

CHILDREN'S HOSPITAL AID SOCIETY
Financial Statements
Year Ended November 30, 2021

CHILDREN'S HOSPITAL AID SOCIETY
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Year Ended November 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Children's Hospital Aid Society

Opinion

We have audited the financial statements of Children's Hospital Aid Society (the Society), which comprise the statement of financial position as at November 30, 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 Society as at November 30, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian 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 Society in accordance with 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.

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

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

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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 Society'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 Society'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 Society 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
January 20, 2022

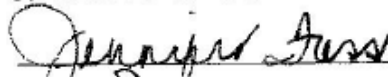



Mahmud Khalfan Professional Corporation
Chartered Professional Accountants

CHILDREN'S HOSPITAL AID SOCIETY
Statement of Financial Position
November 30, 2021

	2021	2020
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 188,006	\$ 180,871
Restricted cash (Note 4)	10,997	13,194
Accounts receivable	9,819	39,999
Goods and service tax recoverable	1,357	248
Prepaid expenses	1,249	1,168
Short term investment (Note 5)	31,904	31,718
	\$ 243,332	\$ 267,198
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,159	\$ 8,245
Unearned revenue	-	40
Deferred contributions related to operations (Note 6)	10,997	13,194
	16,156	21,479
NET ASSETS	227,176	245,719
	\$ 243,332	\$ 267,198

ON BEHALF OF THE BOARD

 _____ Director
 _____ Director

See notes to financial statements

CHILDREN'S HOSPITAL AID SOCIETY
Statement of Operations
Year Ended November 30, 2021

	2021	2020
REVENUES		
Golf tournament	\$ 178,490	\$ 68,132
Donations <i>(Note 7)</i>	112,949	112,440
November fundraiser	71,431	75,756
Special projects	34,464	1,836
Casino and raffle revenue <i>(Note 6)</i>	20,636	65,293
Membership dues	7,550	7,500
Bridge revenue	3,743	327
Interest income	625	1,746
Holiday luncheon	-	109,395
	<u>429,888</u>	<u>442,425</u>
EXPENSES		
Contributions Made <i>(Schedule 1)</i>	364,040	349,800
Golf tournament	47,303	37
November fundraiser	15,208	14,004
Special projects	8,330	1,742
Professional fees	5,125	5,125
Bank charges	2,656	2,124
Bridge	2,068	-
Insurance	1,781	1,888
General and administrative	1,620	5,578
Rent	300	1,350
Holiday luncheon	-	40,092
	<u>448,431</u>	<u>421,740</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (18,543)</u>	<u>\$ 20,685</u>

See notes to financial statements

CHILDREN'S HOSPITAL AID SOCIETY
Statement of Changes in Net Assets
Year Ended November 30, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 245,719	\$ 225,034
Excess (deficiency) of revenues over expenses	(18,543)	20,685
NET ASSETS - END OF YEAR	\$ 227,176	\$ 245,719

See notes to financial statements

CHILDREN'S HOSPITAL AID SOCIETY
Statement of Cash Flows
Year Ended November 30, 2021

	2021	2020
OPERATING ACTIVITIES		
Cash receipts from general operations	\$ 456,059	\$ 272,248
Cash paid for general operations	(451,599)	(401,743)
Change in restricted cash	2,197	57,268
Interest income	664	1,746
Cash flow from (used by) operating activities	<u>7,321</u>	<u>(70,481)</u>
INVESTING ACTIVITY		
Change in investment	<u>(186)</u>	<u>(646)</u>
Cash flow used by investing activity	<u>(186)</u>	<u>(646)</u>
INCREASE (DECREASE) IN CASH FLOW	7,135	(71,127)
Cash - beginning of year	<u>180,871</u>	<u>251,998</u>
CASH - END OF YEAR	\$ 188,006	\$ 180,871
CASH CONSISTS OF:		
Cash and cash equivalents	<u>\$ 188,006</u>	<u>\$ 180,871</u>

See notes to financial statements

CHILDREN'S HOSPITAL AID SOCIETY

Notes to Financial Statements

Year Ended November 30, 2021

1. DESCRIPTION OF THE ORGANIZATION

Children's Hospital Aid Society (the "Society") was incorporated under the Societies Act of Alberta, and is a registered charity under the Income Tax Act and therefore is not subject to the payment of income tax section 149 (l)(f) of Canada.

The Society is a non-profit, volunteer based, charitable organization committed to funding programs and services for children and young adults for the Alberta Children's Hospital and other agencies in the community.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in 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 as summarized in note 3.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Society 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.

Event revenue (golf, holiday luncheon, bridge, special project) is recognized in the year the events occur. Donations and membership dues are recognized as revenue in the year when received or earned.

Casino revenue is recognized as revenue in the year in which the related expenses occur. All other revenue, including interest income, is recognized on an accrual basis in the year earned.

Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, 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.

Donated goods and services

Donated materials are recognized when their fair value can be reasonably measured. Donated services are recognized when the fair value can be reasonably measured and the services would otherwise have been purchased.

Volunteer labour

The Society relies to a great extent on volunteer labour from its members in its operations. As a result of the difficulty in determining its fair value, volunteer labour is not recognized in these financial statements.

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CHILDREN'S HOSPITAL AID SOCIETY
Notes to Financial Statements
Year Ended November 30, 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Goods and services tax

Goods and services tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Financial instruments

The Society 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.

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

Measurement uncertainty

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, revenues, expenses and excess (deficiency) 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. Such estimates are periodically reviewed and adjustments necessary are reported in earnings in the period in which they become known.

Estimates included in the financial statements are determination of accrued liabilities, assessment of recoverability of accounts receivable and recognition of deferred contributions.

4. RESTRICTED CASH

This account represents the balance of unspent contributions subject to Alberta Gaming, Liquor and Cannabis Commission (AGLC) restrictions.

5. SHORT TERM INVESTMENT

	<u>2021</u>	<u>2020</u>
Guaranteed Investment Certificate, bearing interest of 0.45%, maturing May 26, 2023	<u>\$ 31,904</u>	<u>\$ 31,718</u>

CHILDREN'S HOSPITAL AID SOCIETY
Notes to Financial Statements
Year Ended November 30, 2021

6. DEFERRED CONTRIBUTIONS RELATED TO OPERATIONS

Deferred contributions represent unspent resources externally restricted by AGLC for specific purposes.

	<u>2021</u>		<u>2020</u>
Beginning balance	\$ 13,194	\$	70,462
Casino and raffle proceeds received	18,389		8,025
Funds spent on donations and operations	<u>(20,586)</u>		<u>(65,293)</u>
Ending balance	<u>\$ 10,997</u>	\$	<u>13,194</u>

7. DONATED MATERIALS

The Society received gifts-in-kind during the year with a fair market value of \$6,405 (2020 - \$9,712). The balance is reported in the statement of operations.

8. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, short term investment, and accounts payable and accrued liabilities. All of these are reported at amortized costs.

Management has determined that the Society is not exposed to significant credit, market or interest rate risk.

9. COMPARATIVE FIGURES

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

10. HEALTH PANDEMIC

On March 17, 2020, the Government of Alberta declared a public health emergency in response to the Covid-19 pandemic. The global pandemic has disrupted economic activities and supply chains. Although the effect of the Covid-19 pandemic is expected to be temporary, given the dynamic nature of the circumstances, it may have an impact on some of the revenue streams and expenses of the Society.

CHILDREN'S HOSPITAL AID SOCIETY

Schedule of Contributions Made

(Schedule 1)

Year Ended November 30, 2021

	2021	2020
Alberta Children's Hospital Foundation	\$ 104,000	\$ 50,000
University of Calgary	84,825	-
Youth Centres of Calgary	25,000	15,000
Basically Babies	10,000	6,800
Discovery House Family Violence Prevention Society	10,000	-
Hospice Calgary Society	10,000	55,000
Pacekids Society for Children with Special Needs	10,000	10,200
Wood's Homes	10,000	-
Hull Services	8,615	50,000
Calgary Cerebral Palsy	7,000	-
The Doorway	6,000	-
Alexandra Community Health Centre	5,000	-
Calgary Quest Children's Society	5,000	-
Closer to Home Community Services	5,000	-
Crohn's and Colitis Canada	5,000	5,000
Diabetes Canada	5,000	-
Easter Seals - Camp Horizon	5,000	10,000
Foothills Academy Society (Camp Amicus)	5,000	5,000
I Can for Kids Foundation	5,000	14,000
Prep Society for Individuals with Down Syndrome	5,000	-
Providence Child Development Society	5,000	-
Ronald McDonald House Charities Alberta	5,000	10,600
Safe Haven Foundation	5,000	-
Trellis Society for Community Impact	5,000	-
Ups and Downs - Calgary Down Syndrome Association	5,000	-
Calgary Health Foundation	4,000	-
Lionheart	2,350	-
Between Friends	1,000	-
Taking Strides Children's Foundation	1,000	-
Made by Momma	250	500
Calgary Health Trust (Foothills NICU)	-	25,000
Calgary Women's Emergency Shelter	-	15,000
Children's Cottage Society of Calgary	-	10,000
Police Youth Foundation	-	10,000
Vecova Centre for Disability Services and Research	-	10,000
Inn from the Cold Society	-	8,500
Sonshine Community Services	-	7,500
Cerebral Palsy Kids and Families	-	5,000
CUPS Calgary Society	-	5,000
Young Women's Christian Association	-	5,000
Making Changes Employment Association	-	3,500
Universal Rehabilitation Service Agency	-	2,700
Big Brothers Big Sisters of Calgary and Area	-	2,500
Calgary Reads Society	-	2,500
Stardale Women's Group Inc.	-	2,500
Brown Bagging for Calgary Kids	-	1,000
Decidedly Jazz Danceworks	-	1,000
Stephen's Backpacks Society	-	1,000
	\$ 364,040	\$ 349,800

See notes to financial statements