

Financial Statements of

**KIDSPORT CANADA**

And Independent Auditor's Report thereon

Year ended December 31, 2024



**KPMG LLP**

1900 – 360 Main Street  
Winnipeg, MB R3C 3Z3  
Canada  
Telephone (204) 957-1770  
Fax (204) 957-0808

## **INDEPENDENT AUDITOR'S REPORT**

To the Directors of KidSport Canada

### ***Qualified Opinion***

We have audited the financial statements of KidSport Canada (the "Entity"), which comprise the statements of financial position as at December 31, 2024, the statements of operations and changes in fund balances and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our auditor's report, the financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Basis for Qualified Opinion***

In common with many non-profit organizations, the Entity derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2024 and 2023
- the fundraising revenue and excess of revenue over expenditures reported in the statements of operations for the years ended December 31, 2024 and 2023.
- the fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances for the year ended December 31, 2024 and 2023.
- the excess of revenue over expenditures reported in the statements of cash flows for the years ended December 31, 2024 and 2023.



We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### ***Responsibilities of Management and those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Winnipeg, Canada

June 3, 2025

# KIDSPORT CANADA

## Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash	\$ 3,293,533	\$ 4,946,347
Short-term investments (note 3)	700,000	–
Accounts receivable	208,980	352,358
GST/HST receivable	2,594	7,322
Prepaid expenses	32,192	28,062
	<b>\$ 4,237,299</b>	<b>\$ 5,334,089</b>

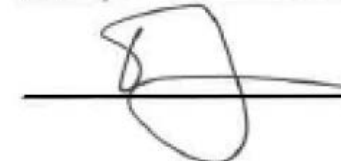
## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 851,257	\$ 816,719
Deferred contributions (note 6)	715,053	1,433,494
	<b>1,566,310</b>	<b>2,250,213</b>
Fund balances:		
National general fund	1,290,337	1,336,436
Provincial general fund	1,253,311	1,616,179
Externally restricted – specific projects fund (note 5)	127,341	131,261
	<b>2,670,989</b>	<b>3,083,876</b>
	<b>\$ 4,237,299</b>	<b>\$ 5,334,089</b>

See accompanying notes to financial statements.

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# KIDSPORT CANADA

## Statement of Operations and Changes in Fund Balances

Year ended December 31, 2024, with comparative information for 2023

	National General Fund	Provincial General Fund (Schedule 2)	Specific Projects Fund	Total 2024	Total 2023
Revenue:					
Donations	\$ 1,014,168	\$ 5,034,328	\$ 164,093	\$ 6,212,589	\$ 3,151,624
Government and foundation grants	3,465,006	(3,688)	—	3,461,318	4,144,111
Sport Canada – Community Sport for All Initiative (CSAI)	—	—	—	—	1,228,456
Corporate support	575,541	226,029	—	801,570	1,078,105
Interest and other	109,290	25,249	—	134,539	132,936
Licensing fees	11,000	—	—	11,000	10,000
	5,175,005	5,281,918	164,093	10,621,016	9,745,232
Expenditures:					
Program grants	4,554,267	4,760,691	153,555	9,468,513	7,229,808
CSAI Program grants and administration	—	—	—	—	1,228,456
Human resources and contract services	415,631	227,982	—	643,613	578,777
Administration and governance	87,577	454,683	—	542,260	140,160
Marketing and promotion	137,823	201,430	9,998	349,251	161,422
Website, database and fundraising development	17,153	—	4,460	21,613	25,507
Other languages	7,708	—	—	7,708	12,100
Safe Sport	945	—	—	945	1,403
	5,221,104	5,644,786	168,013	11,033,903	9,377,633
Excess (deficiency) of revenue over expenditures	(46,099)	(362,868)	(3,920)	(412,887)	367,599
Fund balances, beginning of year	1,336,436	1,616,179	131,261	3,083,876	2,716,277
Fund balances, end of year	\$ 1,290,337	\$ 1,253,311	\$ 127,341	\$ 2,670,989	\$ 3,083,876

See accompanying notes to financial statements.

# KIDSPORT CANADA

## Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ (412,887)	\$ 367,599
Changes in non-cash working capital items:		
Accounts receivable	143,378	(52,668)
GST/HST receivable	4,728	1,043
Prepaid expenses	(4,130)	1,058
Accounts payable and accrued liabilities	34,538	(1,034,298)
Deferred contributions	(718,441)	662,373
	(952,814)	(54,893)
Investing:		
Change in short-term investments	(700,000)	300,000
Increase (decrease) in cash	(1,652,814)	245,107
Cash, beginning of year	4,946,347	4,701,240
Cash, end of year	\$ 3,293,533	\$ 4,946,347

See accompanying notes to financial statements.

# KIDSPORT CANADA

Notes to Financial Statements

Year ended December 31, 2024

---

## 1. Basis of presentation:

KidSport Canada ("KSC") is a Registered Canadian Amateur Athletic Association ("RCAAA") under the Income Tax Act, and as such, has the authorization to issue tax donations receipts and is not subject to income tax. KSC is incorporated under the Canada Not-for-Profit Corporations Act.

KSC's mission is to raise financial resources to enable underprivileged children an opportunity to participate in organized sport.

## 2. Summary of significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

### (a) Fund accounting:

KSC maintains its accounts in accordance with the principles of fund accounting. Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified.

KSC has the following funds:

- (i) The National General fund reports the assets, liabilities, revenue and expenditures related to KSC's operating activities. Funding from all sources, including government funding, donations, grants, fee revenue and corporate support that is not specifically designated by donors is included in this fund.
- (ii) The Provincial General fund reports the assets, liabilities, revenue and expenditures related to on-line donations and grants received for KSC's provincial chapters across Canada.
- (iii) The Specific Projects fund reports the assets, liabilities, revenue and expenditures related to funding received from third parties designated to be spent on specific projects. Specific projects include social development programs, food bank projects, the Wendy Ladner-Beaudry Memorial and the Give the Gift of Sport funds.
- (iv) The Capital Asset fund reports the assets, liabilities, revenue and expenditures related to KSC's capital asset acquisitions, disposals and amortization.



# KIDSPORT CANADA

Notes to Financial Statements (continued)

Year ended December 31, 2024

## 2. Significant accounting policies (continued):

### (b) Capital assets:

Capital assets are carried at cost less accumulated amortization. Amortization is calculated annually as follows:

Assets	Rate
Computer equipment	3 years straight-line
Computer software	100% declining balance

### (c) Revenue recognition:

KSC follows the restricted fund method of accounting for contributions. Unrestricted donations, corporate support and government and corporate grants are recorded as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted revenue is recognized as revenue of the appropriate restricted fund in the year in which such revenue is received. If there is no appropriate restricted fund, the revenue is recorded as deferred contributions and recognized in the General funds in the year in which the related expenditures are incurred.

Gift in kind donations are valued at their fair market value when received.

Licensing fees, interest and other revenue are recognized as earned.

Government assistance related to current expenses is included in the determination of revenue for the year when the related expenditures are incurred. A liability to repay government assistance, if any, is recorded in the period in which the conditions arise that causes the assistance to become repayable.

### (d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. KSC has elected to carry its marketable securities and investments at fair value.

# KIDSPORT CANADA

Notes to Financial Statements (continued)

Year ended December 31, 2024

---

## 2. Significant accounting policies (continued):

### (d) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expenses as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, KSC determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset.

If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount KSC expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (e) Use of estimates:

The preparation of financial statements 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 date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

## 3. Short-term investments:

In fiscal 2024, short-term investments relate to two guaranteed investment certificates:

- 180-day term deposit of \$400,000 at an interest rate of 4.46 percent maturing in January 2025
- 2-year term deposit of \$300,000 at an interest rate of 3.26 percent maturing in December 2026.

# KIDSPORT CANADA

Notes to Financial Statements (continued)

Year ended December 31, 2024

## 4. Capital assets:

				2024	2023
	Cost	Accumulated depreciation		Net book value	Net book value
Computer equipment	\$ 11,136	\$ 11,136	\$ —	\$ —	\$ —
Computer software	56,002	56,002	—	—	—
	\$ 67,138	\$ 67,138	\$ —	\$ —	\$ —

## 5. Externally restricted – specific projects funds:

	January 1, 2024	Revenue	Expenditures	December 31, 2024
Wendy Ladner-Beaudry Memoriam	\$ 11,965	\$ —	\$ —	\$ 11,965
Give the Gift of Sport	104,577	164,093	168,013	100,657
Other one-time community projects	14,719	—	—	14,719
	\$ 131,261	\$ 164,093	\$ 168,013	\$ 127,341

The Wendy Ladner-Beaudry Memoriam fund is restricted to provide funding support for research, community engagement and early physical literacy in sport.

The Give the Gift of Sport fund is an annual campaign to raise funds for grants to the Provincial Chapters. National designated donations remain in this fund to cover expenses for future campaign expenses or for Board approved specific projects.

# KIDSPORT CANADA

Notes to Financial Statements (continued)

Year ended December 31, 2024

## 6. Deferred contributions:

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

	January 1, 2024	Contributions received	Revenue recognized	December 31, 2024
Hockey Assist Program	\$ 83,346	\$ 2,100,000	\$ 1,634,600	\$ 548,746
Every Kid Can Play	1,296,507	460,150	1,756,657	–
Community Sport for All Initiative	50,000	–	–	50,000
Alberta Volleyball	–	30,000	–	30,000
Medavie Foundation	–	250,000	163,693	86,307
Other	3,641	–	3,641	–
	<u>\$ 1,433,494</u>	<u>\$ 2,840,150</u>	<u>\$ 3,558,591</u>	<u>\$ 715,053</u>

The Hockey Assist Program from the Edmonton Oilers Community Foundation provides help to families that require financial assistance for children's hockey registration fees in Northern Alberta.

The Every Kid Can Play contribution is from the Government of Alberta to support registration costs for sport programs for eligible children and youth in Alberta.

The Community Sport for All Initiative funding received from Sport Canada supports registration costs for sport programs for eligible children and youth through KSC chapters across Canada.

The Alberta Volleyball contribution is intended to support grants for youth eligible for KidSport funding playing with registered volleyball clubs in Alberta.

The Medavie Foundation contribution is to support grants for youth eligible for KidSport funding in New Brunswick and to support the salary of a full time employee of KidSport New Brunswick.

# KIDSPORT CANADA

Notes to Financial Statements (continued)

Year ended December 31, 2024

---

## 7. Financial instruments:

KSC has exposure to the following risks associated with its financial instruments:

### (a) Credit risk

Credit risk refers to the risk that a counterpart may default on its contractual obligations resulting in a financial loss. KSC is exposed to credit risk with respect to its accounts receivable and GST/HST receivable balances.

KSC reduces its exposure to credit risk by monitoring credit risk, adopting policies and procedures to ensure credit is only provided to credit worthy individuals and creating an allowance for doubtful accounts when appropriate. As at December 31, 2024, the allowance for doubtful accounts is nil (2023 - nil). As a result, it is management's opinion that KSC is not exposed to significant credit risk arising from its financial instruments.

### (b) Liquidity risk

Liquidity risk is the risk that KSC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. KSC is exposed to liquidity risk mainly in respect to its accounts payable.

KSC manages liquidity risk by monitoring its operating requirements. KSC prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There have been no significant changes to the above noted risk exposure from 2023.

# KIDSPORT CANADA

Schedule 1 to the Financial Statements

Year ended December 31, 2024

	National General Fund	Provincial General Fund	Specific Projects Fund	Total 2024
<b>Assets</b>				
Current assets:				
Cash	\$ 860,307	\$ 2,305,885	\$ 127,341	\$ 3,293,533
Short-term investments	700,000	—	—	700,000
Accounts receivable	97,641	111,339	—	208,980
GST/HST receivable	2,447	147	—	2,594
Prepaid expenses	22,994	9,198	—	32,192
	\$ 1,683,389	\$ 2,426,569	\$ 127,341	\$ 4,237,299

## Liabilities

Current liabilities:

Accounts payable and accrued liabilities	\$ 393,052	\$ 458,205	\$ —	\$ 851,257
Deferred contributions	—	715,053	—	715,053
	393,052	1,173,258	—	1,566,310

## Fund balances

National general fund	1,290,337	—	—	1,290,337
Provincial general fund	—	1,253,311	—	1,253,311
Externally restricted	—	—	127,341	127,341
	\$ 1,290,337	\$ 1,253,311	\$ 127,341	\$ 2,670,989

# KIDSPORT CANADA

Schedule 2 to the Financial Statements

Year ended December 31, 2024

## Schedule of Provincial Chapter financial activity by province

## Schedule 2

	British Columbia	Alberta	Manitoba	Ontario	New Brunswick	Nova Scotia	Prince Edward Island	Total 2024
Revenues:								
Donations	\$ 1,285,043	\$ 3,046,103	\$ 453,215	\$ 170,357	\$ 20,294	\$ 24,448	\$ 34,868	\$ 5,034,328
Corporate support	—	—	—	226,029	—	—	—	226,029
National revenue - provincial allotment*	453,906	3,314,165	83,451	159,458	304,282	67,529	71,570	4,454,361
Government and foundation grants	—	—	6,310	46,309	(56,307)	—	—	(3,688)
Interest and other	6,009	1,357	9,304	7,824	—	755	—	25,249
	1,744,958	6,361,625	552,280	609,977	268,269	92,732	106,438	9,736,279
Expenditures:								
Program grants*	1,704,261	5,807,662	657,683	583,945	267,050	88,951	105,500	9,215,052
Human resources and contact services	—	44,383	60,000	35,000	86,865	1,734	—	227,982
Administration and governance	41,281	402,105	1,490	1,177	5,737	2,047	846	454,683
Marketing and promotion	—	170,473	11,491	5,973	13,493	—	—	201,430
	1,745,542	6,424,623	730,664	626,095	373,145	92,732	106,346	10,099,147
Excess (deficiency) of revenue over expenditures	(584)	(62,998)	(178,384)	(16,118)	(104,876)	—	92	(362,868)
Fund balances, beginning of year	3,008	1,030,558	267,122	80,060	200,343	2	35,086	1,616,179
Fund balances, end of year	\$ 2,424	\$ 967,560	\$ 88,738	\$ 63,942	\$ 95,467	\$ 2	\$ 35,178	\$ 1,253,311

\*The proportion of National General Fund - Program grants paid to Provincial Chapters has been included in National revenue and program grants on Schedule 2 to the Financial Statements.