



Canada Revenue
Agency

Agence du revenu
du Canada

CH20281208599

Protected B when completed

Registered Canadian Amateur Athletic Association Information Return

Identification

Name of association	
KidSport Canada *	
Address	
423-145 Pacific Avenue *	
City	
Winnipeg	
Province or territory	Postal code
Manitoba	R3B2Z6

Return for fiscal period ending

2	0	1	9	1	2	3	1
Year				Month		Day	

Is this the first return filed by this association?

Yes ☒

No ☒

If "no," has the fiscal period changed from the last return filed?

Yes ☐

No ☒

Is this the final return to be filed by this association?

Yes ☒

No ☒

If "yes," please attach an explanation.

File number

BN/Registration number

862125986

RR

0003

Is the address above the same mailing address as last year?

Yes ☒

No ☐

If no, is the address above the new mailing address?

Yes ☐

No ☐

Instructions

Complete the Identification area.

Complete the boxes (above right) to indicate the end of the association's fiscal period.

Attach FINANCIAL STATEMENTS for the fiscal period covered by this return. These should include a statement of revenue and expenditures for the fiscal period and a statement of assets and liabilities as of the end of the fiscal period. The statements should indicate the different sources of revenue in sufficient detail to show how funds were spent or invested.

Attach a list of the names, addresses, and occupations or lines of business of the association's current directors.

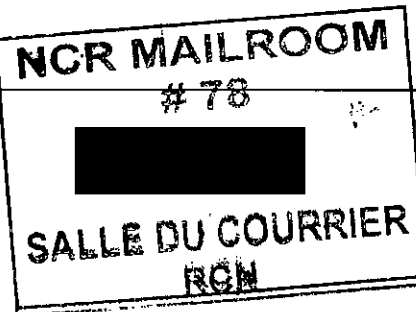
Attach a list of the names and the official positions of the people who are authorized to issue official receipts for the association.

Attach a note that fully explains what replacement procedure is followed in the event of lost or spoiled receipts.

Within six months from the end of the fiscal period of the association, mail or deliver a completed return and all required documents to:

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

Form authorized by the Minister of National Revenue.



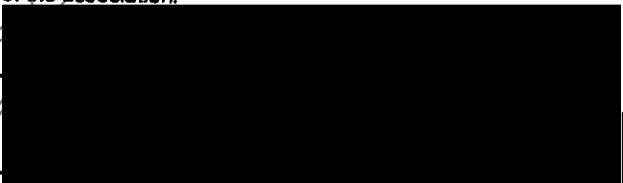
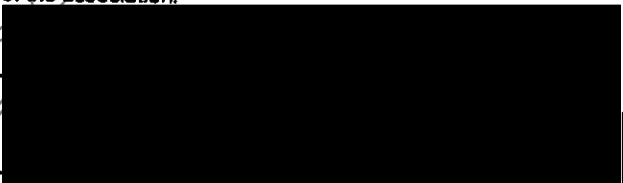
6110001969529

Information required

1. Have any changes not previously reported been made to the association's governing documents? If yes, please attach a certified copy of the changes. Yes ☐ No ☒
2. Have complete books and records been kept (including duplicate copies of receipts) which fully substantiate all financial transactions during the fiscal period? If no, please attach an explanation. Yes ☐ No ☒
3. Please indicate the total amount for which the association issued official donation receipts in this fiscal period. \$1,878,765.79
4. Are the receipt forms used to acknowledge payments that are NOT gifts clearly distinguishable from official donation receipts which bear the BN/registration number? If no, please attach an explanation. Yes ☒ No ☐
5. Did the association issue official donation receipts showing a date in the previous calendar year for donations that were mailed or otherwise submitted after the end of the calendar year? If yes, please attach an explanation. Yes ☐ No ☒
6. Have official donation receipts been issued to acknowledge donations in a form other than cash or cheque – e.g., goods, services rendered, etc.? If yes, please attach a list of these gifts and their value as shown on the official donation receipt. Yes ☒ No ☐
7. Has any amount donated to the association been returned to the donor during the year? If yes, please attach an explanation (confidential). Yes ☐ No ☒
- 8 a. During the fiscal period, did the association accept any gifts with the express or implied condition that such gifts were to be used for the benefit of another person, club, society or association? If yes, please attach an explanation (confidential). Yes ☐ No ☒
- b. Did the association issue an official donation receipt to acknowledge such a gift? Yes ☐ No ☐

Certification

To be signed by two directors of the association.

1. I, Jaclyn Pauls of 
Name of director whose signature appears below.2. I, Gemma Koughan of 
Name of director whose signature appears below.

Address (confidential)

HEREBY CERTIFY that the information given in this return and in all attachments is, to the best of my knowledge, correct, complete and current. (Note: It is a serious offense under the *Income Tax Act* to provide false or deceptive information.)

1. Signature of director (confidential)

Position with the association

Treasurer

Home telephone number (confidential)

Business telephone number

Date

2. Signature of director (confidential)

Position with the association

Home telephone number (confidential)

Business telephone number

Date

RCAAA:

Personal information is collected under the authority of the *Income Tax Act* and is used to establish and validate the identity and contact information of directors, trustees, officers and/or like officials and authorized representatives of the organization. This information will also be used as a basis for the indirect collection of additional personal information from other internal and external sources, which includes social insurance number (SIN), personal tax information, and relevant financial and biographical information, which may be used to assess the overall risk of registration with respect to the obligations of registration as outlined in the Act and the common law. The SIN is collected pursuant to subsection 237 of the Act and is used for identification purposes.

The Canada Revenue Agency (CRA) will make this form and all attachments available to the public upon request and/or on the Charities Directorate website, except for information or data identified as confidential. Personal information may also be disclosed to the organization in question and/or its authorized representatives and other third parties pursuant to the disclosure provisions under Section 241 of the Act. Personal information may also be shared with other government departments and agencies under information-sharing agreements in accordance with the disclosure provisions under Section 241 of the Act. Incomplete or inaccurate information may result in a range of actions including suspension of tax-receipting privileges, up to and including revocation of registered status.

Information is described in Charities Program CRA PPU 200 and is protected under the *Privacy Act*. Individuals have a right of protection, access to and correction or notation of their personal information. Please be advised that you are entitled to complain to the Privacy Commissioner of Canada regarding our handling of your information.

Notification to directors and like officials: The CRA strongly encourages the association to voluntarily inform directors and like officials that their personal information has been collected and disclosed to the CRA for the submission of its annual information return.

☒ I confirm that I have read the Privacy statement above.

KidSport Canada

86212-5986 RR0003

2019 RCAA information Return

Instructions #4 backup

Names , addresses and occupations of the Board of Directors

First Name	Last Name	Board position	Occupation	Address	City	Prov	PC
Jamie	Ferguson	Chair/President					
Rob	Newman	Vice President					
Gemma	Koughan	Secretary					
Jaclyn	Pauls	Treasurer					
Troy	Croft	Director					
Brian	Costa	Director					
Alain	Deschamps	Director					
Evan	Andrew	Director					
Cheryl	McCallum	Director					
Kathy	Salmon	Director					
Darcy	McKillop	Director					

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KidSport Canada

86212-5986 RR0003

2019 RCAA information Return

Instructions #5 backup

Names and positions of people authorizes to issue receipts

<u>Name</u>	<u>KSC Board position</u>	<u>P/T Sport Federation Position</u>	<u>Province/Territory</u>
Jamie Ferguson	Chair & President		
Gemma Koughan	Secretary		
Jaclyn Pauls	Treasurer		
Darcy McKillop	Director		
Rob Newman	Vice Chair		

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KidSport Canada

86212-5986 RR0003

2019 RCAA information Return

Instructions #6 backup

Procedures in the event of lost or spoiled receipts

To replace a lost receipt, KidSport Canada issues a replacement, which contains all the information contained on the original receipt including the original serial number, and also includes the words "CANCELS AND REPLACES LOST RECEIPT". The KidSport Canada copy of the original receipt is marked "cancelled and replace" and retained.

For a spoiled receipt, KidSport Canada issues a new receipt with a new receipt number and keeps the original copies (both the donor's and KidSport Canada's) marked "cancelled and reissued".

KidSport Canada

86212-5986 RR0003

2019 RCAA information Return

Information required #6List of gifts and their value for donations other than cash or cheque

Donor Name	Address	City	PC	GIK receipt #	Donation date	Gift In kind cash value	GIK Receipt Description
				AB02100027GIK	Nov 10/19	\$ 38.24	
				AB02100028GIK	Nov 9/19	\$ 77.00	
				AB02100029GIK	June 26/19	\$ 2,000.00	
				AB02100030GIK	July 24/19	\$ 2,368.59	
				AB02100031GIK	June 6/19	\$ 570.00	
				AB02100032GIK	July 15/19	\$ 1,000.00	
				AB02100033GIK	July 2/19	\$ 650.00	
				AB02100034GIK	July 15/19	\$ 1,908.08	
				AB02100035GIK	June 26/19	\$ 714.29	
				AB02100036GIK	July 15/19	\$ 1,908.08	
				AB02100037GIK	June 12/19	\$ 1,000.00	
				AB02100038GIK	July 4/19	\$ 800.00	
				AB02100039GIK	July 15/19	\$ 991.53	
				AB02100040GIK	July 4/19	\$ 500.00	
				AB02100041GIK	July 4/19	\$ 500.00	
				AB02100042GIK	July 4/19	\$ 1,000.00	
				AB02100043GIK	July 4/19	\$ 500.00	

AB02100044GIK	July 4/19	\$	500.00
AB02100045GIK	July 4/19	\$	500.00
AB02100046GIK	July 4/19	\$	500.00
AB02100047GIK	July 4/19	\$	500.00
AB02100048GIK	July 4/19	\$	500.00
AB02100049GIK	July 4/19	\$	500.00
AB02100050GIK	July 4/19	\$	500.00
AB02100051GIK	July 4/19	\$	1,000.00
AB02100053GIK	July 4/19	\$	500.00

AB02100052GIK July 4/19 \$ 1,000.00

AB02100054GIK July 4/19 \$ 500.00

AB02100055GIK July 8/19 \$ 1,500.00

AB02100056GIK Dec 12, 19 \$ 17,752.05

BC01 7129 Sept 7, 2019 \$ 13,425.00

BC 01 7354 June 27, 2019 \$ 14,034.00

MB04-44273 March 1, 2019 \$ 281.00

Total \$ 70,017.86

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KidSport Canada

86212-5986 RR0003

2019 RCAA information Return

Information required #2 backup

Explanation of how complete books & records are kept

KidSport Canada is a national charity organization with offices in 11 provinces and territories. Some of the source documents are kept in each province or territory and are available upon request to the national office.

The tax receipts are issued through an online fundraising program that automatically generates the tax receipt and uses the next number in the sequence for each province or territory. A physical copy of the receipt is not kept because it can be regenerated at any point with the software, similar process set up to several large national charities.



Financial Statements

KidSport Canada

December 31, 2019

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Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Operations and Changes in Fund Balances	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 10
Schedules to the Financial Statements	11 - 12



Independent Auditor's Report



To the Directors of
KidSport Canada

Qualified Opinion

We have audited the financial statements of KidSport Canada (the "Organization"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* paragraph, the financial statements present fairly, in all material respects, the financial position of the Organization 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 ("ASNPO").

Basis for Qualified Opinion

In common with many non-profit organizations, the Organization derives revenue from donations from the public, 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, and cash flows for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018, and fund balances as at January 1, 2019 and 2018 and 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 are independent of the Organization 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.

Other matter

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The supplementary information included in the Schedules are presented for purposes of additional information and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNPO, 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Markham, Canada

Chartered Professional Accountants
Licensed Public Accountants

KidSport Canada

Statement of Operations and Changes in Fund Balances

Year ended December 31

	General fund	(Schedule 2) Provincial Chapter fund	Specific Projects fund	Capital Asset fund	Total 2019	Total 2018
Revenue						
Donations	\$ 236,759	\$ 2,509,793	\$ 195,551	\$ -	\$ 2,942,103	\$ 2,733,059
Government and corporate grants	201,295	258,559	-	-	459,854	766,619
Corporate support	220,702	153,597	-	-	374,299	290,103
Interest and other	15,301	31,455	-	-	46,756	31,068
Licensing fees	11,110	-	-	-	11,110	11,000
	<u>685,167</u>	<u>2,953,404</u>	<u>195,551</u>	<u>-</u>	<u>3,834,122</u>	<u>3,831,849</u>
Expenditures						
Program grants	345,780	2,642,061	165,375	-	3,153,216	2,917,550
Human resources and contract services	124,286	184,959	-	-	309,245	251,722
Marketing and promotion	53,783	241,615	-	-	295,398	203,397
Administration and governance	53,109	120,345	-	-	173,454	159,255
Website, database and fundraising development	30,861	-	-	-	30,861	29,212
Official languages	8,595	-	-	-	8,595	9,854
	<u>616,414</u>	<u>3,188,980</u>	<u>165,375</u>	<u>-</u>	<u>3,970,769</u>	<u>3,570,990</u>
Excess (deficiency) of revenue over expenditures	68,753	(235,576)	30,176	-	(136,647)	260,859
Fund balances, beginning of year	644,495	1,676,075	68,180	-	2,388,750	2,127,891
Purchase of capital assets	(3,204)	-	-	3,204	-	-
Amortization of capital assets	532	-	-	(532)	-	-
Fund balances, end of year	<u>\$ 710,576</u>	<u>\$ 1,440,499</u>	<u>\$ 98,356</u>	<u>\$ 2,672</u>	<u>\$ 2,252,103</u>	<u>\$ 2,388,750</u>

See accompanying notes to the financial statements.

KidSport Canada
Statement of Financial Position

December 31

2019

2018

Assets

Current

Cash	\$ 1,528,961	\$ 1,981,644
Short-term investments (Note 3)	418,379	408,301
Accounts receivable	271,127	235,360
GST/HST receivable	8,407	8,663
Prepaid expenses	24,855	23,036
Due from Sport Manitoba (Note 4)	435,801	426,385
	<u>2,687,630</u>	<u>3,083,388</u>

Capital assets (Note 5)

	<u>2,672</u>	<u>-</u>
	<u>\$ 2,690,202</u>	<u>\$ 3,083,388</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 431,952	\$ 683,471
Deferred revenue	<u>6,147</u>	<u>11,167</u>
	<u>438,099</u>	<u>694,638</u>

Fund balances

Unrestricted – General fund	710,576	644,495
Internally restricted – Provincial Chapter fund	1,440,499	1,676,075
Externally restricted – Specific Projects fund (Note 6)	98,366	68,180
Capital Asset fund	<u>2,672</u>	<u>-</u>
	<u>2,252,103</u>	<u>2,388,750</u>
	<u>\$ 2,690,202</u>	<u>\$ 3,083,388</u>

On behalf of the Board of Directors

[Redacted Signature]

Director

[Redacted Signature]

Director

See accompanying notes to the financial statements.

KidSport Canada

Statement of Cash Flows

Year ended December 31

2019

2018

Increase (decrease) in cash

Operating

(Deficiency) excess of revenue over expenditures	\$ (136,647)	\$ 260,859
Item not affecting cash		
Amortization	<u>532</u>	<u>-</u>
	(136,115)	260,859
Change in non-cash working capital items		
Accounts receivable	(35,767)	67,342
GST/HST receivable	256	(3,548)
Prepaid expenses	(1,820)	(4,412)
Accounts payables and accrued liabilities	(251,519)	212,846
Deferred revenue	<u>(5,020)</u>	<u>(10,786)</u>
	<u>(429,985)</u>	<u>522,301</u>

Financing

Due from related party	<u>(9,416)</u>	<u>(8,744)</u>
------------------------	----------------	----------------

Investing

Purchase of short-term investments	(10,078)	(4,297)
Purchase of capital assets	<u>(3,204)</u>	<u>-</u>
	<u>(13,282)</u>	<u>(4,297)</u>

(Decrease) increase in cash

(452,683) 509,260

Cash

Beginning of year	<u>1,981,644</u>	<u>1,472,384</u>
End of year	<u>\$ 1,528,961</u>	<u>\$ 1,981,644</u>

See accompanying notes to the financial statements.

KidSport Canada

Notes to the Financial Statements

December 31, 2019

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 deductible donation 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

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). ASNPO requires entities to select policies appropriate for the circumstances from policies provided in these standards. The significant accounting policies selected by KSC and applied in these financial statements are outlined below.

Fund accounting

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

KSC has the following funds:

The General fund reports the assets, liabilities, revenue and expenditures related to KSC's operating activities. Funding from all sources, including donations, grants, fee revenue and corporate support that is not specifically designated by donors is included in this fund.

The Provincial Chapter fund reports the assets, liabilities, revenue and expenditures related to restricted revenue received for KSC's provincial chapters across Canada.

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 and the Wendy Ladner-Beaudry Memoriam.

The Capital Asset fund reports the assets, liabilities, revenue and expenditures related to KSC's capital asset acquisitions, disposals and amortization.

Capital assets

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

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

In the year of acquisition, computer equipment is provided for at one-half the annual rate.

KidSport Canada
Notes to the Financial Statements
December 31, 2019

2. Summary of significant accounting policies (continued)**Revenue recognition**

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.

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 recognized in the General fund in the year in which the related expenditures are incurred.

Contributed services and materials

A number of volunteers contribute a significant amount of their time and services to KSC each year. Because of the difficulty in determining fair value, these contributed services are not recognized in the financial statements. KSC records the fair value of contributed materials at the time of receipt, where such fair value is determinable and the materials would otherwise have been purchased.

Financial instruments

KSC's financial instruments consist of cash, short-term investments, accounts receivable, GST/HST receivable, due from Sport Manitoba and accounts payable.

KSC initially measures its financial assets and liabilities at fair value. KSC subsequently measures all of its financial assets and liabilities at amortized cost.

Financial assets or liabilities obtained in related party transactions are measured at exchange value, which is the amount agreed upon by the related parties, except for those transactions that are with a person or entity whose sole relationship with KSC is in the capacity of management in which case they are accounted for at fair value and subsequently measured at amortized cost.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess (deficiency) of revenue over expenditures as appropriate in the year they become known.

KidSport Canada

Notes to the Financial Statements

December 31, 2019

2. Summary of significant accounting policies (continued)

Adoption of new accounting standards

On July 1, 2019, KSC adopted new accounting standards *Section 4433 Tangible capital assets held by not-for-profit organizations* and *Section 4434 Intangible assets held by not-for-profit organizations* (the "standards"). The most significant requirements include:

- tangible capital assets must be separated into their component parts, when practicable, and when estimates can be made of the lives of the separate components;
- tangible capital assets and intangible assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts; and
- additional disclosures when an impairment has occurred.

The adoption of the new accounting standards was applied prospectively, except KSC was permitted to recognize an adjustment to opening fund balances at January 1, 2019 to reflect partial impairments of tangible and intangible assets existing at that date, if any. The adoption of these standards did not have any impact on the statement of financial position as at January 1, 2019 and the changes in financial position for the current period.

3. Short-term investments

Short-term investments relate to guaranteed investment certificates that earn interest at a rate from 1.72% to 1.85% (2018 – 1.75% to 2.10%) and mature from March to November 2020 (2018 – August to November 2019).

4. Due from Sport Manitoba

Sport Manitoba, along with all member Provincial and Territorial Sport Federations, nominate staff or representatives to be elected as Board members of KSC and thus is a related party to KSC. Sport Manitoba has invested funds of KSC into a 24-month term guaranteed investment certificate at a rate of 2.40% with maturity on December 2021. The balance due from Sport Manitoba is non-interest bearing and due on demand.

KidSport Canada
Notes to the Financial Statements
December 31, 2019

5. Capital assets

			<u>2019</u>	<u>2018</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 11,136	\$ 8,464	\$ 2,672	\$ -
Computer software	<u>56,002</u>	<u>56,002</u>	<u>-</u>	<u>-</u>
	<u>\$ 67,138</u>	<u>\$ 64,466</u>	<u>\$ 2,672</u>	<u>\$ -</u>

6. Externally restricted – Specific projects funds

	<u>December 31, 2018</u>	<u>Revenue</u>	<u>Expenditures and Transfers</u>	<u>December 31, 2019</u>
Wendy Ladner-Beaudry Memoriam	\$ 11,965	\$ -	\$ -	\$ 11,965
Give the Gift of Sport	56,034	181,014	(165,375)	71,673
Other one-time community projects	<u>181</u>	<u>14,537</u>	<u>-</u>	<u>14,718</u>
	<u>\$ 68,180</u>	<u>\$ 195,551</u>	<u>\$ (165,375)</u>	<u>\$ 98,356</u>

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

7. Financial instruments

Transactions in financial instruments may result in KSC assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments. There were no changes in the nature of financial instrument risk compared to prior year.

Credit risk

Credit risk is the risk of financial loss occurring as a result of a counter party to a financial instrument failing to discharge an obligation or commitment that it has entered into with KSC. KSC's main credit risks relate to its accounts receivable and GST/HST receivable.

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, 2019, the allowance for doubtful accounts is \$Nil (2018 - \$Nil). As a result, it is management's opinion that KSC is not exposed to significant credit risk arising from its financial instruments.

KidSport Canada

Notes to the Financial Statements

December 31, 2019

7. Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that KSC will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. KSC is exposed to liquidity risk mainly in respect to its accounts payable.

KSC manages its liquidity risk by forecasting cash flows from operating, investing and financing activities to ensure that it has sufficient funds available to meet current and foreseeable financial obligations. As a result, it is management's opinion that KSC is not exposed to significant liquidity risk arising from its financial instruments.

Interest rate risk

Interest rate price risk is the risk that the fair value of an interest bearing financial instrument will fluctuate due to changes in market interest rates. Interest rate cash flow risk is the risk that the cash flows of KSC will fluctuate due to changes in market interest rates.

KSC's exposure to interest rate price risk is limited to its fixed interest short-term investments and debt. KSC's interest rate cash flow risk is limited to its variable interest bearing investments and debt. It is management's opinion that KSC is not exposed to significant interest rate risks arising from its financial instruments.

8. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

During the year, KSC noted that an amount of \$426,385 was misclassified as cash rather than due from Sport Manitoba. As a result, as at December 31, 2018, cash decreased and due from Sport Manitoba increased by \$426,385 from \$2,408,029 to \$1,981,644 and \$Nil to \$426,385, respectively. There was no impact on the total excess (deficiency) of revenue over expenditures as a result of these adjustments in the prior period.

9. COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic (the "pandemic") as a result of the spread of COVID-19. Since that time, the pandemic has severely impacted local economies around the globe. In many countries, including Canada, organizations were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of COVID-19, including travel bans, quarantines, physical distancing, and closures of non-essential services have triggered significant disruptions to organizations worldwide, resulting in a widespread economic slowdown. Governments and central banks have responded with monetary and fiscal interventions in an attempt to stabilize economic conditions.

The duration and impact of the pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position of KSC for future periods. At the board approval date, the impact on KSC is limited, as while donations have reduced, the related disbursements made by KSC have also proportionately reduced.

KidSport Canada
Schedules to the Financial Statements
December 31, 2019

Statement of financial position by fund

Schedule 1

	<u>General fund</u>	<u>Provincial Chapter fund</u>	<u>Specific Projects fund</u>	<u>Capital Asset fund</u>	<u>Total 2019</u>
Assets					
Current					
Cash	\$ 405,179	\$ 1,025,426	\$ 98,356	\$ -	\$ 1,528,961
Short-term investments	418,379	-	-	-	418,379
Accounts receivable	109,327	161,800	-	-	271,127
GST/HST receivable	5,421	2,986	-	-	8,407
Prepaid expenses	11,894	12,961	-	-	24,855
Due from Sport Manitoba	-	435,801	-	-	435,801
	950,200	1,638,974	98,356	-	2,687,530
Capital assets	-	-	-	2,672	2,672
	<u>\$ 950,200</u>	<u>\$ 1,638,974</u>	<u>\$ 98,356</u>	<u>\$ 2,672</u>	<u>\$ 2,690,202</u>
Liabilities					
Current					
Accounts payable and accrued liabilities	\$ 234,782	\$ 197,170	\$ -	\$ -	\$ 431,952
Deferred revenue	4,842	1,305	-	-	6,147
	239,624	198,475	-	-	438,099
Fund balances					
Unrestricted	710,576	-	-	-	710,576
Internally restricted	-	1,440,499	-	-	1,440,499
Externally restricted	-	-	98,356	-	98,356
Capital asset	-	-	-	2,672	2,672
	710,576	1,440,499	98,356	2,672	2,252,103
	<u>\$ 950,200</u>	<u>\$ 1,638,974</u>	<u>\$ 98,356</u>	<u>\$ 2,672</u>	<u>\$ 2,690,202</u>

KidSport Canada

Schedules to the Financial Statements

December 31, 2019

Schedule of Provincial Chapter fund by province

Schedule 2

	British Columbia	Alberta	Manitoba	Ontario	New Brunswick	Nova Scotia	Prince Edward Island	Total
Revenue								
Donations	\$ 807,597	\$ 1,034,129	\$ 361,897	\$ 217,091	\$ 21,264	\$ 39,202	\$ 28,613	\$ 2,509,793
Government and corporate grants	145,827	16,460	11,394	4,878	40,000	40,000	-	258,559
Corporate support	-	93,750	-	59,847	-	-	-	153,597
Interest and other	2,515	337	15,031	9,184	4,282	106	-	31,455
	<u>955,939</u>	<u>1,144,676</u>	<u>388,322</u>	<u>291,000</u>	<u>65,546</u>	<u>79,308</u>	<u>28,613</u>	<u>2,953,404</u>
Expenditures								
Program grants	918,204	1,068,030	373,605	140,695	51,972	70,978	18,577	2,642,061
Marketing and promotion	-	22,341	157,112	60,525	1,637	-	-	241,615
Human resources and contract services	-	93,750	-	85,534	-	5,675	-	184,959
Administration and governance	37,286	23,308	1,472	34,168	20,886	2,655	570	120,345
	<u>955,490</u>	<u>1,207,429</u>	<u>532,189</u>	<u>320,922</u>	<u>74,495</u>	<u>79,308</u>	<u>19,147</u>	<u>3,188,980</u>
Excess (deficiency) of revenue over expenditures	449	(62,753)	(143,867)	(29,922)	(8,949)	-	9,466	(235,576)
Fund balance, beginning of year	<u>2,333</u>	<u>406,687</u>	<u>955,177</u>	<u>254,715</u>	<u>41,649</u>	<u>-</u>	<u>15,514</u>	<u>1,676,075</u>
Fund balance, end of year	<u>\$ 2,782</u>	<u>\$ 343,934</u>	<u>\$ 811,310</u>	<u>\$ 224,793</u>	<u>\$ 32,700</u>	<u>\$ -</u>	<u>\$ 24,980</u>	<u>\$ 1,440,499</u>