,761
Translation	49,905	133,458
Events	38,258	46,262
Communications	37,098	53,340
Professional development	21,223	11,646
Insurance	<u>3,177</u>	<u>3,514</u>
	<u>2,603,972</u>	<u>2,932,566</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	308,713	86,411
Net assets, beginning of year	<u>346,245</u>	<u>259,834</u>
NET ASSETS, END OF YEAR	<u>\$ 654,958</u>	<u>\$ 346,245</u>

see accompanying notes

**CANADIAN PARTNERSHIP FOR WOMEN AND CHILDREN'S HEALTH /
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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 308,713	\$ 86,411
Net change in non-cash working capital items (see below)	<u>225,215</u>	<u>(949,451)</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	533,928	(863,040)
Cash, beginning of year	<u>1,035,463</u>	<u>1,898,503</u>
CASH, END OF YEAR	<u><u>\$ 1,569,391</u></u>	<u><u>\$ 1,035,463</u></u>

Net change in non-cash working capital items:

Decrease (increase) in current assets		
Amounts receivable	\$ 446,132	\$ (499,393)
HST recoverable	(7,681)	24,439
Prepaid expenses	(18,915)	-
Increase (decrease) in current liabilities		
Amounts payable and accrued liabilities	16,462	(120,253)
Payroll source deductions payable	(30,527)	27,587
Deferred revenue	14,000	-
Deferred contributions	<u>(194,256)</u>	<u>(381,831)</u>
	<u><u>\$ 225,215</u></u>	<u><u>\$ (949,451)</u></u>

see accompanying notes

SEPTEMBER 30, 2022

Canadian Network for Maternal, Newborn and Child Health / Réseau Canadien sur la Santé des Mères, des Nouveau-nés et des Enfants operating as Canadian Partnership for Women and Children's Health / Partenariat Canadien pour la Santé des Femmes et des Enfants (the organization) was incorporated without share capital under the Canada Corporations Act. On October 3, 2014, the organization was continued under the Canada Not-for-profit Corporations Act. The organization is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

The aim of the organization is to catalyze Canadian collaboration to improve women's and children's health worldwide.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered significant:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions.

Unrestricted contributions are recorded as revenue when received.

Contributed materials and services

Contributed materials and services which are normally purchased by the organization are not recorded in the accounts.

Events and sponsorships

Sponsorship and event revenue is recognized when the event takes place.

Membership fees

Membership fees are recognized as revenue in the year to which they apply. Membership dues received for future periods are deferred in the accounts.

Interest income

Interest income is recognized as revenue when earned.

**CANADIAN PARTNERSHIP FOR WOMEN AND CHILDREN'S HEALTH /
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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

2. DEFERRED CONTRIBUTIONS

The following contributions have been deferred at year end:

	2022	2021
Global Affairs Canada	\$ 772,809	\$ 476,047
Women and Gender Equality Canada	92,066	200,426
Bill & Melinda Gates Foundation	<u>18,974</u>	<u>401,632</u>
Deferred contributions, end of year	<u>\$ 883,849</u>	<u>\$ 1,078,105</u>

Continuity of deferred contributions for the year is as follows:

	2022	2021
Deferred contributions, beginning of year	\$ 1,078,105	\$ 1,459,936
Add cash received from contributions	2,658,330	2,581,790
Less contributions recognized as revenue (note 3)	<u>(2,852,586)</u>	<u>(2,963,621)</u>
Deferred contributions, end of year	<u>\$ 883,849</u>	<u>\$ 1,078,105</u>

3. CONTRIBUTION REVENUE

Contribution revenue recognized in the year was as follows:

	2022	2021
Global Affairs Canada	\$ 1,730,771	\$ 2,407,006
Women and Gender Equality Canada	565,211	275,889
Bill & Melinda Gates Foundation	<u>556,604</u>	<u>280,726</u>
	<u>\$ 2,852,586</u>	<u>\$ 2,963,621</u>

4. FINANCIAL INSTRUMENTS

The organization's financial instruments include cash, amounts receivable, accounts payable and accrued liabilities. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value.

5. LINE OF CREDIT

The organization has a revolving demand facility loan with a major Canadian chartered bank. The available limit is \$150,000 and bears annual interest at bank prime plus 1%. As at year end, none of this line of credit was utilized (\$nil in 2021).

6. COMPARATIVE AMOUNTS

Certain amounts in the statement of operations for the year ended September 30, 2021 have been reclassified to conform with the current year's basis of financial statement presentation.