

KALI'S WISH CANCER FOUNDATION CALGARY
Financial Statements
Year Ended September 30, 2020

KALI'S WISH CANCER FOUNDATION CALGARY**Statement of Financial Position****September 30, 2020**

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 47,139	\$ 39,785
Term deposits	5,000	5,000
Accounts receivable	24	5,301
Goods and services tax recoverable	2,568	2,931
	<u>\$ 54,731</u>	<u>\$ 53,017</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 11,344	\$ 5,960
NET ASSETS		
General fund	(174,612)	(170,942)
Contributed surplus (Note 3)	217,999	217,999
	<u>43,387</u>	<u>47,057</u>
	<u>\$ 54,731</u>	<u>\$ 53,017</u>

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY**Statement of Revenues and Expenditures****Year Ended September 30, 2020**

	2020	2019
REVENUE		
Sponsorship income	\$ 43,947	\$ 32,029
Unrestricted cash donations	12,803	45,430
Other revenue	-	145
	<u>56,750</u>	<u>77,604</u>
Expenditures		
Consulting fees	33,519	41,323
Community outreach (Note 3)	10,821	18,242
Vehicle	7,114	7,740
Advertising and promotion	3,397	2,602
Professional fees (Note 3)	2,944	9,432
Website content and development	1,115	140
Travel	781	-
Insurance	521	-
Interest and bank charges	330	436
Office	94	194
	<u>60,636</u>	<u>80,109</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES FROM OPERATIONS	<u>(3,886)</u>	<u>(2,505)</u>
OTHER INCOME		
Interest income	75	-
Gain on foreign exchange	141	2,493
	<u>216</u>	<u>2,493</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>\$ (3,670)</u>	<u>\$ (12)</u>

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY

Statement of Changes in Net Assets

Year Ended September 30, 2020

	General Fund	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ (170,942)	\$ (170,942)	\$ (170,930)
DEFICIENCY OF REVENUE OVER EXPENDITURES	(3,670)	(3,670)	(12)
NET ASSETS - END OF YEAR	<u>\$ (174,612)</u>	<u>\$ (174,612)</u>	<u>\$ (170,942)</u>

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY**Statement of Cash Flow
Year Ended September 30, 2020**

	2020	2019
OPERATING ACTIVITIES		
Deficiency of revenue over expenditures	\$ (3,670)	\$ (12)
Changes in non-cash working capital <i>(Note 4)</i>	<u>11,024</u>	<u>(5,020)</u>
Cash flow from (used by) operating activities	<u>7,354</u>	<u>(5,032)</u>
INVESTING ACTIVITY		
Purchase of term deposits	<u>-</u>	<u>(5,000)</u>
FINANCING ACTIVITIES		
Members' contributions <i>(Note 3)</i>	-	217,999
Advances from (to) related party	<u>-</u>	<u>(192,683)</u>
Cash flow from financing activities	<u>-</u>	<u>25,316</u>
INCREASE IN CASH FLOW	7,354	15,284
Cash - beginning of year	<u>39,785</u>	<u>24,501</u>
CASH - END OF YEAR	\$ 47,139	\$ 39,785
CASH CONSISTS OF:		
Cash	<u>\$ 47,139</u>	<u>\$ 39,785</u>

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2020

1. PURPOSE AND NATURE OF THE FOUNDATION

Kali's Wish Cancer Foundation ("the Foundation"), is the first and only not-for-profit organization in Canada to solely support pet guardians and their families facing pet cancer.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Fund accounting

Kali's Wish Cancer Foundation Calgary follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

Cash and short term investments

Short-term debt securities purchased with maturity of three months or less to are classified as cash equivalents.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Revenue recognition

Kali's Wish Cancer Foundation Calgary follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2020

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

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial instruments are recorded at fair value on initial recognition. Investments are subsequently measured at fair value. All other instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instrument at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs on acquisition and financing costs, which are amortized on a straight-line basis.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines whether there is a significant adverse change in the expected amount or timing of future cash flows from financial asset. If there is a significant adverse change, in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value. Impairments are recognized through the use of an allowance account, with a corresponding charge in the statement of income and expenditures.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2020

3. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Related parties of the Foundation are considered to be Board of Directors as well as Members and any entities these board members control.

During the year, \$Nil (2019 - \$1,500) in professional fees were provided by a Professional Accounting Firm where one of the partners was appointed to the Board of Directors subsequent to the provision of services.

During the year, \$Nil (2019 - \$7,903) was paid in labour support for community outreach expenses, \$nil (2019 - \$558) in expenses and \$Nil (2019 - \$24,758) in cash were received as cash support of by related parties who are controlled by a member of the Board of Directors as well as indirectly controlled by the Members of the Foundation.

In 2019, founding Members of the Foundation endowed to the Foundation a related party loan of \$217,998 as contributed surplus waiving all rights to repayment.

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

4. CHANGES IN NON-CASH WORKING CAPITAL

	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ 5,277	\$ (3,202)
Accounts payable	5,384	(2,773)
GST payable (receivable)	363	955
	<u>\$ 11,024</u>	<u>\$ (5,020)</u>

5. CONTRACTUAL OBLIGATIONS

The Foundation has a commitment for a vehicle lease that ends on March 6, 2021. Future minimum lease payments are as follows:

Contractual obligation repayment schedule:

2021	<u>\$ 2,384</u>
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6. SUBSEQUENT EVENTS

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in worldwide emergency measures to combat the spread of the virus. These measures, which include self-quarantine periods, have caused disruptions to enterprises globally, which are resulting in an economic slowdown. The pandemic has resulted in delayed or reduced collections of sponsorship, cash donations and other revenue resulting in increased credit and liquidity risk. The duration and impact of the COVID-19 outbreak is unknown at this time, including measure implemented by governments and central banks. It is not possible to reliably estimate the length or effect of these developments, including the impact on the financial results of the Foundation in the future.

On December 1, 2020, the Charities Directorate of the Canada Revenue Agency as granted the Foundation tax-exempt status as a registered charity under the Income Tax Act of Canada.

KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2020

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.