Ronald McDonald House Charities Alberta

Financial Statements
December 31, 2019

Independent auditor's report

To the Members of Ronald McDonald House Charities Alberta

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Ronald McDonald House Charities Alberta (the Society) 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.

What we have audited

The Society's financial statements comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for qualified opinion

In common with many not-for-profit organizations, the Society derives revenues from contributions and fundraising activities/events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to contributions and fundraising activities/events revenue, excess (deficiency) of revenues over expenses and cash flows from operations for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018 and fund balances as at the beginning and the end of the years ended December 31, 2019 and 2018. Our audit opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

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

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Independence
We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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.

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 Society'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 Society'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 Society 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
July 7, 2020

Ronald McDonald House Charities Alberta

Statement of Financial Position

As at December 31, 2019

	2019 $	2018 $
Assets		
Current assets		
Cash	3,191,159	1,542,670
Accounts receivable	770,282	519,072
Prepaid expenses	58,450	141,892
Short-term investments (note 4)	6,090,717	6,711,357
	10,110,608	8,914,991
Investments (note 4)	14,205,316	12,610,538
Investment in property	1,891,991	1,546,991
Long-term prepaid expenses	478,632	484,330
Capital assets, net (note 5)	24,844,594	22,913,431
	51,531,141	46,470,281
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	346,451	346,281
Current portion of long-term debt (note 8)	34,299	5,424
	380,750	351,705
Deferred contributions (note 7)	1,486,589	172,298
Long-term debt (note 8)	63,765	9,303
	1,931,104	533,306
Fund balances (note 9)		
General fund	19,711,497	16,557,827
Capital asset fund	29,888,540	29,379,148
	49,600,037	45,936,975
	51,531,141	46,470,281

Approved by the Board of Directors

_______________________ Director _______________________ Director

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

Ronald McDonald House Charities Alberta

Statement of Operations

For the year ended December 31, 2019

	General fund		Capital asset fund		Total	
	2019 $	**2018 $**	**2019 $**	**2018 $**	**2019 $**	**2018 $**
Revenue						
Contributions (note 11)	4,112,534	2,939,307	580,545	69,937	4,693,079	3,009,244
Fundraising activities/events	2,909,353	3,758,814	533,543	-	3,442,896	3,758,814
Donated goods and services (note 13)	801,701	1,040,802	581,150	109,948	1,382,851	1,150,750
RMH room donations/fees	335,218	376,844	-	-	335,218	376,844
Other	37,149	49,835	-	-	37,149	49,835
	8,195,955	8,165,602	1,695,238	179,885	9,891,193	8,345,487
Expenses						
Program	3,522,253	3,174,482	902,076	1,152,613	4,424,329	4,327,095
Fundraising (note 15)	2,413,233	1,952,038	-	-	2,413,233	1,952,038
Management and general	810,767	796,368	-	-	810,767	796,368
Donated goods and services (note 13)	801,701	1,040,802	-	-	801,701	1,040,802
	7,547,954	6,963,690	902,076	1,152,613	8,450,030	8,116,303
Excess (deficiency) of operating revenue over expenses	648,001	1,201,912	793,162	(972,728)	1,441,163	229,184
Investment income, net (note 4)	2,167,775	(68,491)	-	-	2,167,775	(68,491)
Unrealized foreign exchange gain	54,124	3,194	-	-	54,124	3,194
Excess (deficiency) of revenue over expenses for the year	2,869,900	1,136,615	793,162	(972,728)	3,663,062	163,887
Fund balances – Beginning of year	16,557,827	15,421,212	29,379,148	30,351,876	45,936,975	45,773,088
Interfund transfers (note 9)	283,770	-	(283,770)	-	-	-
Fund balances – End of year	19,711,497	16,557,827	29,888,540	29,379,148	49,600,037	45,936,975

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

Ronald McDonald House Charities Alberta

Statement of Cash Flows

For the year ended December 31, 2019

	2019 $	2018 $
Cash provided by (used in)		
Operating activities		
Excess (deficiency) of revenue over expenses for the year		
General fund	2,869,900	1,136,615
Capital asset fund	793,162	(972,728)
Items not involving cash		
Amortization of capital assets	902,076	794,076
Realized and unrealized (gain) loss on sale of investments	(1,522,678)	739,936
	3,042,460	1,697,899
Net change in non-cash working capital balances related to operations		
Accounts receivable	(251,210)	(210,152)
Prepaid expenses and other assets	83,442	(63,363)
Accounts payable and accrued liabilities	170	19,275
Deferred contributions	1,314,291	(104,102)
	4,189,153	1,339,557
Investing activities		
Purchases of investments	(686,262)	(7,772,536)
Proceeds from sale of investments	1,426,899	6,608,295
Purchases of capital assets	(2,496,760)	(52,478)
Items not involving cash		
Contributed capital assets	(236,150)	(109,948)
Contributed investments in property	(345,000)	-
Contributed investments	(191,759)	-
	(2,529,032)	(1,326,667)
Financing activities		
Repayment of long-term debt	(11,632)	(22,477)
Net increase (decrease) in cash during the year	1,648,489	(9,587)
Cash – Beginning of year	1,542,670	1,552,257
Cash – End of year	3,191,159	1,542,670

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

1 Nature of the Organization

Organization

Ronald McDonald House Charities® Alberta (the Organization) is a not-for-profit, charitable corporation formed in October 2018 under the Societies Act of Alberta, as a result of the amalgamation of Ronald McDonald House Charities® Northern Alberta and Ronald McDonald House Charities® Southern & Central Alberta. The mission of Ronald McDonald House Charities (RMHC) is to create, find and support programs that directly improve the health and well-being of children and their families. RMHC and the network of local Chapters, of which there are 12 in Canada, ascribe to five core values. We are focused on the critical needs of children, we lead with compassion, we celebrate the diversity of our people and our programs, we value our heritage and we operate with accountability and transparency.

In Canada, 12 Regional RMHC Chapters work collaboratively through the support of RMHC Canada, Canada's national RMHC foundation, which is focused on contributing funding from McDonald's Restaurants of Canada and other donors, to support the building and operations of Ronald McDonald Houses, Family Rooms and Ronald McDonald Care Mobiles to help enable the support of families with sick children.

The Organization is registered as a Canadian charitable organization under the Income Tax Act and accordingly is exempt from income taxes.

The Organization is also registered under The Charitable Fundraising Regulation of Alberta and has considered all required disclosures under Section 7(2) of the Regulation in preparing the financial statements.

The Organization fulfills its mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum and strengthen families during difficult times. The following programs, operated by the Organization, represent the core functions of Ronald McDonald House Charities Alberta.

Ronald McDonald House

When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House programs located in Calgary, Edmonton and Red Deer, which provide temporary lodging, meals and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team and to participate in critical medical care decisions.

Ronald McDonald Care Mobile

The Ronald McDonald Care Mobile (RMCM) program provides access to pediatric medical, dental and/or health education services for children living in underserved communities. The RMCM program is breaking down the barriers to health care, expanding critical health care access and extending the Organization's reach to countless underserved children. The RMCM program serves children that are at great risk to develop acute conditions, dental problems, chronic diseases and even serious lifelong illnesses. Through partnerships with local healthcare organizations and government ministries, the Organization is bringing clinical services and health education directly to those in need, so children can receive high quality, convenient care right in their own neighborhood – from urban communities to remote, hard-to-reach areas.

2 Change in accounting policy

Effective January 1, 2019, the Organization adopted the new standard of the Chartered Professional Accountants of Canada (CPA Canada) Handbook, Part III – Accounting Standards for Not-for-Profit Organizations (ASNPO), Section 4433 (Tangible Capital Assets Held by Not-for-Profit Organizations).

The adoption of Section 4433 – Tangible Capital Assets Held by Not-for-Profit Organizations resulted in a change to the Organization's accounting policies with respect to componentization and amortization of tangible capital assets. The cost of tangible capital assets made up of significant separable component parts is now allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

In accordance with transitional provisions in Section 4433, the cost and related accumulated amortization of those tangible capital assets identified as having significant separable components were allocated to their component parts as of January 1, 2019, based on the proportional value of their fair value at the date of transition. Estimates of the useful lives of the components were made and applied on a prospective basis.

In accordance with Section 4433, the Organization's accounting policies with respect to impairment of long-lived assets has also been revised (note 3).

3 Summary of significant accounting policies

These financial statements are prepared in accordance with Part III of the CPA Canada Handbook – Accounting, which sets out ASNPO in Canada and includes the significant accounting policies summarized below.

a) Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date, and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

b) Fund accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. Under these principles, the accounts of the Organization have been classified into the following funds:

The general fund reports unrestricted resources available for general operating activities.

The capital asset fund reports resources that are restricted to the Organization's capital asset purchases, replacements or maintenance initiatives.

c) Revenue recognition

The Organization follows the restricted fund method of accounting for contributions.

Contributions are recorded in the appropriate funds when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions are recognized as revenue in the general fund when initially recorded in the accounts. Externally restricted contributions for use towards capital asset initiatives are recorded as revenue of the capital asset fund when initially recognized in the accounts. Externally restricted contributions for which no appropriate fund exists, are recognized in the general fund and are deferred and recognized as revenue when the associated expenses are recognized.

Revenue from fundraising is recognized as revenue in the corresponding fund as appropriate in the year received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Fees are recognized when the services have been provided. Revenue from room payments is recognized as revenue in the general fund on an accrual basis when the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income (loss) consists of interest, dividends, income distributions from pooled funds and realized and unrealized gains and losses. Investment income earned on capital asset fund resources that must be spent on donor-restricted activities is recognized as revenue in the capital asset fund. General investment income earned on general fund resources is recognized as revenue of the general fund. Investment losses are allocated in a manner consistent with investment income.

d) Cash

Cash consists of cash on deposit.

e) Foreign currency translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the date of the statement of financial position. Non-monetary assets and liabilities are translated at the historic rate.

f) Financial instruments

Investments are recorded at fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Short-term investments, comprised entirely of guaranteed investment certificates having a maturity within one year from the date of purchase, are carried at market value with realized and unrealized gains or losses recognized directly in the statement of operations. Other financial instruments, including accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

g) Long-term debt

Long-term debt is initially measured at fair value, net of transaction costs and financing fees. It is subsequently measured at amortized cost. Transaction costs and financing fees are amortized using the straight-line method.

h) Contributed materials and services

Contributed materials and services are recorded in the financial statements at fair market value when fair market value can be reasonably estimated. Because of the difficulty in determining the fair value of volunteer time, these services are not recognized in the financial statements.

i) Capital assets

Purchased capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components. Amortization is determined using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	35 – 50 years
Caremobile	10 years
Furniture, fixtures, equipment	5 – 10 years
Serenity garden	5 years
Vehicles	3 – 5 years
Computer hardware, software, website	2 – 5 years
Land	n/a
Artwork	n/a
Construction-in-progress	n/a

Construction-in-progress is not subject to amortization until the project has been completed and the asset is put in use. At that time, the corresponding costs are transferred to the appropriate asset category and amortized accordingly over its estimated useful life.

j) Investment in property

Investment in property is recorded at cost. Investment in property consists of land and buildings held as a long-term investment.

k) Impairment of long-lived assets

Long-lived assets are tested for impairment when conditions indicate that an asset no longer contributes to Organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When conditions indicate that an asset is impaired, the net carrying amount of the asset is written down to the asset's fair value or replacement cost. The write-downs of long-lived assets are recognized as expenses in the statement of operations. Write-downs are not subsequently reversed.

4 Investments

Investments, all of which are recorded at fair value, have an asset mix as follows:

	2019 $	2018 $
Short-term investments		
General fund – cash held by investment managers	1,072,830	785,394
General fund – fixed income	-	1,022,336
Capital fund – cash held by investment managers	5,017,887	176,133
Capital fund – fixed income	-	4,727,494
	6,090,717	6,711,357
General fund		
Fixed income		
Canadian bonds	3,721,227	3,489,192
Global bonds	1,205,003	1,289,217
Equities		
Canadian	3,346,067	2,855,576
U.S.	2,776,653	2,299,203
Other International	3,156,366	2,677,350
	14,205,316	12,610,538

Investments in pooled funds have been allocated among the asset classes based on the underlying investments held in the pooled funds.

Investment income (loss) consists of the following:

	2019 $	2018 $
Interest income	305,287	279,481
Foreign income	138,200	55,071
Dividends	64,170	129,393
Pooled fund distributions	221,907	288,263
Realized and unrealized gains (losses)	1,522,678	(739,936)
Management fees	(84,467)	(80,763)
	2,167,775	(68,491)

5 Capital assets

			2019	2018
	Cost $	Accumulated amortization $	Net $	Net $
Buildings	27,076,576	7,827,142	19,249,434	19,829,138
Caremobile	562,913	248,620	314,293	370,583
Furniture, fixtures, equipment	2,449,033	2,269,966	179,067	342,177
Serenity garden	19,666	19,666	-	-
Vehicles	122,948	57,140	65,808	91,624
Computer hardware, software, website	243,926	157,150	86,776	14,322
Land	3,859,659	-	3,859,659	1,798,134
Artwork	253,494	-	253,494	253,493
Construction-in-progress – Calgary	198,290	-	198,290	213,960
Construction-in-progress – Medicine Hat	637,773	-	637,773	-
	35,424,278	10,579,684	24,844,594	22,913,431

During the year, capital assets were donated to the Organization in the amount of $581,150 (2018 – $109,948).

Assets acquired under capital lease obligations were $84,713 (2018 – $10,256).

6 Government remittances payable

As at December 31, 2019, accounts payable and accrued liabilities include government remittances payable of $nil (2018 – $nil).

7 Deferred contributions

Deferred contributions represent unspent resources externally restricted for program expenses in future years for which a corresponding fund does not exist. Changes in the deferred contributions balance are as follows:

	2019 $	2018 $
Balance – Beginning of year	172,298	276,400
Amount received during the year	1,601,407	292,529
Amount recognized as revenue during the year	(287,116)	(396,631)
Balance – End of year	1,486,589	172,298

8 Long-term debt

a) Long-term debt consists of the following:

The net book value of equipment under capital leases at December 31, 2019 was $98,064 (2018 – $14,727).

	2019 $	2018 $
Capital lease obligation at an implicit interest rate of 2.689% per annum, matured January 2019. Monthly principal plus interest payments of $1,333.	-	1,329
Capital lease obligation at an implicit interest rate of 2.689% per annum, maturing February 2022. Monthly principal plus interest payments of $370.	9,304	13,398
Capital lease obligation at an implicit interest rate of 7.68% per annum, maturing January 2023. Monthly principal plus interest payments of $261.	8,448	-
Capital lease obligation at an implicit interest rate of 5.76-8.04% per annum, maturing November 2022. Monthly principal plus interest payments of $2,686.	80,312	-
	98,064	14,727
Less Current portion	34,299	5,424
	34,299	5,424

b) The estimated principal lease payments under the capital lease obligations are as follows:

	$
2020	34,299
2021	36,613
2022	27,067
2023	85
	98,064

9 Fund balances

The fund balances consist of the following:

	2019 $	2018 $
General fund		
Internally restricted	4,816,751	4,726,751
Unrestricted	14,894,746	11,831,076
	19,711,497	16,557,827
Capital asset fund		
Externally restricted	2,260,123	3,649,043
Internally funded capital assets	27,112,187	24,930,105
Amounts set aside by the Board for future projects	516,230	800,000
	29,888,540	29,379,148
	49,600,037	45,936,975

Internally restricted amounts in the general fund represent 95% (2018 – 91%) of the current period's program expenses of $5,089,076 (2018 – $5,094,022) which is restricted by the Board of Directors as future operational reserve.

As at December 31, 2019, amounts set aside for future projects by the Board within the capital asset fund include $500,000 for the future replacement of the Ronald McDonald Care Mobile unit, and $16,230 for future capital projects. During the year, $300,000 of which was previously set aside for building renovations was spent. Externally restricted balances represent unspent resources for capital maintenance and capital projects.

10 Financial instruments

The Organization is exposed to various financial risks through transactions in financial instruments.

Credit risk

The Organization is exposed to credit risk in connection with its accounts receivable and its short term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

Interest rate risk

The Organization is exposed to interest rate risk with respect to its investments in fixed income investments and a pooled fund that holds fixed income securities because the fair value will fluctuate due to changes in market interest rates. Interest rates on investments vary from approximately 0.25 % to 12.75% per annum. These investments mature at various dates from 1 month to 59 years.

Liquidity risk

The Organization is exposed to the risk that it will encounter difficulty in meeting obligations associated with its financial liabilities. The Organization considers that it has sufficient funds available to meet its obligations as they come due.

Market and other price risk

The investments of the Organization are subject to price risk because changing interest rates impact the market value of the fixed rate investments, and the general economic conditions affect the market value of equity investments. This risk is mitigated through the use of an investment manager for the long-term portfolio investments and by investing other funds in short-term fixed rate products with high credit ratings.

11 Related party transactions

RMHC is a system of independent, separately registered public benefit organizations, referred to as Chapters within the global organizations. The Organization is an independent operating Chapter within the RMHC system. Each Chapter is licensed by McDonald's Corporation and Ronald McDonald House Charities, Inc. to use RMHC related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards of operations for programs, governance finance, branding and reporting.

During the year ended December 31, 2019, the Organization received from Ronald McDonald House Charities, Global, $262,426 CAD or $199,130 USD (2018 – $nil CAD/USD), and $1,568,648 CAD (2018 – $1,053,193 CAD) from Ronald McDonald House Charities, Canada.

12 Beneficial use of land

The land on which the Calgary building is located has been subleased for one dollar from the Alberta Health Services (formerly Calgary Health Region) for 90 years commencing January 1, 2005.

13 Donated goods and services

The fair value of donated goods and services included as contributions and expenses in the financial statements for the years ended December 31, 2019 and December 31, 2018 is as follows:

	2019 $	2018 $
Programming	664,747	766,927
Fundraising	110,457	267,574
Management and general	26,497	6,301
	801,701	1,040,802

Gifts of property and real estate of $581,150 were received throughout the year. These gifts were recorded as revenues and capitalized as assets, rather than expensed.

14 Allocation of expenses

The Organization allocates expenses by identifying an appropriate basis of allocation which includes full-time equivalents, time spent on specific activities and square footage.

General management and program salary expenses are based on proportional hours attributable to the function.

General management and program salary expenses of $431,890 (2018 – $275,771) have been allocated as follows:

	2019	2018
Program expenses	182,835	122,612
Management and general expenses	87,715	82,724
Fundraising expenses	161,340	70,435
	431,890	275,771

15 Charitable fundraising

As required under section 7(2) of the Charitable Fundraising Regulation in Alberta, the following amounts are disclosed:

	2019 **$**	**2018** **$**
Gross contributions received	9,518,826	8,097,350
All expenses that were incurred to solicit contributions	2,413,233	2,219,612
Total amount paid as remuneration to employees whose duties involve fundraising	1,303,452	1,114,664

Fundraising expenses were incurred to support revenue generating activities beyond fundraising activities and events and include those revenues segmented as contributions and in donated goods and services. Expenses incurred to solicit contributions, including event expenses and other than employee renumeration for the year totaled $1,109,781 (2018 – $1,104,948).

16 Concentrations

Contributions received from a single donor, Ronald McDonald Charities Canada, were $1,568,648 during the year ended December 31, 2019 and $1,053,193 during the year ended December 31, 2018, which represents 16.48% and 13.30%, respectively, of total public contributions.

17 Comparative figures

Certain reclassifications for the year ended December 31, 2018 have been made for the purpose of comparability.

18 Subsequent events

In March 2020, the World Health Organization characterized the COVID-19 virus as a global pandemic. As at December 31, 2019, the COVID-19 global pandemic had not yet had a significant impact on the Organization's operations or global capital markets; therefore, no adjustments have been recorded in the financial statements relating to this crisis for the period then ended.

Given the outbreak of COVID-19, the Houses continued to serve existing families but did not admit new families. The Organization is in the processing of reinstating families and is expected to be back at full capacity by fall 2020.

As it is not yet known when public health restrictions will be removed, nor the long-term impact of COVID-19, it is not possible to estimate the financial impact of this event on the Organization's financial results subsequent to December 31, 2019. Subsequent to year-end, management continues to monitor collections and its investment portfolio, as well as liquidity and cash flows.