

PROSPER CANADA
YEAR ENDED MARCH 31, 2021

TABLE OF CONTENTS

	Page
Independent auditor's report	1 - 2
Financial statements:	
Statement of operations	3
Statement of changes in net assets	4
Statement of cash flow	5
Statement of financial position	6
Notes to financial statements	7 - 17

INDEPENDENT AUDITOR'S REPORT

To the Directors of
PROSPER CANADA

Opinion

We have audited the financial statements of Prosper Canada, which comprise the statement of financial position as at March 31, 2021 and the statements of operations, changes in net assets, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Prosper Canada as at March 31, 2021, 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 (cont'd)

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 controls.
- 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 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, amongst 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.

Stern Cohen LLP

Chartered Professional Accountants
Chartered Accountants
Licensed Public Accountants
Toronto, Canada
July 23, 2021

PROSPER CANADA

STATEMENT OF OPERATIONS

For the year ended March 31,	Core \$	FEPS \$	Ontario FEC \$	National FEC \$	F/E People with Disabilities \$	TD BST & Financial Relief Navigator \$	Prosperity Gateways \$	TD CFL 3.0 \$	Virtual Tax Clinic & Self-File \$	Emergency Savings \$	Access to Benefits \$	Equipping Financial Educators \$	ABLE Conference Note 5(b) \$	SSFE \$	2021 \$	2020 \$
Revenues																
Donations	67,198	-	-	-	-	50,000	-	1,008,463	-	-	-	-	-	-	1,125,661	1,622,520
Grants	115,714	739,503	980,831	1,093,622	111,060	244,157	235,533	-	185,860	138,086	8,482	72,499	-	196,519	4,121,866	4,091,087
Consulting	32,030	-	-	-	-	-	-	-	-	-	-	-	-	-	32,030	32,342
Interest and sundry	70,599	-	-	-	-	-	-	-	-	-	-	-	-	-	70,599	53,411
	285,541	739,503	980,831	1,093,622	111,060	294,157	235,533	1,008,463	185,860	138,086	8,482	72,499	-	196,519	5,350,156	5,799,360
Expenditures																
Program delivery fees	20,000	596,110	747,389	671,617	34,175	-	15,591	-	47,900	-	-	-	-	-	2,132,782	2,497,048
Wages and benefits	22,404	83,490	187,434	180,645	61,396	255,141	193,321	925,207	116,082	114,966	7,483	22,450	19,150	115,991	2,305,160	2,144,345
Program consulting	104,603	26,100	10,792	173,904	3,536	3,183	921	9,154	8,857	17,171	-	42,778	-	80,489	481,488	326,703
Rent	43,077	4,200	9,000	10,875	-	-	17,214	48,964	9,057	5,908	500	4,871	-	-	153,666	144,865
Travel and meetings	-	7,273	8,602	1,944	-	-	-	-	-	-	-	-	977	39	18,835	114,307
Printing/graphic design expenses	-	-	1,000	1,247	11,392	-	204	-	3,742	-	-	-	1,481	-	19,066	-
Website/web-based solution development	7,865	-	4,438	21,048	-	11,925	43	-	-	-	-	-	-	-	45,319	49,230
External media & communications	30,802	17,439	2,000	10,703	561	23,268	29	130	-	41	-	-	470	-	85,443	36,529
Office and general	5,703	375	2,399	4,039	-	-	1,675	6,091	222	-	-	-	-	-	20,504	32,863
Dues, fees, licenses, memberships	24,767	-	69	-	-	-	-	-	-	-	-	-	-	-	24,836	29,606
Organizational development	8,142	-	-	-	-	-	-	-	-	-	-	-	-	-	8,142	27,753
Equipment	1,734	-	4,908	12,023	-	-	4,530	14,843	-	-	333	1,200	-	-	39,571	27,495
Telephone and internet	(295)	4,516	1,800	5,577	-	640	1,167	4,074	-	-	166	1,200	-	-	18,845	24,590
Professional development	12,039	-	-	-	-	-	-	-	-	-	-	-	-	-	12,039	20,000
Audit and legal	13,101	-	1,000	-	-	-	455	-	-	-	-	-	-	-	14,556	14,556
Amortization	16,196	-	-	-	-	-	-	-	-	-	-	-	-	-	16,196	11,460
Honorarium	-	-	-	-	-	-	383	-	-	-	-	-	-	-	383	-
	310,138	739,503	980,831	1,093,622	111,060	294,157	235,533	1,008,463	185,860	138,086	8,482	72,499	22,078	196,519	5,396,831	5,557,242
Excess (deficiency) of revenues over expenses before the following:	(24,597)	-	-	-	-	-	-	-	-	-	-	-	(22,078)	-	(46,675)	242,118
Government subsidies (Note 5(d))	390,489	-	-	-	-	-	-	-	-	-	-	-	-	-	390,489	-
Excess (deficiency) of revenues over expenses for the year	365,892	-	-	-	-	-	-	-	-	-	-	-	(22,078)	-	343,814	242,118

See accompanying notes.

PROSPER CANADA
STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31,	Unrestricted \$	Internally restricted \$	2021 Total \$	2020 Total \$
Beginning of year	157,783	1,400,000	1,557,783	1,315,665
Excess of revenues over expenses for the year	343,814	-	343,814	242,118
Transfer to Internally restricted	(300,000)	300,000	-	-
End of year	201,597	1,700,000	1,901,597	1,557,783

See accompanying notes.

PROSPER CANADA
STATEMENT OF CASH FLOW

For the year ended March 31,	2021 \$	2020 \$
Operating activities		
Excess of revenues over expenses for the year	343,814	242,118
Item not involving cash Amortization of capital assets	16,196	11,460
Working capital from operations	360,010	253,578
Net change in non-cash working capital balances related to operations	(1,850,675)	572,760
Cash from (required by) operations	(1,490,665)	826,338
Investing activities		
Acquisition of capital assets	(13,720)	(10,004)
Investments, net	822,688	(987,505)
	808,968	(997,509)
Change in cash and cash equivalents during the year	(681,697)	(171,171)
Cash and cash equivalents		
Beginning of year	1,533,075	1,704,246
End of year	851,378	1,533,075

See accompanying notes.

PROSPER CANADA
STATEMENT OF FINANCIAL POSITION

As at March 31,	2021 \$	2020 \$
ASSETS		
Current assets		
Cash and cash equivalents	851,378	1,533,075
Short-term investments (Note 2)	1,004,321	1,827,009
Grants receivable (Note 4)	174,405	229,221
Government subsidies receivable (Note 5(d))	365,489	-
Other receivables	72,115	64,412
HST rebate receivable	67,123	66,663
Prepaid expenses and deposits	28,051	28,052
	2,562,882	3,748,432
Long-term investments (Note 2)	500,000	500,000
Capital assets (Note 3)	24,197	26,673
	3,087,079	4,275,105
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	722,002	638,311
Deferred revenue - grants (Note 4)	305,130	1,976,011
	1,027,132	2,614,322
Deferred revenue - conference (Note 5(b))	158,350	103,000
	1,185,482	2,717,322
NET ASSETS		
Unrestricted	201,597	157,783
Internally restricted		
Operating reserve fund	800,000	800,000
Capacity building reserve fund	900,000	600,000
	1,700,000	1,400,000
	1,901,597	1,557,783
	3,087,079	4,275,105

Other information (Note 5)

See accompanying notes.

Approved on behalf of the Board: _____
Chair Audit Committee

PROSPER CANADA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

Prosper Canada is a not-for-profit organization federally incorporated without share capital and is registered with Canada Revenue Agency as a charity, within the meaning of the Income Tax Act.

The organization was founded as an innovative response to high levels of unemployment and welfare dependency in Canada and has evolved into an innovator and producer/manager of effective Canadian self-sufficiency policies and programs.

1. Significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year 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.

Consulting fees are recognized when services have been rendered and the amount to be received can be reasonably estimated and collection is reasonably assured.

Ticket sales and event sponsorships are recognized when the corresponding event occurs.

Investment income from all short-term investments is recognized in the core fund as earned.

1. Significant accounting policies (cont'd)

(b) Fund accounting

The financial statements include the following funds:

- Internally restricted: as approved by the Board of Directors, two funds have been designated and set aside to address specific future requirements. The Operating reserve fund is to provide an internal source of funds to address unanticipated budget shortfalls to ensure the stability of the organization's operations and has a target of 25-35% of annual core operating costs. The Capacity building reserve fund is to provide funds for strategic organizational capacity building priorities to ensure ongoing capacity to advance Prosper Canada's mission and/or to respond to specific opportunities to improve and/or expand our impact; and
- Unrestricted: reflects the cumulative net excess of revenues over expenses in excess of any funds internally restricted as described above.

The programs that Prosper Canada participate in are as follows:

The Prosper Canada Core Fund ("Core") accounts for the organization's strategic planning, fundraising and administrative activities. The following project is included as well:

- **Virtual Financial Services** is a six-month project funded by Capital One. Prosper Canada will work with four Financial Empowerment Champion partners from across Canada to design and pilot a virtual financial services model on a local level that can be reproduced and expanded nationally.

Financial Empowerment and Problem-Solving Program ("FEPS") is a four-year project funded by the Ontario Ministry of Children, Community and Social Services (MCCSS). Building on the expansion and replication of the FEPS model over , the program helps Ontarians living on low incomes to improve their financial situation by accessing government income transfers and building their capacity for financial security.

1. **Significant accounting policies (cont'd)**

(b) *Fund accounting (cont'd)*

Ontario Financial Empowerment Champions project (“Ontario FECs”) is a five-year project funded by the Government of Ontario. Through this project, Prosper Canada and five Financial Empowerment Champion organizations across Ontario aim to expand delivery of proven financial empowerment interventions that will improve the financial well-being of over 50,000 Ontarians living on low incomes.

National Financial Empowerment Champions project (NFECs) is a five-year project funded by the Government of Canada’s Social Development Partnerships Program. Through this project, Prosper Canada will collaborate with five organizations across Canada to expand delivery of proven financial empowerment interventions that will improve the financial well-being of Canadians living on low incomes.

Financial Empowerment for People with Disabilities is a three-year project funded by Employment and Social Development Canada. The project aims to develop an effective benefits service, with the potential for sustainable scaling, that can support people with disabilities (PWD) – at no or low cost to them – to access government benefits they are eligible for but not yet receiving.

Financial Relief Navigator (FRN) & Benefit Screening Tool (BST)

- **FRN** is a one-year project supported by TD Bank Group, United Way Centraide Canada, United Way Greater Toronto, Maple Leaf Centre for Action on Food Security, Power Corporation of Canada, Bridgeable, and ABC Life Literacy. The FRN is a free tool designed to help Canadians get COVID-19 emergency benefits and financial relief from governments, financial institutions, telecoms and internet providers
- **BST** is a three-year project funded by TD Bank Group. This project aims to develop and scale uptake of a national, bilingual, online benefit navigator to help 100,000+ financially struggling Canadians to access income benefits. This tool would provide Canadians with a trusted, one-stop resource to find and navigate income benefits they are eligible for, but not receiving, and apply for benefits with confidence.

1. Significant accounting policies (cont'd)

(b) Fund accounting (cont'd)

Prosperity Gateways is a three-year project funded by Maytree Foundation. Prosper Canada will work with cities to expand access to financial empowerment supports for Canadians living on low incomes nation-wide. By building financial help into city services like employment, housing, social assistance and healthcare, cities can enable residents to move from poverty to prosperity and improve service outcomes.

The Prosper Canada Centre for Financial Literacy (“the Centre”) is co-founded and funded by TD Bank Group. The renewal gift for three years (Jan 1, 2018 to Dec 31, 2020) will help the Centre to reach its goal of building the financial capability of one million Canadians living on low incomes by 2020.

Virtual Tax Clinic Pilot & Virtual Tax Filing

- **Virtual Tax Clinic Pilot** is a six-month project funded by Intuit Financial Freedom Foundation. The project will enable Prosper Canada to pilot a new tax clinic model and host a tax symposium to help government, private sector and non-profit stakeholders better understand the current tax-filing experience of low-income Canadians and learn about potential solutions to improve tax-filing supports.
- **Virtual Tax Filing** is a one-year project funded by Intuit Financial Freedom Foundation. The project aims to adapt the virtual tax clinic pilot which supports people on low incomes to self-file, creating a new virtual version with enhanced free Intuit software and volunteer and client training and resources. The new program, Virtual Self-File will be piloted by several community agencies across Canada.

Emergency Savings is a one-year project funded by BlackRock. The project aims to roll up existing research on the role of emergency savings in building and sustaining financial health, liquid assets of low- and moderate-income Canadians and barriers to saving among this group and prepare recommended options for an emergency savings initiative in Canada.

Access to Benefits is a one-year project funded by Maple Leaf Centre for Action on Food Security. The project will enable Prosper Canada to work with two organizations delivering Access to Benefits (A2B) services, to evaluate the extent to which these services lead to increased food security for people living on low incomes.

1. **Significant accounting policies (cont'd)**

(b) *Fund accounting (cont'd)*

Equipping Financial Educators is a two-year project funded by Investment Industry Regulatory Organization of Canada. The project aims to develop evidence-based advice for financial educators, helping them to better equip Canadians to build financial well-being in the face of disruptive new forces and opportunities.

The 2021 ABLE Financial Empowerment (FE) virtual series is a collection of online financial empowerment events designed to provide frontline FE practitioners, FE stakeholders, government, policymakers and academics with knowledge, tools, resources and insights on financial topics to help struggling Canadians build financial resilience through the pandemic and recovery. The virtual series is replacing the 2020 ABLE FE Conference which was cancelled due to the COVID-19 pandemic.

Sustainably Scaling Financial Empowerment (SSFE) is an 18-month project funded by JPMorgan Chase Foundation. This fund will support market research, planning, and strategy development to mobilize Canada's financial industry behind Prosper Canada's goal of sustainable, free, high quality financial help for every Canadian who needs it, through a concerted campaign.

(c) *Cash and cash equivalents*

Cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk in changes in value.

(d) *Capital assets*

Capital assets are stated at cost. Amortization is recorded at rates calculated to charge the cost of the assets to operations over their estimated useful lives. Maintenance and repairs are charged to operations as incurred. Gains and losses on disposals are calculated on the remaining net book value at the time of disposal and included in income.

Amortization is charged to operations at the following annual rates:

Furniture and fixtures	-	20% declining balance
Computer equipment	-	2 years straight line
Leasehold improvements	-	straight line over term of the lease

1. Significant accounting policies (cont'd)

(e) Allocation of expenses

Project expenditures include both costs that are specifically identifiable with the project and costs that have been allocated to the project. The organization allocates these expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year.

Expenses are allocated on the following basis:

Salaries and benefits - based on management's estimate of time spent by staff on each project.

Other supplies and services - based on management's estimate of the usage of such resources by the project.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenditures during the period. Significant items subject to such estimates include the estimated useful life of capital assets. Actual results could differ from these estimates.

(g) Government subsidies

Government subsidies for expenses are recognized in the excess of revenues over expenses for the period where there is reasonable assurance that the subsidy will be received and all attached conditions will be complied with by the organization. Government subsidies received for future expenses are deferred and recognized in the excess of revenues over expenses when the related expenses are incurred.

PROSPER CANADA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

1. Significant accounting policies (cont'd)

(h) *Financial instruments*

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost consist of cash and cash equivalents, short-term investments, accounts receivable, other receivables,.

Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities, and deferred revenue.

2. Investments

	2021 \$	2020 \$
Guaranteed investment certificates - short-term	1,004,321	1,827,009
Guaranteed investment certificates - long-term	500,000	500,000
	1,504,321	2,327,009

The guaranteed investment certificates bear a yield to maturity of 0.40% to 0.70% (2020 - 0.65% to 2.05%) with staggered maturity dates from May 20, 2021 to December 12, 2022 (2020 - June 10, 2020 to December 12, 2022).

3. Capital assets

	Cost \$	Accumulated amortization \$	Net Book Value	
			2021 \$	2020 \$
Furniture and fixtures	40,689	31,145	9,544	11,930
Computer equipment and software	23,723	16,863	6,860	5,002
Leasehold improvements	63,640	55,847	7,793	9,741
	128,052	103,855	24,197	26,673

PROSPER CANADA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

4. Deferred revenue - grants

The organization records restricted contributions as deferred revenue until it is expended for the purpose of the related grant. The change in the amount of deferred grants for fiscal 2021 is summarized as follows:

	Beginning of year \$	Receivable, beginning of year \$	Received in the year \$	Recognized as revenue \$	Receivable, end of year \$	End of year \$
Prosper Canada Core	66,164	-	62,823	(103,731)	-	25,256
FEPS	15,056	-	729,444	(739,503)	-	4,997
Ontario FEC	-	145,349	1,123,156	(980,831)	3,024	-
National FEC	48,468	-	1,045,154	(1,093,622)	-	-
Financial Empowerment for Newcomers	-	83,872	83,872	-	-	-
Financial Empowerment for People with Disabilities	-	-	116,444	(111,060)	-	5,384
BST & Financial Relief Navigator	-	-	115,000	(244,157)	129,157	-
Prosperity Gateways	105,309	-	100,000	(235,533)	30,224	-
TD CFL 3.0	1,008,463	-	-	(1,008,463)	-	-
The Centre	50,000	-	-	(50,000)	-	-
Virtual Self File	146,870	-	99,758	(185,860)	12,000	72,768
Access to Benefits	-	-	76,630	(8,482)	-	68,148
Equipping Financial Educators	72,499	-	-	(72,499)	-	-
Sustainably Scaling Financial Empowerment	276,289	-	-	(196,519)	-	79,770
Match fund	48,807	-	-	-	-	48,807
Exploration of Emergency Savings Initiative in Canada	138,086	-	-	(138,086)	-	-
	1,976,011	229,221	3,552,281	(5,168,346)	174,405	305,130

PROSPER CANADA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2021

5. Other Information

(a) *Lease obligation*

The organization is committed under a net lease for premises until January 2029. Annual rents are approximately as follows:

	\$
2022	96,300
2023	98,600
2024	100,800
2025	103,100
2026	105,400
Thereafter	310,900
	<u>815,100</u>

(b) *ABLE Financial Empowerment conference*

The deferred revenue balance of \$158,350 relates to corporate sponsorships collected for the 2020 ABLE Financial Empowerment conference originally scheduled for May 2020. As a result of COVID-19 the conference was cancelled and has been rescheduled as a virtual conference starting in May 2021. Prosper Canada reached out to sponsors to confirm the carryover of their sponsorship to the 2021 conference. The organization incurred costs of \$77,859 in 2019/20 and \$22,078 in 2020/21 related to the cancelled 2020 conference which are reflected as expenses in these respective financial statements.

(c) *Financial instruments*

The organization is exposed to the following significant financial risks:

(i) *Liquidity risk*

Liquidity risk is the risk that the organization may not be able to meet its financial obligations as they become due. The organization manages its liquidity risk by monitoring and managing the cash requirements to ensure the organization has sufficient funds to meet its operational requirements.

5. Other information (cont'd)

(ii) *Credit risk*

The organization is exposed to credit risk in the event of non-payment by contributors in connection with its accounts receivable. The exposure to credit risk is the carrying value of accounts receivable on the statement of financial position.

(iii) *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 organization is exposed only to interest rate risk as a result of its investments. However, the risk associated with these investments is low, since these assets are guaranteed investment securities.

(d) *Government subsidies*

During the year, the organization applied for \$354,861 in government subsidies in the form of the Canada Emergency Wage Subsidy (CEWS) and Temporary Wage Subsidy (TWS) and \$35,628 in the form of the Canada Emergency Rent Subsidy (CERS) offered by the Canadian government resulting from the COVID-19 pandemic. These subsidies were recorded in income for the year and as of March 31, 2021, \$365,489 of the subsidies are receivable and have been collected subsequent to year end.

5. Other information (cont'd)

(e) COVID-19

The outbreak of the novel coronavirus (“COVID-19”), in March 2020, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which have included travel bans, state and country lockdowns, self-imposed quarantine periods and social distancing have created material disruption to businesses globally, which are resulting in an economic slowdown. The duration and impact of the COVID-19 pandemic is unknown at this time and as a result it is not possible for management to estimate the severity of the impact it may have on the financial results of the organization nor its future condition and operations in future periods.

In response to this disruption and ongoing uncertainty, the organization has developed a 3-year COVID Response and Recovery plan and prioritized business development, launching a new Major Gifts Development Program in 2020 targeting financial sector companies and foundations. This, combined with federal pandemic rent and wage subsidies, has enabled the organization to avoid layoffs and, instead, to expand their team in 2021-22 to deliver on their pandemic response priorities.