

# **KIDSPORT SOCIETY OF CALGARY GROUP**

## **COMBINED FINANCIAL STATEMENTS** (Audited)

**December 31, 2023**

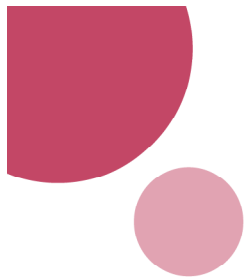


# KIDSPORT SOCIETY OF CALGARY GROUP

December 31, 2023

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# Nancy Murdoch

## Chartered Professional Accountant

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(403) 244-4111 ext. 206  
nancy.murdoch@calgarycommunities.com  
110, 720 - 28 Street NE Calgary, AB T2A 6R3

### **Independent Auditor's Report**

To the members of the  
KidSport Society of Calgary Group

#### **Report on the Audit of the Financial Statements**

##### **Qualified Opinion**

I have audited the Statement of Financial Position of the KidSport Society of Calgary Group as at December 31, 2023 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2023. In my opinion, except for the effects of adjustments as noted in the Basis for Qualified Opinion paragraph below, if any, which I might have determined to be necessary had I been able to satisfy myself of the completeness of fundraising activities, these financial statements present fairly, in all material respects, the financial position of the KidSport Society of Calgary Group as at December 31, 2023 and the results of its operations and cash flows for the year ended December 31, 2023 in accordance with Canadian accounting standards for not-for-profit associations.

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

In common with many not-for-profit associations, the KidSport Society of Calgary Group derives revenue from certain fundraising activities, the completeness of which is not subject to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the KidSport Society of Calgary Group and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets. I conducted my audit in accordance with Canadian auditing standards. I am independent of the KidSport Society of Calgary Group in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

##### **Management's Responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit associations and for such internal control as management determines 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 KidSport Society of Calgary Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

**Auditor's responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

Calgary, Alberta  
April 16, 2024

Nancy Murdoch  
Chartered Professional Accountant

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**COMBINED STATEMENT OF FINANCIAL POSITION**  
(Audited)  
**As at December 31, 2023**

	ASSETS					
	2023	2022	2023	2022	2023	2022
	KidSport Society of Calgary	KidSport Society of Calgary	Southern AB Sports Equipment Bank Soc	Southern AB Sports Equipment Bank Soc	Totals	Totals
<b>Current assets</b>						
Cash and cash equivalents, unrestricted	\$ 473,067	413,930	95,880	119,673	568,947	533,603
Internally restricted assets (Note 3)	737,954	1,000,257	-	-	737,954	1,000,257
Externally restricted assets (Note 4)	182,310	8,044	247,425	252,339	429,735	260,383
Short term investments (Note 5)	350,000	200,000	-	-	350,000	200,000
Accounts receivable	132,873	637,551	5,568	-	138,441	637,551
Goods and Services Tax receivable	-	-	12,099	8,007	12,099	8,007
Prepaid expenses	-	-	2,713	-	2,713	-
	<b>1,876,204</b>	2,259,782	<b>363,685</b>	380,019	<b>2,239,889</b>	2,639,801
<b>Long term investment (Note 6)</b>	<b>50,000</b>	-	-	-	<b>50,000</b>	-
<b>Capital assets (Note 7)</b>	<b>34,325</b>	6,148	<b>44,915</b>	55,856	<b>79,240</b>	62,004
	<b>\$1,960,529</b>	2,265,930	<b>408,600</b>	435,875	<b>2,369,129</b>	2,701,805
<b>LIABILITIES AND SURPLUS</b>						
<b>429,735</b>						
<b>Current liabilities</b>						
Accounts payable and accrued liabilities	\$ 371,562	192,929	19,269	29,602	390,831	222,531
CEBA (Note 8)	-	60,000	60,000	60,000	60,000	120,000
Deferred cash contributions (Note 4)	182,310	8,044	247,425	252,339	429,735	260,383
	<b>553,872</b>	260,973	<b>326,694</b>	341,941	<b>880,566</b>	602,914
<b>Deferred capital contributions (Note 9)</b>	<b>17,985</b>	6,148	<b>9,846</b>	16,503	<b>27,831</b>	22,651
	<b>589,842</b>	267,121	<b>346,386</b>	358,444	<b>908,397</b>	625,565
<b>Net assets</b>						
Internally restricted (Note 3)	737,954	1,000,257	-	-	737,954	1,000,257
Endowment fund (Note 6)	50,000	-	-	-	50,000	-
Invested in capital assets	16,340	-	35,069	39,353	51,409	39,353
Unrestricted	566,393	998,552	27,145	38,078	593,538	1,036,630
	<b>1,370,687</b>	1,998,809	<b>62,214</b>	77,431	<b>1,432,901</b>	2,076,240
	<b>\$1,960,529</b>	2,265,930	<b>408,600</b>	435,875	<b>2,369,129</b>	2,701,805

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

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"Signed by the Chair" Director

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"Signed by the Treasurer" Director

See Notes to the Financial Statements

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**COMBINED STATEMENT OF CHANGES IN NET ASSETS**  
(Audited)  
**For the Year ended December 31, 2023**

**KidSport Society of Calgary**

	Internally Restricted	Endowment Fund	Invested in capital assets	Unrestricted	Totals 2023	Totals 2022
Balances, beginning of the year	<b>\$1,000,257</b>	-	-	<b>1,128,552</b>	<b>2,128,809</b>	<b>1,710,460</b>
Prior period adjustments (Note 10)	-	-	-	(130,000)	(130,000)	-
Balances as restated	1,000,257	-	-	998,552	1,998,809	1,710,460
Transfers	-	50,000	15,726	(65,726)	-	-
Excess (deficiency) of revenue over expenses	(262,303)	-	613	(366,433)	(628,123)	288,349
Balances, end of the year	<b>\$ 737,954</b>	<b>50,000</b>	<b>16,340</b>	<b>566,393</b>	<b>1,370,687</b>	<b>1,998,809</b>

**Southern Alberta Sports Equipment Bank Society**

	Invested in capital assets	Unrestricted	Totals 2023	Totals 2022
Balances, beginning of the year	<b>\$ 39,353</b>	<b>38,078</b>	<b>77,431</b>	<b>43,641</b>
Excess (deficiency) of revenue over expenses	(4,284)	(10,933)	(15,217)	33,790
Balances, end of the year	<b>\$ 35,069</b>	<b>27,145</b>	<b>62,214</b>	<b>77,431</b>

**KidSport Society of Calgary Group Totals**

	KidSport Society of Calgary	Southern Alberta Sports Equipment Bank Society	Group Totals 2023	Group Totals 2022
Balances, beginning of the year	<b>\$ 2,128,809</b>	<b>77,431</b>	<b>2,206,240</b>	<b>1,754,103</b>
Prior period adjustments (Note 10)	(130,000)	-	(130,000)	-
Balances as restated	1,998,809	77,431	2,076,240	1,754,103
Excess (deficiency) of revenue over expenses	(758,122)	(15,217)	(643,339)	322,137
Balances, end of the year	<b>\$ 1,370,687</b>	<b>62,214</b>	<b>1,432,901</b>	<b>2,076,240</b>

See Notes to the Financial Statements

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**COMBINED STATEMENT OF OPERATIONS**  
(Audited)  
**For the Year Ended December 31, 2023**

	2023	2022	2023	2022	2023	2022
	KidSport Society of Calgary	KidSport Society of Calgary	Southern AB Sports Equipment Bank Soc	Southern AB Sports Equipment Bank Soc	Totals	Totals
<b>Revenue</b>						
Donations and sponsorships (Note 10)	<b>\$2,814,828</b>	2,609,529	<b>140,920</b>	160,274	<b>2,955,748</b>	2,769,803
Gaming contributions (Note 11)	<b>270,556</b>	88,402	<b>107,064</b>	175,634	<b>377,620</b>	264,036
Interest	<b>57,292</b>	7,387	<b>9</b>	1	<b>57,301</b>	7,388
Grant contributions (Note 12)	-	-	-	1,060	-	1,060
Sales	<b>3,298</b>	709	-	320	<b>3,298</b>	1,029
Other income	<b>20,000</b>	1,582	-	-	<b>20,000</b>	1,582
	<b>3,165,974</b>	2,707,609	<b>247,993</b>	337,289	<b>3,413,967</b>	3,044,898
<b>Expenses</b>						
Distributions (Note 13)	<b>3,079,735</b>	1,982,570	<b>1,267</b>	-	<b>3,081,002</b>	1,982,570
General and administration	<b>450,780</b>	335,545	<b>240,962</b>	270,735	<b>691,742</b>	606,280
Fundraising (Note 17)	<b>177,203</b>	90,460	-	-	<b>177,203</b>	90,460
Operational	<b>6,330</b>	8,795	<b>49,857</b>	19,573	<b>56,187</b>	28,368
Volunteer	<b>10,306</b>	3,082	<b>3,864</b>	1,948	<b>14,170</b>	5,030
Bank fees	<b>4,017</b>	4,392	<b>1,485</b>	2,091	<b>5,502</b>	6,483
	<b>3,728,371</b>	2,424,844	<b>297,435</b>	294,347	<b>4,025,806</b>	2,719,191
	<b>(562,397)</b>	282,765	<b>(49,442)</b>	42,942	<b>(611,839)</b>	325,707
Amortization expense	<b>(3,234)</b>	(2,293)	<b>(10,940)</b>	(12,364)	<b>(14,174)</b>	(14,657)
Amortization of deferred capital	<b>3,847</b>	2,307	<b>6,658</b>	8,780	<b>10,505</b>	11,087
	<b>\$ (561,784)</b>	282,779	<b>(53,724)</b>	39,358	<b>(615,508)</b>	322,137

See Notes to the Financial Statements

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**COMBINED STATEMENT OF CASH FLOWS**  
(Audited)  
**For the Year Ended December 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>CASH GENERATED FROM (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ (615,508)	\$ 322,137
Charges not affecting cash outlay		
Amortization expense	14,174	14,657
Amortization of deferred capital contributions	(10,505)	(11,087)
Changes in non-cash operating working capital		
Accounts receivable	499,111	(458,483)
Accounts payable and accrued liabilities	168,300	(42,229)
Goods and Services Tax	(4,092)	(157)
Prepaid expense	(2,713)	-
<b>CASH FROM OPERATIONS</b>	<b>48,767</b>	<b>(175,162)</b>
<b>INVESTING ACTIVITIES</b>		
Transfer to cash equivalent	(50,000)	400,000
Transfer endowment to The Calgary Foundation	(50,000)	-
Redemption of GIC investments	600,000	300,000
Purchase of GIC investments	(700,000)	(600,000)
	<b>(200,000)</b>	<b>100,000</b>
<b>FINANCING ACTIVITIES</b>		
Net use of (transfer to) deferred cash contributions	257,958	264,648
Repayment of CEBA loan	(40,000)	-
Proceeds from gaming events	(124,332)	(296,094)
	<b>93,626</b>	<b>(31,446)</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>(57,607)</b>	<b>(106,608)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR</b>	<b>1,794,243</b>	<b>1,900,851</b>
<b>CASH AND CASH EQUIVALENTS, END OF THE YEAR</b>	<b>\$ 1,736,636</b>	<b>\$ 1,794,243</b>
<b>Cash and cash equivalents consists of:</b>		
Unrestricted cash and cash equivalents	\$ 73,067	\$ 413,930
Internally restricted cash and cash equivalents	833,834	1,119,930
Externally restricted cash and cash equivalents	429,735	260,383
GIC as cash equivalent	400,000	-
	<b>\$ 1,736,636</b>	<b>\$ 1,794,243</b>

See Notes to the Financial Statements



# KIDSPORT SOCIETY OF CALGARY GROUP

## NOTES TO THE FINANCIAL STATEMENTS

### December 31, 2023

#### 1. NATURE OF OPERATIONS

KidSport Society of Calgary Group (the "Group") consists of KidSport Society of Calgary ("KS") and Southern Alberta Sports Equipment Bank Society ("SASEBS"). These financial statements are combined due to common management and governed by a common Board of Directors.

Each organization in the Group is a not-for-profit organization and are exempt from income tax under Section 149 (1) of the Income Tax Act of Canada as long as certain requirements are met . SASEBS was registered by Canada Revenue Agency as a charity on January 6, 2016 and is permitted to issue tax receipts to donors.

The Group's principal activity is to provide support and remove financial barriers that prevent children from the opportunity to participate in organized sports. The Group provides sports equipment to allow needy children in Southern Alberta to participate in recreational activities and to undertake activities ancillary and incidental to the attainment of the above charitable purpose.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These combined financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants (CPA) Handbook. Both of the combined organizations apply these accounting standards and the accounting policies between the two organizations are consistent. All significant intercompany balances and transactions are eliminated upon the combination of these two organizations. The significant accounting policies are as follows:

##### **Revenue recognition**

The Group follows the deferral method of accounting for externally restricted contributions where restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount received can be reasonably estimated and collection is reasonably assured.

Interest and other income from investments is recognized in the year in which it is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

##### **Short term investments**

Investments are comprised of Guaranteed Investment Certificates (GICs) with original maturities greater than 90 days and mature within one year from the date of the statement of financial position.

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued ....**

**Capital assets**

Capital assets are recorded at historical cost. Amortization is recorded on a straight-line basis over the estimated useful lives of the assets commencing when the asset is ready for use. The estimated useful lives are as follows:

Database	5 years
Trailer	10 years
Furniture and equipment	5 years
Computer hardware	3 years
Vehicles	5 years
Leasehold improvements	20 years

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable and exceeds its fair value. When a capital asset no longer contributes to the Group's ability to provide services, the carrying value is written down to residual value.

**Contributed goods and services**

Contributed materials and equipment are recognized in the financial statements when the fair value can be reasonably estimated, when the materials or services are used in the normal course of the Group's operations and when they would otherwise have been purchased.

Volunteers assist the Group in carrying out their activities. Due to uncertainty in determining fair value of the service and given that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

**Use of estimates**

The preparation of the 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 and revenues and expenses during the reporting period. By their nature, these estimates of the collectibility of receivables, the useful life of capital assets and the accrual of liabilities are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

**3. INTERNALLY RESTRICTED ASSETS**

Internally restricted assets consist of funds donated to the Group that the Board of Directors have set aside using internally established guidelines. These funds are kept separate in the Kids bank account and are restricted for funding of sports registration fees and programs as approved by the Board.

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**4. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS**

The Association holds funds in trust for AGLC for Electronic Bingo operations which include E-bingo and Keno. All electronic bingo equipment is the property of AGLC. The Association maintains a separate bank account and deposits the receipts it receives from these games less local prizes paid out and allowable expenses including commission. AGLC withdraws monies from the account weekly.

	<u>2023</u>	<u>2022</u>
Casino bank account - KidSport Society of Calgary	\$ 182,051	\$ 8,044
Casino bank account - Southern AB Sports Equipment Bank Society	247,425	252,339
Casino funds held in KidSport Society of Calgary OPS account	259	-
	<u>\$ 429,735</u>	<u>\$ 260,383</u>

**5. SHORT TERM INVESTMENTS**

The Group has invested in guaranteed investment certificates with the Royal Bank of Canada as follows:

	<u>2023</u>	<u>2022</u>
GIC, 4.45%, redeemable, maturing March 11, 2024	\$ 350,000	\$ -
GIC, 4.65%, redeemable, maturing September 8, 2024	350,000	-
GIC, 4%, redeemable, matured August 11, 2023	-	200,000
GIC, 2.5%, redeemable, matured January 7, 2023	-	400,000
	<u>700,000</u>	<u>600,000</u>
Classified as a cash equivalent	350,000	400,000
Short term investment	<u>\$ 350,000</u>	<u>\$ 200,000</u>

**6. LONG TERM INVESTMENT / ENDOWMENT**

During the year the Board of Directors motioned to create an endowment fund to be managed by The Calgary Foundation. The initial contribution was \$50,000.

**7. CAPITAL ASSETS**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2023 Net</u>	<u>2022 Net</u>
Database	\$ 50,558	36,077	14,481	-
Trailer	39,617	19,773	19,844	6,148
Furniture and equipment	47,706	42,827	4,879	12,996
Computer hardware	3,859	3,859	-	-
Vehicles	32,453	32,453	-	-
Leasehold improvements	56,465	16,429	40,036	42,860
	<u>\$ 230,658</u>	<u>151,418</u>	<u>79,240</u>	<u>62,004</u>

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**8. CANADA EMERGENCY BUSINESS ACCOUNT (CEBA)**

During the COVID-19 pandemic the Government of Canada offered interest-free loans of up to \$60,000 to small businesses and not-for-profit organizations to assist in covering expenses that could not be avoided or deferred. The Group initially received \$80,000 and then an additional expansion of \$40,000. These loans are held by RBC and are interest free until January 18, 2024 with a provision for debt forgiveness if \$80,000 is repaid by that date. The Group repaid \$40,000 prior to December 31, 2023 receiving \$20,000 in debt forgiveness. The remaining loan of \$40,000 was repaid subsequent to December 31, 2023 and received \$20,000 in debt forgiveness at that time.

**9. DEFERRED CAPITAL CONTRIBUTIONS**

Externally restricted contributions that have been used to fund purchases of a capital nature is deferred and recognized as revenue as the related capital asset is amortized.

	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	\$ 22,651	\$ 33,738
Capital assets purchased using externally restricted funds	15,685	-
Amortization of deferred capital contributions	(10,505)	(11,087)
Carried forward	<u>\$ 27,831</u>	<u>\$ 22,651</u>

**10. PRIOR PERIOD ADJUSTMENT**

During the year it was noted that an amount paid to a sports organization had not been recorded as payable in the prior year in error therefore a prior period adjustment has been made. The effect of the transaction on the prior period figures is as follows:

Increase in accounts payable and accrued liabilities	\$130,000
Decrease in net assets	\$130,000
Increase in distributions	\$130,000

**11. DONATIONS AND SPONSORSHIPS**

	<u>2023</u>	<u>2022</u>
Strategic partners	\$ 2,067,853	\$ 1,816,978
Major events	214,473	108,577
Third party	188,467	135,751
Corporate, personal and sports club donations	484,955	708,496
	<u>\$ 2,955,748</u>	<u>\$ 2,769,802</u>

**KIDSPORT SOCIETY OF CALGARY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**12. GAMING CONTRIBUTIONS**

Gaming revenue is restricted by Alberta Gaming, Liquor and Cannabis (AGLC) to be spent on the approved use of proceeds. The use of proceeds is approved by AGLC with each gaming licence issued. Access to gaming funds occurs in several ways - casino events, raffles and transfer of casino funds from other organizations. Gaming funds are recognized as revenue when allowable expenses are incurred.

	<u>2023</u>	<u>2022</u>
Gaming contributions from prior year	\$ 260,383	\$ 354,368
Gaming proceeds from casino events	82,278	62,176
Raffle proceeds net of raffle costs	42,054	6,490
Transfers of gaming funds from other organizations	438,050	100,000
Purchase of capital assets	(15,685)	-
Interest earned on gaming funds	729	2,062
Bank charges and other	(454)	(677)
Gaming contributions carried forward	(429,735)	(260,383)
Gaming contribution to operations	<u>\$ 377,620</u>	<u>\$ 264,036</u>

**13. DISTRIBUTIONS**

	<u>2023</u>	<u>2022</u>
Registration fees by sport:		
Soccer	\$ 839,690	\$ 505,123
Hockey	596,404	499,844
Martial Arts	243,834	119,996
Basketball	240,909	186,480
Gymnastics	177,681	116,844
Dance	166,403	85,912
Multi-sport	137,890	17,480
Swimming	104,019	45,910
Football	95,913	108,488
Lacrosse	70,858	17,074
Skating	58,307	35,372
Volleyball	38,693	24,201
Baseball	33,343	21,985
Tennis	23,115	4,665
Fencing	18,342	8,465
Badminton	18,074	16,218
Skiing	13,427	15,469
Rugby	13,263	18,462
Snowboarding	13,231	8,621
Ringette	11,912	7,380
Floor Hockey	8,728	5,949
Wrestling	8,237	5,753
Track & Field	7,966	5,262
Other	51,519	34,260
Equipment Funding	40,208	35,000
Other programs	47,769	32,357
	<u>\$ 3,079,735</u>	<u>\$ 1,982,570</u>

# KIDSPORT SOCIETY OF CALGARY GROUP

## NOTES TO THE FINANCIAL STATEMENTS

### December 31, 2023

#### 14. FINANCIAL INSTRUMENTS

##### *Measurement of financial instruments*

The Group initially measures its financial assets and financial liabilities at fair value. The Group subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income.

Financial instruments measured at amortized cost include cash and cash equivalents, accounts receivable, investments and accounts payable.

##### *Risk*

It is management's opinion that the Group is not exposed to significant interest, currency, price, liquidity, market or credit risks arising from these financial instruments.

#### 15. RELATED PARTY TRANSACTIONS

During the year the Group received \$40,000 (2022 - \$10,100) in contributions from and \$305,255 (2022 - \$430,130) to an organization to support kids participating in hockey. This organization's executive director is a member of the Group's Board of Directors. At December 31, 2023 the Group had \$Nil (2022 - \$Nil) receivable from and \$140,000 (2022 - \$130,000) payable to the organization.

For tax receipting purposes, KS remits certain donations received to KidSport Society of Alberta. Upon completion to tax receipting, KidSport Society of Alberta remits the donations back to KS. Occasionally donation are made directly to KidSport Society of Alberta for KS. During the year, KS received a combination of donations directly and indirectly of \$679,638 (2022 - \$617,809) from KidSport Alberta. At December 31, 2023 \$65,899 (2022 - \$54,940) was receivable back from KidSport Society of Alberta.

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

#### 16. COMMITMENT

Under the terms of an extension to the original lease agreement for office space for three additional years expiring July 31, 2026, the Group is committed to making payments as follows:

2024	\$52,160
2025	\$54,270
2026	\$31,658

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**17. FUNDRAISING EXPENSES**

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

Direct costs incurred for the purpose of soliciting contributions  
\$166,944 (2022 - \$83,716)

Amounts paid as remuneration to employees whose principal duties involve fundraising  
\$104,750 (2022 - \$60,606)

**18. G&A RATIO TO REVENUE**

On a consolidated basis, the Group's general and administration expenses (G&A) as a percentage of revenue is 20% in 2023 (2022: 20%). On a segmented basis, KS's G&A as a percentage of revenue is 14% (2022: 12%) and SASEBS's G&A as a percentage of revenue is 96% (2022: 78%). In the normal course of its operations, SASEBS accepts donations of used equipment rather than cash and cash equivalents, and does not record the donation of used equipment as revenue in kind. As a result, SASEBS's ratio of G&A to revenue is skewed to the higher end. The Group continues to operate very efficiently.

**19. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the current year presentation.