Financial Statements of

Give Kids A Chance Charity Inc.

Year ended December 31, 2023

Management's Responsibility for Financial Reporting

Management has the responsibility for preparing the accompanying financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

Ultimate responsibility for financial statements lies with the Board of Directors. An Audit Committee of Directors is appointed by the Board to review financial statements in detail with management and report to the Board of Directors prior to the approval of the financial statements for publication.

Independent auditors examine the financial statements and meet with both the Audit Committee and management to review their findings. The independent auditors' report follows. The independent auditors have full and free access to the Audit Committee to discuss their findings regarding the integrity of the Corporation's financial reporting and the adequacy of the system of internal controls.

Chief Executive Officer

Shauna Hubick
Chief Financial Officer

VIRTUS GROUP
Chartered Professional Accountants
& Business Advisors LLP

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Canadian Council of Provincial and Territorial Sport Federations

Qualified Opinion

We have audited the accompanying financial statements of the **Give Kids a Chance Charity Inc.** which comprise the statement of financial position as at **December 31, 2023,** and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial statements present fairly, in all material respects, the financial position of the Give Kids a Chance Charity Inc. as at December 31, 2023, and its results of 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 not-for-profit organizations, the Corporation derives a portion of its revenue in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we are not able to determine whether any adjustments might be necessary to revenues, assets or net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditors' Report – Continued

Auditors' 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 auditors' 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 Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Corporation 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.

Virtus Group LLP

March 14, 2024
Regina, Saskatchewan, Canada

Chartered Professional Accountants

VIRTUS GROUP

Statement of Financial Position
December 31, 2023 with comparative figures for 2022

	2023	2022
Assets		
Current assets:		
Cash	$ 2,160,772	$ 2,100,632
Short term investments (Note 4)	315,911	169,900
Accounts receivable	8,796	25,384
Inventory	32,980	6,989
Prepaid expenses	712	1,419
	2,519,171	2,304,324
Long term assets:		
Long term investments (Note 4)	49,233	28,944
Investment in Sport Legacy Fund (Note 4)	5,633,227	5,358,193
	$ 8,201,631	$ 7,691,461
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	$ 41,843	$ 25,893
	41,843	25,893
Net assets:		
Restricted net assets	8,077,409	7,590,631
Unrestricted net assets	82,379	74,937
	8,159,788	7,665,568
	$ 8,201,631	$ 7,691,461

See accompanying notes to the financial statements.

On behalf of the Board:

_________________________ Director

_________________________ Director

Statement of Operations

Year ended December 31, 2023 with comparative figures for 2022

		2023	2022
Revenue:			
Donations (receipted)	$	200,831	$ 150,655
Fundraising and unreceipted donations		600,360	503,512
Project grants		239,162	229,676
Interest		325,956	274,777
Operating grants		888,738	1,162,744
Sponsorship		115,000	140,000
		2,370,047	2,461,364
Expenses:			
Administration expenses:			
Bank and credit card fees		4,192	4,604
GST expense		2,943	2,228
Insurance		4,808	6,041
Marketing		26,062	33,825
National affiliation fees KidSport		1,000	1,000
Office and committee expenses		19,627	19,608
Postage		1,548	2,134
Printing		4,149	2,337
Professional fees		6,466	6,201
Regional Meetings		(46)	3,939
Salaries and benefits		246,250	238,076
Travel		20,283	14,816
Volunteer Recognition		-	794
		337,282	335,603
Program expenses:			
Dream Brokers program		31,065	119,630
KidSport grants distributed		1,355,315	1,055,941
Northern Community and School Recreation Coordinator Program		350	1,197
		1,386,730	1,176,768
Fundraising expenses:			
Projects		151,815	122,317
		151,815	122,317
Total Expenses		1,875,827	1,634,688
Excess of revenue over expenses	$	494,220	$ 826,676

See accompanying notes to the financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2023 with comparative figures for 2022

	KidSport	Unrestricted	2023	2022
Net assets, beginning of year	$ 7,590,631	$ 74,937	$ 7,665,568	$ 6,838,892
Excess of revenue over expenses	486,778	7,442	494,220	826,676
Net assets, end of year	$ 8,077,409	$ 82,379	$ 8,159,788	$ 7,665,568

Statement of Cash Flows

Year ended December 31, 2023 with comparative figures for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses for the year	$ 494,220	$ 826,676
Items not affected by cash:		
Net change in non-cash working capital items:		
Accounts receivable	16,588	(13,252)
Inventory	(25,991)	4,133
Prepaid expenses	707	474
Accounts payable	15,950	(2,521)
	501,474	815,510
Investing activities:		
Short term investment purchases	(315,911)	(169,900)
Short term investment redemptions	169,900	99,876
Long term investment purchases	(295,323)	(263,562)
Long term investment redemptions	-	100,000
	(441,334)	(233,586)
Increase in cash during the year	60,140	581,924
Cash, beginning of year	2,100,632	1,518,708
Cash, end of year	$ 2,160,772	$ 2,100,632

See accompanying notes to the financial statements.

Notes to the Financial Statements
December 31, 2023 with comparative figures for 2022

1. Nature of Operations

   Sask Sport Inc. has incorporated Give Kids A Chance Charity Inc. (The Corporation), a volunteer non-profit corporation with charitable status as a private foundation, in order to operate its charitable programs.

2. Summary of Significant Accounting Policies

   Restricted net assets:

   The Corporation has internally restricted the net assets for the KidSport program. These funds are for the exclusive use of this program.

   Income taxes:

   The Corporation is incorporated under the *Non-profit Corporations Act of Saskatchewan.* Under present legislation no income taxes are payable on reported income of the Corporation.

   Revenue recognition:

   The Corporation follows the deferral method of accounting for contributions. 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 to be received can be reasonably estimated and collection is reasonably assured.

   Inventory:

   Inventory is valued at the lower of cost and net realizable value. Cost is determined using the specific identification method.

   Use of estimates:

   The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts receivable are stated after evaluation of their collectability and appropriate allowance for doubtful accounts is provided where considered necessary. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

   Financial instruments - recognition and measurement:

   Financial assets and financial liabilities are recorded on the statement of financial position when the Corporation becomes a party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in the subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

   Fair value is an amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair value of financial assets and financial liabilities measured at fair value are recognized in excess of revenues over expenses. When there is an indication of impairment the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

Notes to the Financial Statements

December 31, 2023 with comparative figures for 2022

3. Inventory

Inventory consists entirely of promotional materials.

4. Investments

Short term investments consist of:		2023	2022
Royal Bank Cashable GIC due March 22, 2023	0.50%	$ -	$ 21,505
Royal Bank Cashable GIC due March 29, 2023	1.20%	-	75,000
Royal Bank Cashable GIC due June 13, 2023	0.75%	-	3,395
Royal Bank Non-Redeemable GIC due November 28, 2023	4.75%	-	50,000
Royal Bank Cashable GIC due November 28, 2023	3.25%	-	20,000
Royal Bank Cashable GIC due March 20, 2024	4.25%	75,878	-
Royal Bank Cashable GIC due March 22, 2024	0.50%	21,613	-
Royal Bank Non-Redeemable GIC due May 4, 2024	4.55%	10,000	
Royal Bank Cashable GIC due June 13, 2024	2.25%	3,420	-
Royal Bank Cashable GIC due August 19, 2024	4.75%	150,000	-
Affinity Credit Union Cashable GIC due October 3, 2024	3.70%	5,000	
Royal Bank Non-Redeemable GIC due November 29, 2024	5.70%	30,000	-
Royal Bank Cashable GIC due November 29, 2024	4.50%	20,000	-
		$ 315,911	$ 169,900

Long term investments consist of:		2023	2022
Royal Bank Non-Redeemable GIC due November 29, 2025	5.50%	20,000	-
Unity Credit Union Harvest Term Deposit #002 due October 16, 2026	1.10%	29,233	28,944
		$ 49,233	$ 28,944

	2023	2022
Sport Legacy Fund	$5,633,227	$ 5,358,193

The Sport Legacy Fund is a fundraising program established by the National Sport Trust Fund - Saskatchewan Division for future sustainability of sport programs in Saskatchewan. The Fund is segregated by participating organization. The Fund offers 5% annual growth on fund balances and organizations that contribute are required to leave the original amount of contributions in the Legacy Fund for a minimum of 5 years in order to qualify. A draw down of the funds is made by application and subject to the approval of the National Sport Trust Fund - Saskatchewan Division.

5. Related Party Transactions

In 2023, the Corporation received $731,871 (2022 - $682,157) in grants from Sask Sport Inc.

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

6. Financial Instruments and Risks

Fair Value:

The recorded value of short term investments, accounts receivable and payable approximate fair value.

Credit and interest rate risk:

The Corporation is not subject to significant credit or interest rate risk.

7. Economic Dependence

Give Kids A Chance Charity Inc. currently receives significant revenue in grants from Sask Sport Inc. and is therefore dependent upon the continuance of these grants to maintain operations at their current level.

8. In Kind Transactions

In 2023, $9,924 (2022 - $5,265) of in-kind revenue was recorded as revenue from a stock donation that was converted to cash.

9. Project Grants

In 2023, Give Kids A Chance Charity Inc received $20,000 (2022 - $118,000) from the Community Initiatives Fund for the Dream Broker program.

Schedule of KidSport™ Saskatchewan Operations

Year ended December 31, 2023 with comparative figures for 2022

	2023	2022
Revenue:		
Donations (receipted)	$ 187,716	$ 143,596
Fundraising and unreceipted donations	599,517	502,929
Project grants	218,812	110,476
Interest	321,407	272,916
Operating grants	878,679	1,154,064
Sponsorship	115,000	140,000
	2,321,131	2,323,981
Expenses:		
Administration expenses:		
Bank and credit card fees	3,657	4,110
Conference	(46)	3,939
GST expense	1,644	2,039
Insurance	4,808	6,041
Marketing	21,451	29,300
National affiliation fees	1,000	1,000
Office and committee expenses	19,627	19,608
Postage	1,490	2,072
Printing	3,826	2,027
Professional fees	3,233	3,101
Salaries and benefits	246,250	238,076
Travel	20,283	14,816
Volunteer recognition	-	794
Program expenses:		
Grants distributed	1,355,315	1,055,941
Fundraising expenses:		
Projects	151,815	122,317
	1,834,353	1,505,181
Excess of revenue over expenses	$ 486,778	$ 818,800

See accompanying notes to the financial statements.