

**Variety - The Children's Charity
(Ontario)**

Non-consolidated Financial Statements

For the Year Ended September 30, 2019



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Variety - The Children's Charity (Ontario)

Opinion

We have audited the non-consolidated financial statements of Variety - The Children's Charity (Ontario), (the Organization), which comprise the non-consolidated statement of financial position as at September 30, 2019 and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Organization as at September 30, 2019, and the results of its non-consolidated operations and its non-consolidated 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 Non-consolidated 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 non-consolidated 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated financial statements.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
December 18, 2019
Toronto, Ontario

Variety - The Children's Charity (Ontario)
Non-consolidated Statement of Financial Position
As at September 30, 2019

	2019	2018
Assets		
Current		
Cash	\$ 695,606	\$ 136,166
Accounts receivable (Note 3 and 15)	127,912	29,493
Investments (Note 4)	17,083	416,718
Prepaid expenses	27,639	20,982
Due from related parties (Note 7)	18,021	36
	886,261	603,395
Endowment investments (Note 4)	389,006	389,006
Capital assets (Note 5)	5,601,831	5,952,046
Intangible assets (Note 6)	60,979	90,757
	\$ 6,938,077	\$ 7,035,204
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 183,069	\$ 189,071
Current portion of long-term debt (Note 8)	157,207	150,829
	340,276	339,900
Long-term debt (Note 8)	1,032,877	1,190,248
	1,373,153	1,530,148
Deferred contributions (Note 9)	236,759	78,150
Deferred contributions related to capital assets (Note 10)	2,930,318	2,952,324
	4,540,230	4,560,622
Net assets		
Endowments (Note 11)	389,006	389,006
Invested in capital assets	1,542,408	1,749,402
Operating	466,433	336,174
	2,397,847	2,474,582
	\$ 6,938,077	\$ 7,035,204

Approved by the Board


 Chair


 Treasurer

Variety - The Children's Charity (Ontario)
Non-consolidated Statement of Changes in Net Assets
Year Ended September 30, 2019

	Endowments	Invested in Capital Assets	Operating	Total 2019	Total 2018
	(Note 11)				
Net assets, beginning of year	\$ 389,006	\$ 1,749,402	\$ 336,174	\$ 2,474,582	\$ 2,737,523
Excess (deficiency) of revenue over expenses	-	(446,572)	369,837	(76,735)	(250,766)
Repayment of debt	-	150,993	(150,993)	-	(12,175)
Deferred contributions received	-	(204,344)	204,344	-	-
Purchase of capital assets	-	353,912	(353,912)	-	-
Purchase of intangible capital assets	-	32,599	(32,599)	-	-
Transfer of capital assets and deferred contributions from Variety Village	-	(91,564)	91,564	-	-
Disposal of capital assets	-	(2,018)	2,018	-	-
Net assets, end of the year	\$ 389,006	\$ 1,542,408	\$ 466,433	\$ 2,397,847	\$ 2,474,582

Variety - The Children's Charity (Ontario)
Non-consolidated Statement of Operations
Year Ended September 30, 2019

	2019	2018
Revenue		
Fundraising, net (Schedule 1)	\$ 783,471	\$ 556,236
Gaming operations, net (Schedule 2)	84,352	124,349
Program revenue	60,551	-
Interest income	11,676	11,080
Other revenue	2,123	763
	942,173	692,428
Administrative expenses		
Salaries and benefits	217,895	279,242
Programs (Schedule 3)	50,264	-
Interest on long-term debt (Note 8)	49,192	55,583
Office and general	46,174	30,238
Professional fees	39,724	45,782
Insurance expense	34,477	32,630
Amortization - program related	10,286	-
Interest and bank charges	9,118	9,313
	457,130	452,788
Excess of revenue over administrative expenses	485,043	239,640
Allocation of charitable activities (Notes 5, 6 and 7)	561,778	490,406
Deficiency of revenue over expenses	\$ (76,735)	\$ (250,766)

Variety - The Children's Charity (Ontario)
Non-consolidated Statement of Cash Flows
Year Ended September 30, 2019

	2019	2018
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses	\$ (76,735)	\$ (250,766)
Items not affecting cash		
Amortization of capital and intangible assets (Notes 5 and 6)	803,291	811,426
Amortization of deferred contributions related to capital assets (Note 10)	(356,720)	(339,108)
Amortization of deferred contributions (Note 9)	(163,740)	(246)
Change in non-cash operating balances (Note 12)	(37,498)	(101,587)
Deferred contributions received (Note 9)	322,349	70,930
Deferred contributions related to capital assets received (Note 10)	204,344	419,583
Loss on write off of capital assets	2,018	-
	697,309	610,232
Investing activities		
Purchase of investments	(179,109)	(46,170)
Proceeds from sale of investments	578,744	3,820
Purchase of capital assets	(353,912)	(903,197)
Purchase of intangible capital assets	(32,599)	(17,546)
	13,124	(963,093)
Financing activity		
Repayment of long-term debt	(150,993)	(144,603)
Net change in cash	559,440	(497,464)
Cash, beginning of year	136,166	633,630
Cash, end of year	\$ 695,606	\$ 136,166

1. NATURE OF THE ORGANIZATION

Variety - The Children's Charity (Ontario) (the "Organization") is incorporated under the laws of Ontario without share capital. The Organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements are met.

For over 70 years, the Organization has been breaking down barriers to accessibility for education, sport and fitness and now throughout communities across Ontario. Through participation in sport, fitness and recreation, the Organization helps children with disabilities build their skills and confidence to become active and contributing members of the community, develop and learn physical as well as social skills, and have their emotional and social needs met.

The Organization delivers its programming at the Variety Village facilities (the Facilities) and throughout communities across Ontario. In addition to delivering programs for the Organization, Variety Village operates a number of social enterprises to support the charitable mission of the Organization; including, a Fitness Club, the Rehabilitation to Community Program, an Active Aging Club, and an Adult Day Program.

The Organization exercises control over Variety Village and Variety Club of Ontario - Tent 28 ("Tent 28") by virtue of a common Board of Directors and through the Organization's control and direction of resources. These non-consolidated financial statements do not include the financial results of these two entities. The total assets, liabilities, revenue and expenses and cash flows from operating, financing and investing activities of the non-consolidated controlled entities as well as the entities' intended purpose is disclosed in Note 13.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions, which include donations, bequests and other revenue from special events and fundraising activities. 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. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding to the amortization rate of the related capital assets.

Endowment contributions are recognized as direct increases in endowment net assets, and are required to be maintained on a permanent basis. Income derived therefrom is available to support the Organization's activities and is recorded in interest income on the statement of operations.

Revenue from gaming operations and interest is recognized as earned.

The value of donated materials and services (gifts in kind) is recorded in the financial statements when a fair value can be reasonably estimated, the materials and services are used in the normal course of operations, and would otherwise have been purchased. Donated materials and services in the amount of \$12,012 (2018 - \$15,118) were recorded in the accounts.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund Accounting

The accounts of the Organization are maintained in accordance with the principles of fund accounting in order to observe the limitations and restrictions placed on the use of available resources. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into separate funds in accordance with specified activities or objectives. The Organization has combined funds with similar characteristics into two major fund groups as follows:

- i) Endowments – consists of donations received that are permanent in nature (Note 11);
- ii) Operating – funds received primarily through the efforts of fundraising and are not restricted for any specific purpose except for restricted contributions accounted for using the deferral method of accounting.

Capital Assets

Capital assets of the Organization are stated at cost less accumulated amortization. Contributed capital assets are recorded at the fair value at the date of the gift. When capital assets no longer contribute to the Organization's ability to provide services, its carrying amount is written down to its residual value.

The Organization amortizes its capital assets over their estimated useful lives as follows:

Building	40 years
Building improvements	20 years
Equipment	5 to 25 years
VOLT Equipment	5 years

Intangible Assets

Intangible assets of the Organization are stated at cost less accumulated amortization. Contributed property is recorded at the fair value at the date of the gift. When intangible assets no longer contribute to the Organization's ability to provide services, its carrying amount is written down to its residual value.

The Organization amortizes its intangible assets over its estimated useful life of 5 years.

Volunteer Services

The efforts of volunteer workers are not reflected in the accompanying financial statements as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to the Organization.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures its financial assets and financial liabilities at amortized cost, except for equity investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the deficiency of revenue over expenses.

Financial assets measured at amortized cost include cash, accounts receivable, due from related parties, endowment investments and investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the excess (deficiency) of revenue over expenses. Reversals of impairment are recorded to the extent that the value has increased, up to 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 excess (deficiency) of revenue over expenses.

Management Estimates

The preparation of these non-consolidated 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 and liabilities as at the reporting date and the revenue and expenses reported for the year then ended. Significant estimates include useful lives of capital assets and the allocation of shared expenses with Variety Village. Actual results could differ from those estimates.

3. GOVERNMENT REMITTANCES AND REBATES

Government rebates of \$32,788 (2018 - \$27,612) are included in accounts receivable.

4. INVESTMENTS AND ENDOWMENT INVESTMENTS

Investments and endowment investments are comprised of the following:

	2019	2018
Investments		
Interest bearing savings account	\$ -	\$ 399,635
Time share - at cost	17,083	17,083
	\$ 17,083	\$ 416,718

Variety - The Children's Charity (Ontario)
Notes to Non-consolidated Financial Statements
September 30, 2019

4. INVESTMENTS AND ENDOWMENT INVESTMENTS (Cont'd)

Endowment investments

Interest bearing savings accounts	\$ 389,006	\$ 389,006
-----------------------------------	-------------------	-------------------

Investments are held in an interest bearing savings account, which bears interest at a variable rate. Endowment investments are held in interest bearing savings accounts, segregated by endowment fund and bear interest at a variable rate. The endowment investments are contributions described in Note 11.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2019	Net 2018
Land	\$ 2	\$ -	\$ 2	\$ 2
Building	2,852,869	2,837,650	15,219	15,861
Building improvements	15,599,391	10,671,527	4,927,864	5,463,961
Equipment	2,494,606	1,955,944	538,662	472,221
VOLT Equipment	130,370	10,286	120,084	-
	\$ 21,077,238	\$ 15,475,407	\$ 5,601,831	\$ 5,952,046

Specific capital assets including land and building at 3701 Danforth Avenue are nominally owned by Variety Club of Ontario – Tent 28 ("Tent 28"). Tent 28 has no beneficial interest in the properties and is acting only as an agent for the Organization.

Amortization of \$730,629 (2018 - \$711,066) is included in allocation to charitable activities.

6. INTANGIBLE ASSETS

	Cost	Accumulated Amortization	Net 2019	Net 2018
Software	\$ 398,783	\$ (337,804)	\$ 60,979	\$ 90,757

Amortization of \$62,376 (2018 - \$100,360) is included in allocation to charitable activities.

Variety - The Children's Charity (Ontario)
Notes to Non-consolidated Financial Statements
September 30, 2019

7. DUE FROM RELATED PARTY AND RELATED PARTY TRANSACTIONS

Due from related party:

	2019	2018
Variety Village	\$ 17,871	\$ -
Variety Club of Ontario - Tent 28	150	36
	\$ 18,021	\$ 36

Amounts due from a related party are due on demand, unsecured and non-interest bearing.

The Organization funds approximately 10% (2018 - 9%) of Variety Village's revenue. The grant provided by the Organization to Variety Village for the year ended September 30, 2019 totalled \$561,778 (2018 - \$490,406).

Included in the grant are the following transactions -

- The facilities and other capital assets are held by the Organization for use by Variety Village. Variety Village recognizes the benefit in an amount equal to the amortization expense of the capital assets and intangible assets in the accounts of the Organization. The benefit allocated to Variety Village during the year was \$793,005 (2018 - \$811,426).
- Shared expenses with the Organization are recognized as related party transactions, including administration, fundraising, salaries and benefits, and office and general expenses. The Organization has allocated administrative and fundraising salaries and benefits of \$Nil (2018 - \$209,492) to Variety Village. Variety Village has allocated fundraising salaries and benefits of \$417,334 (2018 - \$253,787) to the Organization.
- During the year, the Organization advanced \$233,148 to Variety Village (2018 - \$272,334 advanced from Variety Village).
- During the year, the Organization received a transfer of VOLT equipment from Variety Village at book value of \$130,369 (2018 - \$Nil), which was offset by a transfer of deferred capital contributions from the Organization to Variety Village for the same amount.
- Other miscellaneous transfers of revenues and reimbursements of expenses totalled \$47,041 (2018 - \$4,390).

During the year the Organization contributed \$114 (2018 - \$36) to Tent 28.

Variety - The Children's Charity (Ontario)
Notes to Non-consolidated Financial Statements
September 30, 2019

8. LONG-TERM DEBT

	2019	2018
Bank credit facility, bearing fixed interest at 3.85% per annum, with no prepayments permitted and due October 1, 2021, with monthly payments, including principal and interest, of \$13,588, based on 132 month amortization period. This debt is secured by the assets held by the Organization and the lender has first ranking over all personal property of the Organization. The debt is guaranteed by Tent 28 and Variety Village.	\$ 1,130,483	\$ 1,247,722
Capital improvement loan, bearing fixed interest at 4.33% per annum, due May 31, 2021 with monthly payments including principal and interest of \$3,094, based on a 60 month term. The debt is secured by the assets.	59,601	93,355
	1,190,084	1,341,077
Less: Current portion	157,207	150,829
	\$ 1,032,877	\$ 1,190,248

Future principal repayments are as follows:

2020	\$ 157,207
2021	150,800
2022 and thereafter	882,077
	\$ 1,190,084

The Organization has a revolving line of credit with RBC with a maximum facility of \$350,000, bearing interest at bank prime plus 1.25%. As at September 30, 2019, there is no balance drawn or outstanding.

The Organization has an irrevocable standby letter of credit for \$35,000 (2018 - \$35,000) as a deposit held by Toronto Hydro. As of September 30, 2019 (and September 30, 2018), the letter of credit has not been drawn upon.

The Organization has an irrevocable standby letter of credit for \$60,000 (2018 - \$NIL) as deposit held by the Minister of Finance for the purpose of a Jeep raffle held on October 5, 2019. This letter of credit expired on November 29, 2019 and was not renewed.

Banking Agreement

During the year the Organization evaluated its financing needs and established a financing facility arrangement with a new bank. In this new arrangement, bank balances of the group entities including the Organization, Variety Village and Tent 28 are assessed at a consolidated group level. The Group would be charged interest if there is an overdraft position at the group level. At the reporting date there is no overdraft position at the overall group level.

As part of the new banking arrangement, the Organization obtained a line of credit with CIBC for \$60,000 (2018 - \$Nil) in order to obtain the letter of credit for \$60,000 as described above. As of September 30, 2019, there is no balance drawn or outstanding.

Variety - The Children's Charity (Ontario)
Notes to Non-consolidated Financial Statements
September 30, 2019

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent externally restricted donations related to expenses of future periods.

	2019	2018
Balance, beginning of year	\$ 78,150	\$ 7,466
Deferred contributions received	322,349	70,930
Amounts recognized as revenue in the year	(163,740)	(246)
Balance, end of year	\$ 236,759	\$ 78,150

10. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred capital contributions relate to contributions received (including government grants) for purchases of capital assets and are recognized as revenue on a straight-line basis based on the amortization rate of the related assets.

	2019	2018
Balance, beginning of year	\$ 2,952,324	\$ 2,871,849
Contributions received	204,344	419,583
Contributions transferred from Variety Village	130,370	-
Amounts recognized as revenue in the year	(356,720)	(339,108)
Balance, end of year	\$ 2,930,318	\$ 2,952,324

11. ENDOWMENTS

All of the net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the principal be maintained intact. Investment income on the assets may be used by the Organization for general purposes.

The balance of the endowment fund is \$389,006 (2018 - \$389,006) (Note 4).

12. CHANGES IN NON-CASH OPERATING BALANCES

	2019	2018
(Increase) decrease in accounts receivable	\$ (98,419)	\$ 4,533
(Increase) decrease in prepaid expenses	(6,657)	3,326
(Increase) decrease in due from related parties	73,580	(2,078)
Increase (decrease) in accounts payable and accrued liabilities	(6,002)	(107,368)
	\$ (37,498)	\$ (101,587)

Variety - The Children's Charity (Ontario)
Notes to Non-consolidated Financial Statements
September 30, 2019

13. NON-CONSOLIDATED CONTROLLED ENTITIES

The Organization exercises control over Variety Village and Variety Club of Ontario - Tent 28 by virtue of a common Board of Directors and through the Organization's control and direction of resources. Both entities are registered under the Laws of Ontario as corporations without share capital. Variety Village is a not-for-profit organization and is engaged in providing physically integrated activity programs for disabled and able-bodied participants to improve body function, fitness and social well-being. Variety Club of Ontario - Tent 28 is a not-for-profit organization, which coordinated the membership and general activities of the Variety Club. These functions have been transferred to the Organization. Variety Village is a registered charity under the Income Tax Act and, accordingly, is exempt from income taxes. Variety Club of Ontario - Tent 28 as a not-for-profit entity is also exempt from income taxes.

These non-consolidated financial statements do not include the financial results of these two entities.

Significant financial information is as follows:

	Variety Village	Variety Club of Ontario - Tent 28	Total 2019	Total 2018
Financial position				
Assets	\$ 914,757	\$ 131	\$ 914,888	\$ 1,200,894
Liabilities	1,468,693	150	1,468,843	1,439,235
Total net assets (deficiency)	\$ (553,936)	\$ (19)	\$ (553,955)	\$ (238,341)
			2019	2018
Total revenue	\$ 6,135,562	\$ -	\$ 6,135,562	\$ 6,004,218
Total expenses	6,451,443	42	6,451,485	6,383,874
Excess (deficiency) of revenue over expenses	\$ (315,881)	\$ (42)	\$ (315,923)	\$ (379,656)
Cash from (used in)				
Operating activities	\$ (225,314)	\$ 60	\$ (225,254)	\$ (45,336)
Financing activities	-	-	-	15,008
Investing activities	137,675	-	137,675	(106,493)
Increase (decrease) in cash	\$ (87,639)	\$ 60	\$ (87,579)	\$ (136,821)

14. FINANCIAL INSTRUMENTS

Bank Agreement

The new bank agreement with the Organization (see Note 8) permits the overdraft and pooling of accounts to arrive at a single consolidation position.

14. FINANCIAL INSTRUMENTS (Cont'd)

Credit Risk

The Organization's principal financial assets are cash and accounts receivable, all of which are subject to credit risk. The credit risk associated with cash is mitigated by depositing cash with major financial institutions. Accounts receivable is exposed to credit risk in the event of non-payment for their accounts receivable. Management has adopted credit policies in an effort to minimize those risks.

Interest Rate Risk and Market Risk

The Organization is subject to interest rate price risk on its fixed rate long term debt with rates of 3.85% and 4.33% (see Note 8) and to market risk on its investments (see Note 4). Interest rate and market risks result from changes in fair value due to market fluctuations in interest rates.

15. SUBSEQUENT EVENT

During the year the Organization was awarded a grant of \$2.5 million from the Ministry of Tourism, Culture and Sport. The purpose of the funding is to support the Organization in the completion of capital improvements. The first installment of \$750,000 was received in October 2019. Included in accounts receivables is approximately \$72,238 relating to grant funds spent prior to year end.

16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. Excess (deficiency) of revenue over expenses has not been affected by these reclassifications.

Variety - The Children's Charity (Ontario)
Non-consolidated Schedule of Fundraising - Schedule 1
Year Ended September 30, 2019

	Revenue	Expenses	2019 Net	2018 Net
Events				
Golf tournaments	\$ 156,755	\$ 6,712	\$ 150,043	\$ 119,083
Pizza Nova Day	133,980	8,797	125,183	(114)
In the Spotlight	7,934	6,568	1,366	4,345
Toronto Sun Fund	33,166	1,126	32,040	-
Gala	155,500	49,556	105,944	79,388
World's Greatest Holiday Party	54,569	11,637	42,932	45,308
Raffles	49,400	26,552	22,848	15,987
Other events	5,376	7,046	(1,670)	9,221
	596,680	117,994	478,686	273,218
Annual campaigns				
General fundraising	780	-	780	1,950
Unsolicited contributions	82,912	2,740	80,172	11,320
Planned gifts	52,500	-	52,500	68,349
Direct mail	21,545	15,329	6,216	-
Corporate	6,223	-	6,223	14,640
Grant amortization	346,434	-	346,434	339,108
	510,394	18,069	492,325	435,367
	\$ 1,107,074	\$ 136,063	971,011	708,585
Expenses				
Salaries and benefits			172,042	23,797
Professional fees			11,794	123,201
Office and general			3,704	5,351
			187,540	152,349
Excess of fundraising revenue over expenses			\$ 783,471	\$ 556,236

Variety - The Children's Charity (Ontario)
Non-consolidated Schedule of Gaming Operations - Schedule 2
Year Ended September 30, 2019

	2019	2018
Nevada	\$ 201,393	\$ 269,298
Less: licence and management fees	117,041	144,949
Excess of gaming revenue over expenses	\$ 84,352	\$ 124,349

Variety - The Children's Charity (Ontario)
Schedule of Program Expenses - Schedule 3
Year Ended September 30, 2019

	2019	2018
Salaries and benefits	\$ 49,181	\$ -
Travel	1,083	-
Total program expenses	\$ 50,264	\$ -