

ANNUAL REPORT 2017-2018



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The Red Cross continues to demonstrate our expertise, our presence from coast to coast to coast, and our commitment to progress, as together, we help those in need at home and around the world.

OUR MISSION

The Canadian Red Cross works to improve the lives of vulnerable people by mobilizing the power of humanity in Canada and around the world.

OUR VISION

The Canadian Red Cross is the leading humanitarian organization through which Canadians voluntarily demonstrate their care and compassion for others.

OUR HUMANITARIAN VALUES

- Respect, dignity and inclusiveness
- Integrity, accountability, effectiveness, transparency and adaptability
- Quality and safety

OUR FUNDAMENTAL PRINCIPLES

- Humanity
- Independence
- Universality
- Impartiality
- Voluntary Service
- Neutrality
- Unity

Meet the Canadian
Red Cross Organizational
Leadership Team at
redcross.ca/aboutus



MESSAGE FROM THE PRESIDENT AND CEO



Meeting people's needs continues to be a core focus of the Canadian Red Cross. We are serving hundreds of thousands of people in Canada and around the world. Last year, for example, we assisted more than 130,000 people recovering from disasters in Canada. In addition to offering emergency shelter, food and other supports, we provided direct cash assistance, which helps people manage their own needs and maintain dignity during stressful times.

About half a million Canadians learned first aid skills last year in Red Cross programs. More than one million people in this country took Red Cross swimming and water safety courses, and we loaned wheelchairs and other medical equipment to about 150,000 people. Members of our international team performed more than 8,850 medical consultations last year at Red Cross field hospitals in Bangladesh and Somaliland.

Many examples can be found that clearly illustrate Canadians' confidence in our work. Along with generous donations of money and time, the support of Canadians ensures that we continue to expand in areas where people need us most. With this country's backing, we are able to play increasingly significant roles in emergency responses. Our efforts are trusted by governments at all levels, as the Red Cross continues to work in an auxiliary, supporting role to help people and communities affected by disasters.

It's important to note the past year's accomplishments came while the Red Cross helped manage a series of simultaneous disasters across the country and internationally. In Canada last spring, severe flooding in Ontario and Quebec forced people from their homes and caused extensive damage in numerous communities. The Red Cross response to the flooding emergency continued as wildfires spread across Manitoba, Saskatchewan, Alberta and British Columbia during the summer. Our response teams, consisting of hundreds of volunteers and staff, worked almost non-stop on these disasters. Meanwhile, people from every Red Cross program and support function helped maintain our other essential services described in this report.

As always, the Red Cross is focused on offering services in areas where we provide unique value to people. With this in mind, we continue to evolve, adapt and implement change, and have been transferring some services from our program areas to specialized agencies that will continue to offer quality assistance focused on clients' needs.

Globally, Canadian teams also assisted with concurrent international emergencies. In this report, a Canadian doctor describes her work as a delegate in the Bangladesh camps, where more than 650,000 people have fled since last summer after another outbreak of violence in Myanmar's Rakhine state. During the same period, our teams provided healthcare in Somaliland, where a major cholera outbreak threatened to take thousands of lives. As well, summer hurricanes (Harvey, Irma, Jose and Maria) wreaked devastation in the southern United States and Caribbean countries, prompting continued assistance from Canadian staff and volunteers.

Another ongoing initiative is the implementation of our Indigenous Peoples Framework, which clearly outlines a pledge by the Red Cross to continue building on our commitment to reconciliation; cultural safety; collaboration with Indigenous leadership, communities, organizations and partners; and community-based service delivery that acknowledges First Nation, Métis and Inuit sovereignty, nation-to-nation relationships, and supports the development of local capacity.

At the Red Cross, we continue to strengthen relationships with a wide range of government and community groups, including innovative partnerships with such prestigious universities as McMaster, McGill, Waterloo, Montreal, and British Columbia, as well as Toronto's Hospital for Sick Children and Montreal's Sainte-Justine Hospital.

We are continuing to invest in technological and process improvements that ensure our organization is best able to serve people with the proper tools and resources while also being efficient in our day-to-day work. We have also reaffirmed our determination at the Red Cross to provide safe and respectful workplaces at home and internationally.

In these and many other ways, the Red Cross continues to demonstrate our expertise, our presence from coast to coast to coast, and our commitment to progress, as together, we help those in need at home and around the world.

Sincerely,

A handwritten signature in black ink, appearing to read 'Conrad Sauvé'. The signature is fluid and cursive, written in a professional style.

Conrad Sauvé
President and CEO
Canadian Red Cross

Meet the Canadian
Red Cross Board of
Directors at
redcross.ca/aboutus

Collectively, these people with Red Cross
have more than 100 years of experience
responding to disasters in Canada.



MESSAGE FROM THE CHAIR OF THE BOARD



Having completed my first year as the Chair of the Board, I would like to share my thanks and great appreciation for all the talented people who have helped contribute to our work at the Canadian Red Cross. It is a privilege to be part of an organization that is truly making our world a better place.

Of course, we could not accomplish our work at the Red Cross without the incredible generosity of our donors, the selfless commitment of our volunteers, the dedication of our staff, and important contributions made through our partnerships with governments, Indigenous leaders, community groups, business organizations, and many others.

It is inspiring, to say the least, to see diverse members of Canadian society come together at the Red Cross to offer assistance when our neighbours need us most in this country and overseas.

We could not accomplish our work at the Red Cross without the incredible generosity of our donors, the selfless commitment of our volunteers, the dedication of our staff, and important contributions made through our partnerships...

It is gratifying to note that our efforts at the Canadian Red Cross (CRC) have also been recognized by our peers at the International Federation of Red Cross and Red Crescent (IFRC). Having received the most votes of any elected member, our past Board Chair, Sara John Fowler, is now representing the CRC on the IFRC's Board of Governors. Her election is an important endorsement of our credibility and the contributions made by Canada to people in need.

In the past year on the Board, our work has focused on guiding the CRC as we continue to evolve and be innovative, while remaining responsive to society's needs. The Board has been invested in examining strategies, programs, and helping plan the most effective activities, as we look to the future. Throughout, we have also remained focused on good governance, risk management and due diligence.

Last November, I was privileged to co-lead a Red Cross delegation from Canada with a significant presence at the IFRC General Assembly in Turkey, which was attended by 190 National Societies.

In January, the Board met to further consider issues of potential impact on the CRC's future work, including climate change, our aging population and other emerging social emergencies, such as people's increasing isolation.

At last year's annual meeting in Winnipeg, the Board was privileged to meet with a number of Indigenous Chiefs and Grand Chiefs. In past months, the Board endorsed our new Indigenous Peoples' Framework. In Canada, the Red Cross continues to experience the growth of stronger and more sustainable relationships with Indigenous communities. All our program areas recognize the importance of working in partnership with Indigenous leadership to support immediate and longer-term humanitarian needs.

It has been a busy and productive first year as the Chair of the Board. Once again, I would like to thank Canadian Red Cross staff, volunteers, donors and our many partners whose sense of purpose, passion and generosity help us to help others.

I look forward to many more opportunities at the Red Cross to work together to improve the lives of vulnerable people in Canada and around the world.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gavin Giles', written in a cursive style.

Gavin Giles
Chair of the Board

OUR WORK IN CANADA AND AROUND THE WORLD



DISASTER MANAGEMENT IN CANADA

PREPARING, RESPONDING AND REBUILDING

On average, the Canadian Red Cross responds to a disaster

every

3 hours and assists **363** Canadians daily

Last year, the Canadian Red Cross



responded to over

2,977 disasters in Canada



assisted

132,472 Canadians



engaged more than

6,000 volunteers



delivered disaster preparedness training to

8,019 people



“I’m grateful for all the help that’s here.”

Catrina Biggar was forced by wildfires to evacuate from Williams Lake, B.C., with her daughter, 7, and son, 11, mom, friends and two cats.

PREVENTION AND SAFETY

EDUCATION, TRAINING AND AWARENESS



more than
556,695 Canadians
learned first aid

more than
8,600 first aid instructors
trained



more than
783,000 Canadians
attended Respect Education workshops

more than
2,500 youth facilitators
trained for Respect Education initiatives



more than
1.04 million Canadians
attended Red Cross Swimming
& Water Safety courses

more than
**18,406 Swimming
& Water Safety instructors**
and
1,114 lifeguards
trained

COMMUNITY HEALTH AND WELLNESS

SUPPORTING RESILIENCE,
INDEPENDENCE AND WELL-BEING



936,067 home support hours
for seniors and recovering patients

1,992 people
received home support



283,356 meals
delivered

2,789 people
received meals



305,386 rides
provided to seniors and recovering patients

12,505 people
received transportation assistance



280,254 health equipment loans
(walkers, wheelchairs, crutches, etc.)

158,581 people
received health equipment loans



INTERNATIONAL OPERATIONS

HUMANITARIAN SUPPORT AND EMERGENCY MEDICAL ASSISTANCE

Countries Where We Work

The Red Cross responds to humanitarian needs in times of conflict and natural disasters, wherever and whenever they occur.



more than
3 million people
reached globally



167 experts
deployed to
37 countries



2 field clinics
deployed last year to
Bangladesh and Somaliland
over
8,850 medical consultations
performed



RESPONDING TO SIMULTANEOUS EMERGENCIES AROUND THE WORLD

The Canadian Red Cross continues to deliver in “the last mile,” providing lifesaving assistance focused on disaster response and preparedness, as well as improving the health and survival of women, children and adolescents in highly complex environments around the world.

In the past year, Red Cross teams provided assistance for several global emergencies and disasters that occurred at the same time, including a cholera outbreak in Somaliland, hurricanes in the Caribbean and southern United States (Harvey, Irma, Jose and Maria), and the arrival in Bangladesh of thousands of people fleeing violence in Myanmar. Building the disaster response capacity of sister National Societies also continued to be a priority.

Since August 2017, more than 650,000 people have fled to overcrowded, makeshift settlements in Bangladesh after the latest outbreak of violence in Myanmar’s Rakhine state. Working in strong partnership with the International Committee of the Red Cross (ICRC), our teams continue to meet people’s needs in challenging circumstances.

The Canadian Red Cross is supporting a 60-bed field hospital in the Bangladesh camps that treats patients suffering from a wide range of issues, including injuries sustained on the journey to complex pregnancies. Community outreach is being expanded, along with water, sanitation and hygiene activities, emotional support, and restoring family links.

“The way the children smile when their kite takes flight gives me a little hope.”

In the accompanying story, a Canadian physician, Dr. Ola Dunin-Bell, describes crucial health care also being provided by Canadian mobile health teams at remote outposts in the camps, and at a transit centre where people first arrive, often with serious health issues.



THE KITES ARE COMING OUT

By Dr. Ola Dunin-Bell (CRC Blog Excerpt from Feb. 5, 2018)

“The need is great in this section of the Kutupalong camp. The crowded conditions and poor sanitation have led to high rates of infectious diseases and the lineup of patients always includes many with dehydration from diarrhea. Respiratory infections are also common in this group, made more frequent and more dangerous by malnutrition that plagues the population. We screen the patients for malnutrition, particularly vulnerable children under age five, and refer severe cases to specialized feeding programs...

“In addition to our days in the mobile clinic, we also provide screening and support to the newest arrivals from Myanmar. Sometimes, hundreds of people cross the border at once, and are sent to the ‘transit centre’ where our team screens them for health issues. A couple of times, this has happened after dark, and they arrive frightened, exhausted, and hungry. With only headlamps, we provide essential medical care and ensure those requiring more advanced treatment are referred to the appropriate places.

“In spite of the terrible situation, not everything is sad. With the clearer weather has come an occasional breeze and with it, kites have appeared. The children here are ingenious in how they manage to build these aerodynamic creations out of torn plastic bags and bits of broken bamboo. One little boy collected enough string (wrapped around an empty plastic water bottle) that you could barely make out the kite, it was up so high. The way the children smile when their kite takes flight gives me a little hope.”

Across Canada, the Red Cross is helping thousands of people impacted by disasters while also striving to build their resilience, so Canadians are better able to face any future challenges.



RESPONDING TO CONCURRENT DISASTERS ACROSS CANADA

From spring flooding in central Canada to wildfires in the West and a summertime surge in people seeking asylum, there was a period in 2017 that stands out for simultaneous disasters requiring assistance from the Canadian Red Cross.

During these concurrent emergencies, which reflect a new normal according to experts, Red Cross staff and volunteers first offered help to people who lost their homes and livelihoods during severe spring flooding in Ontario and Quebec. Response efforts soon followed for devastating wildfires in Manitoba, Saskatchewan, Alberta and British Columbia, as more people and communities suffered great loss and dislocation over the summer months.

Red Cross teams continued to demonstrate great dedication and effectiveness as they worked together to provide emergency shelter and other essentials.

At the same time, a surge of people seeking asylum arrived in Quebec, where Red Cross teams, working in partnership with governments and other refugee settlement agencies, assisted with lodging, food and other basic services for thousands in need.

People from every Red Cross program, service and region rose to the challenge...

Throughout this period, our teams continued to demonstrate great dedication and effectiveness as they worked together to provide emergency shelter and other essentials. People from every Red Cross program, service and region rose to the challenge and supported our efforts, demonstrating a unified approach across the country.

In many cases, longer-term assistance continues to be provided to individuals and families, community groups, eligible small businesses and others in need from the affected regions. Across Canada, the Red Cross is helping thousands of people impacted by disasters while also striving to build their resilience, so Canadians are better able to face any future challenges.



“The Red Cross gave me everything I needed in that moment. I can’t say enough about how much that meant.”

Al Starkenburg, affected by the B.C. fires

The Canadian Red Cross reaffirmed our commitment to work with Indigenous people and communities, build on our strengths, and embark on a transformational journey.



SERVING INDIGENOUS PEOPLES AND COMMUNITIES

Reflecting the call to action by the Truth and Reconciliation Commission of Canada, the Canadian Red Cross reaffirmed our commitment to work with Indigenous people and communities, build on our strengths, and embark on a transformational journey.

Within this, we have implemented an Indigenous Peoples Framework for our work with four foundational pillars:



The Red Cross will continue working collaboratively with Indigenous communities.

Overall, our commitment to reconciliation can be summarized in three parts: action-based, long-term and relationship-focused.

Throughout the past year, the Canadian Red Cross had a direct presence in over 300 Indigenous communities. This emphasizes the relevance of our support in impacting the lives of Indigenous people and strengthening capacity with communities.

At the invitation of communities, the Red Cross supports culturally appropriate programming in disaster prevention, response and recovery; education and training on issues like bullying and healthy relationships; and offers injury prevention training in the form of First Aid/CPR and babysitting courses. We work in all areas together, using a unified approach across the country.

Last year, a milestone for one of our long-time partners, the Blood Tribe in Alberta, was their ability to effectively respond to a natural disaster without the need for external supports. The Red Cross has had an office on their lands for more than 19 years, and through our partnership we have supported their building of emergency response capacity.

The Red Cross will continue working collaboratively with Indigenous communities, co-creating opportunities to address their priorities, and supporting stronger, safer, empowered, and more resilient communities.



“Most of our community members went to Kamloops, and the Red Cross gave us a place to go because there was nowhere. The organization did such a wonderful job of helping our community members.”

Band Councillor Frank Antoine of Bonaparte Indian Band, affected by the B.C. fires

Innovative partnerships have been created between the Red Cross and several Canadian institutions...



HUMANITARIAN & ACADEMIC PARTNERSHIPS: CREATING A BETTER WORLD TOGETHER

In the rural villages of Mali, mountainside communities of Nepal, and the homes of vulnerable people in Canada, the Canadian Red Cross and prominent academics are working together to improve healthcare and find solutions for other complex issues.

Innovative partnerships have been created between the Red Cross and several Canadian institutions, including the world-renowned Centre for Global Child Health at The Hospital for Sick Children (SickKids), the Centre for Global Surgery at the McGill University Health Centre, the Mother-Child University Health Centre at Sainte-Justine Hospital, the University of British Columbia's Branch for International Surgical Care, McMaster University's Department of Family Medicine, and University of Waterloo's Partners for Action.

The academic-humanitarian partnership between SickKids and the Red Cross aims to improve the technical quality of health services provided to women and children in the isolated villages of Mali. Activities include: increasing the knowledge and skills of healthcare workers, training health staff to collect, analyze and use data to monitor and enhance services, improving pneumonia detection in children under age five, and upgrading the national health management database.

The Red Cross implemented a program in Haiti to make quality healthcare more accessible for mothers and children, in cooperation with the Sainte-Justine University Hospital Centre and the University of Montreal's International Health Unit. Initiatives have included staff training at St. Michel Hospital in Jacmel, Haiti from specialists on such topics as neonatal surgery, infection control, and biological waste management.

In Nepal, a Red Cross partnership with McGill's Centre for Global Surgery is working to strengthen and improve rural healthcare by expanding ambulance services, providing emergency and trauma-care training, and ensuring trained personnel and lifesaving equipment are available in all health facilities – from rural health posts to district hospitals.

In partnership with McMaster, Health TAPESTRY is helping people in Canada to stay healthier longer where they live by bringing together volunteers, technology, communities and inter-professional healthcare teams.

While humanitarian organizations have the experience and ability to implement aid and development programs, academic institutions have leading expertise in evaluation, research, and a network of distinguished professionals.

Waterloo's research partnership with Red Cross is working to understand the barriers that prevent Canadians from being better prepared for natural disasters, and is developing messages and methods to improve risk awareness and motivate people to be ready if disaster strikes.

Complementary skill sets are benefitting each of these partnerships. While humanitarian organizations have the experience and ability to implement aid and development programs, academic institutions have leading expertise in evaluation, research, and a network of distinguished professionals. With the Red Cross, academics are gaining more access to the field, where they can pursue their research. And together, the partnerships are working to find more solutions to complex issues.



REPORT OF THE CHIEF FINANCIAL OFFICER

OVERALL OPERATING RESULTS

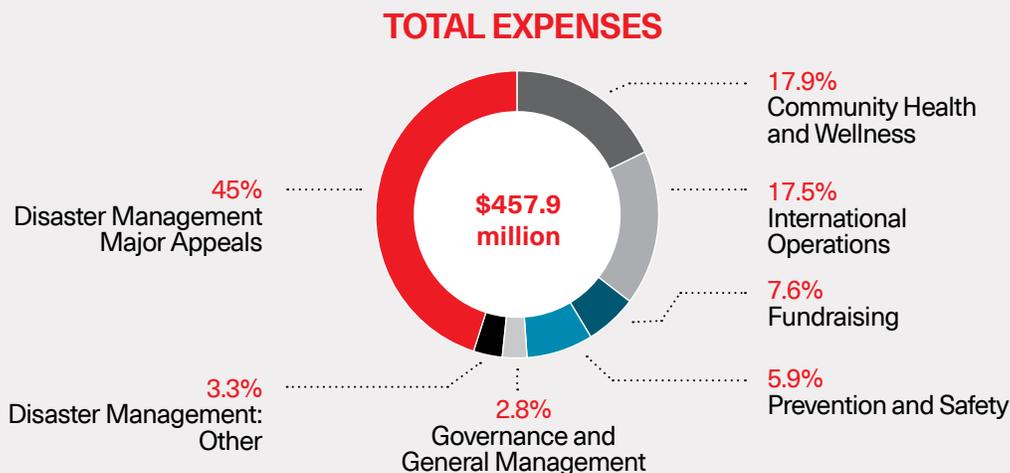
The Canadian Red Cross Society operates four core programs – Disaster Management, Prevention and Safety, Community Health and Wellness, and International Operations – which are supported by fee-for-service contracts, and donations (restricted and unrestricted).

The total revenues for the year ending March 31, 2018 were \$465.6 million (2017: \$521.8 million) and the total operating expenses were \$457.9 million (2017: \$510.9 million). As the Alberta Fires response progressed from the early to long-term recovery phase, an expected decrease of over \$190 million in revenues and expenses occurred. This was offset by spending of about \$126 million in the current year on a number of new responses, including the B.C. Fires. The distribution of total expenses is shown in the chart below.

In the year ending March 31, 2018, the Red Cross earned a surplus of about \$7.7 million (2017: \$10.9 million), which is largely attributable to increased donor response to Red Cross work on the B.C. fires and spring floods in Ontario and Quebec (\$5 million), gains earned from the sale of buildings (\$1.3 million), and investment income (\$2.1 million) from its surplus funds. The sale of Red Cross properties was in accordance with the facilities strategy, and accordingly, the capital was redeployed to Red Cross programs.

Excluding investment income and gains on the sale of buildings, the Red Cross earned an operating surplus of \$4.3 million (2017: deficit \$2.4 million). The decrease in the deficit of \$6.7 million in 2017 was primarily due to increased fundraising revenues following Red Cross response to several appeals during the period.

Total Program Expenses	89.6% (2017: 91.3%)
Total Fundraising Expenses	7.6% (2017: 6.4%)
Governance and General Management Expenses	2.8% (2017: 2.3%)
Total Expenses for the Year	\$457.9 million



DISASTER MANAGEMENT

Disaster management revenues were \$212.4 million (2017: \$270.1 million), and primarily comprised of emergency response and recovery programming of \$206 million (2017: \$265 million). Major appeals accounted for about \$188 million of the total spend, and other responses, including personal disaster assistance, accounted for about \$18 million. The most significant expenditures were distributed among the following appeals shown in the chart below.

Alberta Fires	\$32.1 million (2017: \$223.2 million)
B.C. Fires	\$70.3 million
Manitoba Response	\$51 million (2017: \$30 million)
Spring Floods	\$34.6 million

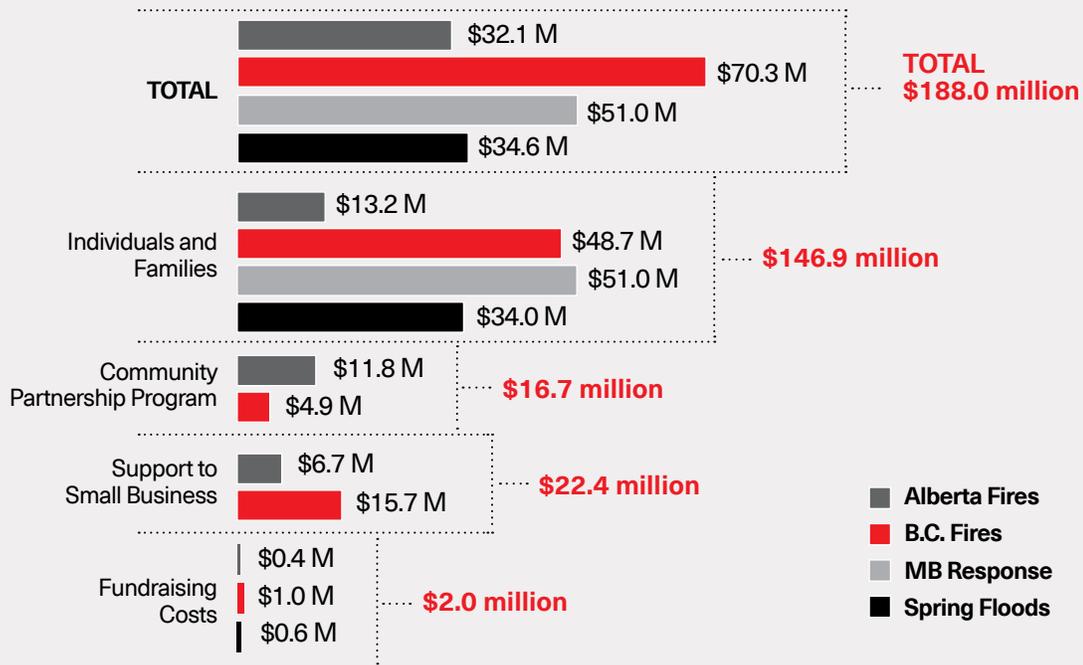
As the Alberta Fires operation shifted to longer-term recovery programming, a planned reduction of about \$190 million in revenues and expenses occurred, and was offset by an increased expenditure of about \$126 million for the B.C. Fires response and other disasters.

In the chart below, we show spending on each major emergency response by type of programming assistance. The Red Cross provided assistance to the following key stakeholders:

Individuals and Families	\$146.9 million
Community Partnership Program	\$16.7 million
Support to Small Business	\$22.4 million

The baseline disaster management program had total revenues of \$6 million (2017: \$4.9 million) to maintain the current capacity of emergency management, including the provision of volunteer training and support for volunteers during responses.

MAJOR DISASTER RESPONSE SPENDING



The audited financial statements of the Red Cross and audited special purpose financial statements are available on the Red Cross website at redcross.ca.

INTERNATIONAL OPERATIONS

International Operations had revenues of \$75.2 million (2017: \$64.4 million), which primarily represents programming for emergency response (\$34.2 million), global programming (\$34.6 million) and other activities (\$6.4 million).

Total revenues increased by about \$10 million due to increased programming in Africa and the Middle East for mothers and newborn children, Ebola and other disaster response programs.

The excess of expenses over revenues increased by about \$4 million due to a reduction in cost-recovery rates compared to the prior year.

PREVENTION AND SAFETY

Prevention and Safety programs had revenues of \$22 million (2017: \$24.1 million), which primarily represent First Aid training sales of \$14.1 million (2017: \$16.6 million), Water Safety of \$3.8 million (2017: \$3.8 million) and Respect Education of \$4.1 million (2017: \$3.7 million). The decrease of about \$2.1 million in revenues was primarily due to the Red Cross strategy to bring Ontario's First Aid program in line with others in Canada already delivered by training partners, not directly by the Red Cross.

The excess of expenses over revenues increased by \$3 million largely due to costs invested in launching the new First Aid portal during the period.

COMMUNITY HEALTH AND WELLNESS

Community Health and Wellness programs, which mostly operate in the Atlantic region, Ontario, Alberta and B.C., had revenues of \$72.1 million (2017: \$76.8 million) primarily from home support of \$25.1 million (2017: \$29.2 million), health equipment loans of \$23.1 million (2017: \$20.9 million), transportation of \$10.6 million (2017: \$11.0 million), meal deliveries of \$4 million (2017: \$4.4 million), and community initiatives of \$9.3 million (2017: \$11.3 million).

The transition out of several home support programs in Ontario and lower service hours in the Atlantic region resulted in a revenue decrease of about \$4.1 million. New health equipment loan contracts increased revenues by about \$4.2 million.

The excess of expenses over revenues improved by \$14 million due to the reduction in transition and restructuring costs incurred in the prior year.

FUNDRAISING

Philanthropy raised unrestricted and restricted donations of \$162.4 million (2017: \$296.2 million). The overall decrease is largely attributable to the decrease in fundraising appeal totals from \$210 million in 2017 (including \$189 million for the Alberta Fires) to \$68.8 million in 2018 from several appeals, including the B.C. Fires.

The cost of fundraising for the Red Cross was 23.4% (2017: 13.4%) which increased from last year because more than \$189 million was raised for the Alberta Fires compared to \$68 million raised from various appeals in the current year. The five-year rolling average cost of fundraising for the Red Cross is 21.4% (2017: 22.8%).

Thank you to all our donors,
partners and supporters.

FINANCIAL POSITION

As of March 31, 2018, the Red Cross was in a strong financial position with net assets of \$129 million (2017: \$114.1 million) which increased by about \$15 million from last year, due mainly to the surplus of about \$8 million from increased donations, building sales and investment income, and a one-time adjustment of about \$7 million arising from curtailment of the post-employment health benefits plan.

Unrestricted cash or cash equivalents was about \$32.3 million (2017: \$34.8 million), and decreased marginally from last year due to increased investment in capital assets during the year offset by improvements in working capital.

Externally restricted cash or cash equivalents of \$230.3 million (2017: \$205.3 million) represent restricted donations from appeals during the year or carried forward from prior years. The increase in externally restricted cash is due to over \$68 million raised for the B.C. Fires, Spring Floods and other appeals.

The Red Cross maintains about \$32.6 million (2017: \$27 million) as a contingency fund to ensure the continuity of Red Cross operations if a disruptive event impacts fundraising or program revenues.

Working capital for Red Cross consists mainly of accounts receivable and accounts payable arising from credit provided to or from its partners in the above-noted programs. The Red Cross has limited credit risk as the majority of its debtors are provincial and federal governments.

Inventory is maintained for our disaster management and international programs so they can respond quickly across Canada or internationally.

ACCOUNTABILITY AND OVERSIGHT

The audited financial statements of the Red Cross have been prepared in accordance with generally accepted Canadian accounting principles for not-for-profit organizations established by the Accounting Standards Board of Canada.

The Board of the Red Cross approves an annual operating plan and budget and receives quarterly reports from management. Additionally, the Audit and Finance Committee (“Committee”) of the Board – composed of volunteers with expertise in finance, accounting and risk management – meets quarterly with management to monitor the external audit, financial performance and internal control environment of the organization.

During the year, the Board approved the establishment of an internal audit function, which will further enhance the corporate governance structures of the Red Cross. The first audit program using this function will be implemented during the year ending March 31, 2019.

Investments were also made in risk management and compliance functions. During the last fiscal year, management further strengthened its enterprise risk management policies, processes and reporting practices. The Board approved a policy which reaffirms that risk management is a central requirement for effective stewardship of the Red Cross, and must be embedded in how the Red Cross works at all levels and integrated into the strategic, operational and line management functions.

Enterprise risks and related mitigation strategies of the Red Cross are reviewed quarterly, as needed, and are examined by the Committee. Additionally, the Red Cross has been further enhancing its incident reporting, compliance, quality oversight, and internal investigation capacities.

Sincerely,



Larry Mills
Chief Financial Officer
Chief Corporate Services Officer

CANADIAN RED CROSS



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FOR A LIST OF ALL
CANADIAN RED CROSS OFFICES,
PLEASE GO TO REDCROSS.CA

