

kids
cancer care



KIDS CANCER CARE FOUNDATION OF ALBERTA

Financial Statements

JANUARY 31, 2021



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A Message from our Leaders

Early in the pandemic, as we lost one fundraising event after another and Camp Kindle rental groups cancelled en masse, we took a good hard look at what was possible for Kids Cancer Care amid the growing panic and uncertainty.

With historic levels of illness, cutbacks, job losses and business closures on top of an already fragile economy, we were facing uncertainty like never before.

We knew we couldn't continue with the status quo. No one could predict how long the pandemic might last, so in spring 2020, our only priority was to protect the immediate and long-term sustainability of Kids Cancer Care. We made very difficult decisions—the hardest decisions we have ever faced in our 27-year history.

Our staff made sacrifices. Some were temporarily and permanently laid off. Those who stayed on voluntarily took salary cuts, while putting in even longer hours. Our focus was helping families through the pandemic, while ensuring that Kids Cancer Care would be here to support kids and families for generations to come.

Your support inspired us as we re-imagined and adapted our fundraising events and programs. With your support, we created a larger online community, reaching families as far north as Fort McMurray and as far south as Lethbridge.

Most exciting is that for the first time ever, we were able to deliver programs to children at the hospital in real time.

Your support ensured we could respond quickly to the ever-changing landscape of COVID-19. When schools closed, we increased our tutoring support and took it online. When summer camps were cancelled, we offered families private family get-aways at Camp Kindle. When social gatherings were no longer possible, we moved our PEER exercise sessions online and shifted our recreational and therapeutic child life sessions to online platforms. The kids learned to plant sunflowers, make ice-cream and enjoyed interacting with celebrities, including a princess, magician, Calgary Flames defenseman Juuso Välimäki, Star Wars Stormtroopers and the cutest baby animals ever at a virtual petting zoo. As the year came to a close, we collaborated with Theatre Calgary to offer our families an exclusive online presentation of *A Christmas Carol*, complete with a behind-the-scenes get-together with the cast.

While online programs will never replace the richness of in-person connection, 2020-21



"We were overwhelmed by your love and support that ensured our kids and families could receive the help they needed."

opened new doors, which we readily opened to explore new realms of possibility with you.

Thanks to your generosity, government subsidies, major gifts, one-time COVID-19 grants and an enormous effort on behalf of the staff, we made it through 2020-21. We finished the year with a \$767,487 surplus. Without the \$623,140 in COVID-19 relief and subsidies, and the amazing generosity of our loyal donors, fundraising hosts and volunteers, we would have finished in a deficit.

The 2020-21 surplus will help us invest in the future as we plan for a new building at Camp Kindle. This new building will enable us to expand indoor program space for kids, while helping us to incorporate enhanced physical distancing and greater infection prevention and control measures. This new space will give us more flexibility and better equip us for the future, when we reopen Camp Kindle in a pandemic-conscious world.

After such a tumultuous year, we feel blessed to be able to express our gratitude. We are grateful for the government subsidies and COVID-19 grants that enabled us to bring staff back to work after temporary layoff and continue our mission.

We are grateful to our dedicated staff who made incredible sacrifices without complaint

With sincerest gratitude,

Bob Yarish

Chair of the Board of Directors

and worked tirelessly to meet the needs of our families in extraordinary circumstances.

We are grateful for our foresight in investing in technology over the years. This early and continued investment enabled us to adapt quickly and serve our families on virtual platforms, to reduce costs and to ensure the long-term sustainability of Kids Cancer Care.

Most of all, we are grateful for you, our wonderfully generous community of donors, fundraising partners, corporate sponsors, families and volunteers. We are grateful to all of you who continued to support us in the face of real uncertainty.

We were overwhelmed by your love and support that ensured our kids and families could receive the help they needed.

One day, the pandemic will be long forgotten, as will we. What we are building today will continue long after we are gone. You can feel proud and confident in the knowledge that you helped keep our vision alive for generations of children and families to come.

Our deepest gratitude for your passion, your gifts, your generosity and your dedication.

Christine McIver, M.S.M., LLD (Hon), CFRE

Founder and Chief Executive Officer



Independent Auditor's Report



To: The Directors of Kids Cancer Care Foundation of Alberta

OPINION

We have audited the financial statements of Kids Cancer Care Foundation of Alberta (the "Foundation"), which comprise the statement of financial position as at January 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at January 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Accounting Standards for Not for Profit Organizations "ASNPO".

BASIS FOR OPINION

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 Foundation 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 opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information is comprised of the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report is expected to be made available to us after the date of this auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.

CALGARY, ALBERTA
MAY 26, 2021

Catalyst LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

KIDS CANCER CARE FOUNDATION OF ALBERTA

Statement of Financial Position

JANUARY 31, 2021

	2021	2020
Assets		
Current		
Cash and cash equivalents	\$ 1,532,587	\$ 1,186,443
Restricted cash (Note 3)	216,432	126,771
Short-term investments (Note 4)	4,173,754	3,773,754
Accounts receivable	142,101	143,112
Goods and services tax recoverable	5,758	7,143
Prepaid expenses	96,988	88,626
	6,167,620	5,325,849
Property and equipment (Note 5)	7,917,098	8,483,311
	\$ 14,084,718	\$ 13,809,160
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	\$ 328,420	\$ 337,311
Unearned revenue	40,348	145,221
	368,768	482,532
Deferred contributions (Schedule 1)		
Related to operations	216,432	126,771
Related to property and equipment	7,269,026	7,679,016
Lease inducement (Note 15)	654,282	712,118
	8,508,508	9,000,437
Net Assets		
Invested in property and equipment	648,072	804,295
Internally restricted (Note 11)	3,000,000	3,000,000
Unrestricted	1,928,138	1,004,428
	5,576,210	4,808,723
	\$ 14,084,718	\$ 13,809,160

Commitments (Note 15)**Impact of COVID-19 (Note 17)**

Approved on behalf of the Board

Director Director *The accompanying notes are an integral part of the financial statements*

KIDS CANCER CARE FOUNDATION OF ALBERTA
Statement of Operations
 FOR THE YEAR ENDED JANUARY 31, 2021

	2021	2020
Revenues (Note 12)		
Fundraising		
General	\$ 2,462,178	\$ 2,764,635
Camp and outreach programs	650,402	979,150
Research	289,210	504,986
Education support and scholarship (Note 8)	25,936	68,350
Gifts-in-kind	8,078	49,386
Hospital programs	-	3,675
Camp, outreach, and education support – COVID relief grants (Note 7)	148,552	-
Federal COVID subsidies (Note 6)	474,588	-
Other revenue	49,494	106,600
Camp Kindle rental operations	21,950	663,208
Amortization of deferred contributions related to property and equipment (Schedule 1)	490,452	526,237
	4,620,840	5,666,227
Expenses		
Camp and outreach programs (Notes 16 and 9)	1,495,893	2,237,644
Fundraising (Notes 16 and 13)	982,953	1,340,251
General and administrative	496,718	686,010
Public awareness and education (Note 16)	242,724	223,878
Research	223,322	555,848
Education support and scholarships (Notes 16 and 8)	165,188	130,852
Volunteer programs	61,609	146,398
Camp Kindle rental operations (Note 10)	43,944	257,035
Gifts-in-kind	8,078	49,386
Hospital programs	1,171	28,215
Amortization	131,753	118,268
	3,853,353	5,773,785
Excess (deficiency) of revenues over expenses for the year	\$ 767,487	\$ (107,558)

The accompanying notes are an integral part of the financial statements

KIDS CANCER CARE FOUNDATION OF ALBERTA

Statement of Changes in Net Assets

FOR THE YEAR ENDED JANUARY 31, 2021

	Invested in Property and Equipment	Internally Restricted	Unrestricted	2021	2020
Net assets, beginning of year	\$ 804,295	\$ 3,000,000	\$ 1,004,428	\$ 4,808,723	\$ 4,916,281
Excess (deficiency) of revenue over expenses	(148,966)	-	916,453	767,487	(107,558)
Net acquisition of property and equipment	66,107	-	(66,107)	-	-
Capital contributions utilized for capital purchases	(63,621)	-	63,621	-	-
Contributions deferred	(9,743)	-	9,743	-	-
Net assets, end of year	\$ 648,072	\$ 3,000,000	\$ 1,928,138	\$ 5,576,210	\$ 4,808,723

The accompanying notes are an integral part of the financial statements

KIDS CANCER CARE FOUNDATION OF ALBERTA

Statement of Cash Flows

FOR THE YEAR ENDED JANUARY 31, 2021

	2021	2020
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses for the year	\$ 767,487	\$ (107,558)
Items not affecting cash:		
Amortization	639,418	682,352
Amortization of deferred contributions related to property and equipment	(490,452)	(526,237)
Change in deferred contributions related to operations	89,660	48,029
Lease inducements (Note 15)	(57,836)	92,814
	948,277	189,400
Change in non-cash working capital items		
Accounts receivable	1,011	(46,235)
Goods and services tax recoverable	1,385	1,784
Prepaid expenses	(8,362)	48,758
Accounts payable and accrued liabilities	(8,891)	41,730
Unearned revenue	(104,873)	20,031
Cash flows from (used by) operating activities	828,547	255,468
Cash flows from investing activities		
Purchase of short-term investments	(4,173,754)	(3,773,754)
Redemption of short-term investments	3,773,754	3,760,000
Purchase of property and equipment	(66,107)	(160,684)
Cash flows from (used by) investing activities	(466,107)	(174,438)
Cash flows from financing activity		
Contributions received for acquisition of property and equipment	73,365	59,326
Increase in cash and cash equivalents	435,805	140,356
Cash and cash equivalents, beginning of year	1,313,214	1,172,858
Cash and cash equivalents, end of year	\$ 1,749,019	\$ 1,313,214
Cash and cash equivalents consists of:		
Unrestricted	\$ 1,532,587	\$ 1,186,443
Restricted (Note 3)	216,432	126,771
	\$ 1,749,019	\$ 1,313,214

The accompanying notes are an integral part of the financial statements

KIDS CANCER CARE FOUNDATION OF ALBERTA

Notes to the Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2021

1. Purpose of organization

Kids Cancer Care Foundation of Alberta (the "Foundation" or "Kids Cancer Care"), is incorporated under the Alberta Societies Act as a not for profit organization. As a registered charity under section 149 of the Income Tax Act, the Foundation is not subject to the payment of income taxes.

The vision of the Foundation is to provide a cure for every child affected by cancer and care for every family. Passionately dedicated to helping children and families affected by cancer survive and thrive in body, mind and spirit, the Foundation provides funding and programming in four areas:

CAMP AND OUTREACH

Free, year-round programs designed to help young people and their families renew their spirits and rebuild their strength through a range of activities within a healing and caring community. Indoor and outdoor activities include therapeutic, recreational, social, cultural and leadership opportunities for young people in various stages of cancer treatment and their families.

RESEARCH

Kids Cancer Care funds pediatric cancer research in the following areas:

- A. Basic and applied research to understand the molecular origins and behaviours of children's cancers to develop life-saving therapies that are less toxic and cause fewer long-term health problems in survivors; and
- B. Research in the social sciences to understand the physical, social and psychological impact of childhood cancer on the survivor, the family and the social and health systems in order to develop programs and services to support these families.

HOSPITAL

Kids Cancer Care provides funding for specialized medical equipment, programs and services to support health care professionals in their work, so they can improve the day-to-day care of children and their families at the hospital.

EDUCATION SUPPORT AND SCHOLARSHIPS

The education support program offers a range of programs and services to support children disadvantaged by cancer throughout their primary and secondary school years. An endowed fund administered by The Calgary Foundation, the Kids Cancer Care Derek Wandzura Memorial Scholarship Fund, provides scholarships to childhood cancer survivors in southern Alberta to help them pursue post-secondary education.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as per Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(A) REVENUE RECOGNITION

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Where such contributions have been made for the purpose of equipment acquisition, the revenue is recognized on the same basis as the related asset is amortized. 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. Unearned revenue relates to funds collected for future camp rentals and fundraising events. Deferred contributions from operations relates to funds designated to support specific events and programs. Rental revenue is recognized on completion of the period it relates to.

(B) CASH AND CASH EQUIVALENTS

Cash includes cash and cash equivalents. Cash equivalents are investments in money market funds which are highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less and that are subject to an insignificant risk of change in value.

(C) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Amortization is reported using the straight-line method at the following rates:

Office:

Leasehold improvements	Term of lease
Furniture and equipment	5 years
Computer equipment and software	2 – 3 years
Vehicles	5 years

Camp Kindle:

Buildings	12 – 25 years
Land improvements	15 – 20 years
Aquatic centre	15 – 20 years
Equipment	5 years
Furniture and fixtures	5 years
Challenge Course	10 years
Vehicles	5 years

(D) GOVERNMENT ASSISTANCE

Government assistance includes subsidies associated with the COVID-19 pandemic support initiatives, and is recognized when there is reasonable assurance that the assistance will be received.

Government assistance related to an expenditure item is recognized as revenue in the period for which the subsidy is calculated.

Government assistance recorded in current and prior periods is subject to government review, which could result in future adjustments to income.

(E) ALLOCATED EXPENSES

The Foundation allocates certain of its general support expenses on a basis of square footage usage of the shared space, and applies that basis consistently each year in accordance with applicable contribution agreements. Wages and benefits, and other administrative expenses are allocated to programs, as applicable, at a predetermined rate.

(F) CONTRIBUTED GOODS AND SERVICES

Contributions of goods and services that would otherwise be purchased by the Foundation are recorded at fair value where this value can be reasonably estimated.

Volunteers contribute many hours per year to assist the Foundation in carrying out its programs and fundraising activities. As such services are not normally purchased by the Foundation and due to the difficulty of determining their fair value, these contributed services are not recognized in the financial statements.

(G) FINANCIAL INSTRUMENTS

The Foundation initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and mutual funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized as unrealized gains or losses in the statement of operations.

The financial assets measured at amortized cost include cash and cash equivalents, short-term investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(H) USE OF ESTIMATES

Under Canadian accounting standards for not-for-profit organizations, an important concept in the preparation of financial statements is the use of estimates in the determination of assets, liabilities, revenue, expenses and excess of revenue over expenses for the year. To the extent that these estimates may vary from actual results, there would be a corresponding effect on various elements of the financial statements. These estimates include the useful life of property and equipment, timing of revenue recognition and reporting of lease inducements.

3. Restricted cash

Restricted cash includes \$168,289 (2020: \$99,982) of unspent gaming funds received as a donation from third parties and are therefore restricted by Alberta Gaming and Liquor Commission plus \$48,143 (2020: \$26,789) of donor designated non-gaming contributions. The Foundation maintains a separate bank account for casino funds.

Unused restricted cash of \$216,432 is included in deferred contributions, consisting of \$108,795 for camp and outreach programs, \$100,000 for education support and scholarships, and \$7,637 of unrestricted gaming monies (Schedule 1).

4. Short-term investments

	2021	2020
GIC, with an annual interest rate of 1.10%, maturing February 1, 2021	\$ 1,023,754	\$ -
GIC, with an annual interest rate of 0.90%, maturing April 8, 2021	875,000	-
GIC, with an annual interest rate of 0.90%, maturing April 8, 2021	875,000	-
GIC, with an annual interest rate of 0.57%, maturing August 3, 2021	500,000	-
GIC, with an annual interest rate of 0.50%, maturing July 13, 2021	450,000	-
GIC, with an annual interest rate of 0.50%, maturing July 13, 2021	450,000	-
GIC, with an annual interest rate of 2.15%, matured	-	625,000
GIC, with an annual interest rate of 2.15%, matured	-	625,000
GIC, with an annual interest rate of 1.95%, matured	-	523,754
GIC, with an annual interest rate of 1.95%, matured	-	500,000
GIC, with an annual interest rate of 1.95%, matured	-	500,000
GIC, with an annual interest rate of 1.95%, matured	-	500,000
GIC, with an annual interest rate of 1.95%, matured	-	500,000
	\$ 4,173,754	\$ 3,773,754

Subsequent to year-end, the GIC maturing February 2021 was reinvested into a GIC for \$1,030,000 with an annual interest rate of 0.50% and maturing February 1, 2022. Also subsequent to year-end, the GICs maturing April 2021 were reinvested into a GIC for \$1,750,000 with a floating interest rate currently 0.45% and maturing April 8, 2022.

5. Property and equipment

			2021	2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office:				
Leasehold improvements	\$ 586,950	\$ 119,299	\$ 467,651	\$ 524,915
Furniture and equipment	280,952	205,186	75,766	112,571
Computer equipment and software	346,012	295,085	50,927	20,702
Vehicles	9,009	7,207	1,802	3,604
Camp Kindle:				
Buildings	9,056,900	3,713,854	5,343,046	5,721,482
Land improvements	1,186,271	392,612	793,659	854,090
Land	695,285	-	695,285	695,285
Aquatic centre	750,858	317,911	432,947	470,693
Equipment	549,599	519,389	30,210	50,753
Furniture and fixtures	154,222	136,165	18,057	24,456
Challenge Course	257,268	255,198	2,070	2,760
Vehicles	41,740	36,062	5,678	2,000
	\$ 13,915,066	\$ 5,997,968	\$ 7,917,098	\$ 8,483,311

6. Federal COVID subsidies

In an attempt to mitigate the impact of the COVID-19 pandemic, the Canadian government has introduced several grants and subsidies. The Foundation has taken advantage of the Canada Emergency Wage Subsidy, the Temporary Wage Subsidy, and the Canada Emergency Rent Subsidy which relate to wage assistance for Canadian companies and not-for-profit entities experiencing decreases in revenues as a result of the pandemic. These subsidies have been recorded in the Statement of Operations for the year.

	2021
Canada Emergency Wage Subsidy	\$ 429,173
Temporary Wage Subsidy	25,000
Canada Emergency Rent Subsidy	20,415
	\$ 474,588

7. COVID-19 relief grants

During the fiscal year, Kids Cancer Care received COVID-19 relief grants from:

	2021
Alberta government	\$ 100,000
Community foundations	48,552
	\$ 148,552

8. Kids Cancer Care Derek Wandzura Memorial Scholarship Fund

The Kids Cancer Care Derek Wandzura Memorial Scholarship Fund is an endowed fund administered by The Calgary Foundation. The Fund was established on January 31, 2008.

A portion of the fund value is provided to Kids Cancer Care on a yearly basis to grant scholarships to survivors of childhood cancer. The market value of the fund held by The Calgary Foundation as of January 31, 2021 is \$656,558 (2020: \$636,260).

9. Camp and outreach programs

Camp and outreach program expenses include amortization expense in the amount of \$507,664 (2020: \$564,085) as related to the assets in use at Camp Kindle.

10. Camp Kindle rental operations

Expenses for Camp Kindle rental operations do not include any allocation of fixed costs in respect of the operations of Camp Kindle.

11. Internally restricted reserve

The Foundation has established a combined internally restricted operating and capital reserve of \$3,000,000 (2020: \$3,000,000). The reserve is to provide for cash flow shortages, downturns in the economy and capital asset management. These funds have been designated by the Board of Directors as restricted funds for specific purposes in subsequent periods as described and cannot be spent without board approval.

12. Contribution by funding source

Contributions received by major funding source are as follows:

	2021	2020
Foundation fundraising events	\$ 729,805	\$ 1,101,470
Community fundraising events	1,351,485	1,151,929
Individual and corporate donations	790,964	1,442,067
Other not-for-profit	759,295	639,109
Camp Kindle rental operations	21,950	663,208
Government grants	107,755	93,576
Federal COVID subsidies (Note 6)	474,588	-
Investments and other	49,494	106,600
Total contributions	\$ 4,285,336	\$ 5,197,959
Total contributions are reconciled to Statement of Operations as follows:		
Add:		
Gifts-in-kind	8,078	49,386
Opening deferred contributions related to:		
Operations (Schedule 1)	126,771	78,742
Property and equipment (Schedule 1)	7,679,016	8,134,814
Change in deferred contributions:		
Gifts-in-kind for property and equipment (Schedule 1)	7,097	11,113
Deduct:		
Closing deferred contributions related to:		
Operations (Schedule 1)	(216,432)	(126,771)
Property and equipment (Schedule 1)	(7,269,026)	(7,679,016)
Revenue reported in Statement of Operations	\$ 4,620,840	\$ 5,666,227

13. Fundraising

All expenses incurred for the purpose of soliciting contributions were \$982,953 (2020: \$1,340,251).

A total of \$nil (2020: \$nil) was paid as remuneration to a fundraising business in the year. The Foundation paid \$635,929 in the year (2020: \$816,436) for remuneration to employees for fundraising activities.

14. Financial instruments

The Foundation's financial instruments consist of cash and cash equivalents, short-term investments, accounts receivable, and accounts payable and accrued liabilities, all of which are reported at fair market value. Due to their short-term nature, the carrying value of financial instruments approximate their fair value.

Management has determined that the Foundation is not exposed to significant credit, interest rate or market risk from its financial instruments.

(a) Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, and operating lease commitments.

15. Lease inducement and commitments

The Foundation has a lease agreement on its current office premise that expires in March 2029. The landlord provided the Foundation with a moving allowance of \$23,478, tenant improvements of \$586,950 as well as a rent-free period from April 2019 to December 2019.

Rent expense is recognized on a straight-line basis over the term of the lease at \$166,064 per year.

The lease inducement will be recognized as a reduction of rent expense at \$59,554 per year over the term of the lease. The deferred lease inducement was \$654,282 as of January 31, 2021, summarized as follows:

	2021	2020
Lease inducements	\$ 712,118	\$ 619,304
Amortization of lease inducements	(59,554)	(59,554)
Impact of rent-free period	1,718	152,368
	\$ 654,282	\$ 712,118

The Foundation has minimum lease commitments under an office lease that expires in March 2029. Minimum payments for the 10-year lease agreement are as follows:

2021-2022	\$ 171,683
2022-2023	173,150
2023-2024	180,487
2024-2025	181,955
2025-2026	186,846
Thereafter	629,993
Total minimum lease payments	\$ 1,524,114

16. Allocation of expenses

Calgary office rent, utilities and operating costs, as well as contracted information technology support expenses are allocated to fundraising and mission activities based on the space and/or services related to each area of activity. Costs of program staff and direct program expenses are charged to each program.

The administrative expenses which have been allocated have impacted the following expense categories:

	2021	2020
Outreach programs	\$ 85,214	\$ 94,986
Fundraising	67,644	72,031
Education support and scholarships	33,625	36,717
Public awareness and education	27,647	29,792
	\$ 214,130	\$ 233,526

17. Impact of COVID-19

During the 2021 fiscal year, Kids Cancer Care was impacted by the COVID-19 global pandemic by way of the measures imposed to slow the spread of the virus including the implementation of restrictions on gatherings and mandated social distancing.

The extent of the impact of COVID-19 on the Foundation's operational and financial results will depend on the duration and spread of the outbreak, the impact on supporters and families served by the Foundation, and the efficacy of government assistance programs for charities impacted by COVID-19, all of which remain uncertain. As a result, the financial impact of the COVID-19 pandemic cannot be reasonably estimated at this time.

18. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

KIDS CANCER CARE FOUNDATION OF ALBERTA

Schedule 1

DEFERRED CONTRIBUTIONS FOR THE YEAR ENDED JANUARY 31, 2021

Deferred contributions represent unspent resources received in the current and prior periods, but designated by the donor for use in specific programs or future operations as noted below. Changes in the deferred contributions are as follows:

a) Related to operations

2021	Admin	Camp and Outreach	Research	Education Support and Scholarships	Total
Balance, beginning of year	72,000	54,771	-	-	126,771
Amounts added during the year:					-
Cash	27,000	762,426	292,748	191,421	1,273,595
Gifts-in-kind	-	-	3,538	-	3,538
	99,000	817,197	296,286	191,421	1,403,904
Amounts utilized during the year:					
Program expenses	91,363	708,402	292,748	90,871	1,183,384
Transfer to endowment	-	-	-	550	550
Subtotal	91,363	708,402	292,748	91,421	1,183,934
Utilizations contributed by gifts-in-kind	-	-	3,538	-	3,538
Balance, end of year	7,637	108,795	-	100,000	216,432

2020	Admin	Camp and Outreach	Research	Education Support and Scholarships	Total
Balance, beginning of year	-	75,000	-	3,742	78,742
Amounts added during the year:					
Cash	72,000	1,054,150	483,936	64,608	1,674,694
Gifts-in-kind	-	-	21,050	-	21,050
	72,000	1,129,150	504,986	68,350	1,774,486
Amounts utilized during the year:					
Program expenses	-	1,074,379	483,936	60,603	1,618,918
Transfer to endowment	-	-	-	7,747	7,747
Subtotal	-	1,074,379	483,936	68,350	1,626,665
Utilizations contributed by gifts-in-kind	-	-	21,050	-	21,050
Balance, end of year	72,000	54,771	-	-	126,771

The accompanying notes are an integral part of the financial statements

b) Related to property and equipment

2021	Camp Kindle	Office	Total
Balance, beginning of year	7,656,512	22,504	7,679,016
Amounts added during the year:			
Cash	47,000	26,365	73,365
Gifts-in-kind	7,097	-	7,097
	7,710,609	48,869	7,759,478
Amounts utilized during the year for amortization	478,187	12,265	490,452
Balance, end of year	7,232,422	36,604	7,269,026
2020	Camp Kindle	Office	Total
Balance, beginning of year	8,112,967	21,847	8,134,814
Amounts added during the year:			
Cash	57,276	2,050	59,326
Gifts-in-kind	5,514	5,599	11,113
	8,175,757	29,496	8,205,253
Amounts utilized during the year for amortization	519,245	6,992	526,237
Balance, end of year	7,656,512	22,504	7,679,016