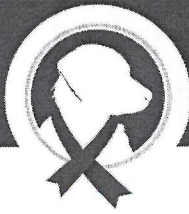


KALI'S WISH CANCER FOUNDATION CALGARY
Financial Statements
Year Ended September 30, 2021



January 4, 2022

Independent Auditor's Report

To the Members of Kali's Wish Cancer Foundation Calgary

We have audited the accompanying financial statements of Kali's Wish Cancer Foundation Calgary (the "Foundation"), which comprise the statement of financial position as at September 30, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

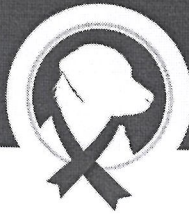
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

In common with many not-for-profit organizations, the Foundation derives some revenue from cash donations, cash receipts and gifts-in-kind that the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to revenues and receipts excess of revenues over expenses and cash flows from operations for the year ended September 30, 2021, assets as at September 30, 2021 and net assets as at September 30, 2021.





kali's wish
CANCER FOUNDATION

Qualified Opinion

In our opinion, except for the 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 Kali's Wish Cancer Foundation Calgary as at September 30, 2021, 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.

Sandra Christine Strawson (Audit Committee Member)

Calgary, Alberta

January 4, 2022

Rick Stephenson (Audit Committee Member)



KALI'S WISH CANCER FOUNDATION CALGARY
Statement of Financial Position
September 30, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 57,113	\$ 47,139
Restricted cash	64,700	-
Term deposits	5,000	5,000
Accounts receivable	18	24
Goods and services tax recoverable	3,095	2,568
	\$ 129,926	\$ 54,731
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 14,521	\$ 11,344
DEFERRED GRANT INCOME		
	64,700	-
	79,221	11,344
NET ASSETS		
General fund	(167,294)	(174,612)
Contributed surplus	217,999	217,999
	50,705	43,387
	\$ 129,926	\$ 54,731

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY
Statement of Revenues and Expenditures
Year Ended September 30, 2021

	2021	2020
REVENUE		
Sponsorship income	\$ 58,904	\$ 43,947
Unrestricted cash donations	26,326	12,803
	<u>85,230</u>	<u>56,750</u>
Expenditures		
Community outreach and charitable programs	39,689	20,469
Compensation	29,018	33,519
Website content and development	2,906	1,115
Advertising and promotion	2,690	1,111
Insurance	1,137	521
Interest and bank charges	602	330
Office	596	84
Travel	7	781
Professional fees	-	2,706
	<u>76,645</u>	<u>60,636</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FROM OPERATIONS	<u>8,585</u>	<u>(3,886)</u>
OTHER INCOME		
Interest income	38	75
(Loss) gain on foreign exchange	(1,305)	141
	<u>(1,267)</u>	<u>216</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ 7,318</u>	<u>\$ (3,670)</u>

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY

Statement of Changes in Net Assets

Year Ended September 30, 2021

	General Fund	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ (174,612)	\$ (174,612)	\$ (170,942)
EXCESS OF REVENUE OVER EXPENDITURES	7,318	7,318	(3,670)
NET ASSETS - END OF YEAR	\$ (167,294)	\$ (167,294)	\$ (174,612)

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY**Statement of Cash Flow****Year Ended September 30, 2021**

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ 7,318	\$ (3,670)
Changes in non-cash working capital (<i>Note 3</i>)	2,656	11,024
Cash flow from operating activities	9,974	7,354
FINANCING ACTIVITY		
Increase in deferred grant income	64,700	-
INCREASE IN CASH FLOW	74,674	7,354
Cash - beginning of year	47,139	39,785
CASH - END OF YEAR	\$ 121,813	\$ 47,139
CASH CONSISTS OF:		
Cash	\$ 57,113	\$ 47,139
Restricted cash	64,700	-
	\$ 121,813	\$ 47,139

See notes to financial statements

KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2021

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.

(continues)

KALI'S WISH CANCER FOUNDATION CALGARY

Notes to Financial Statements

Year Ended September 30, 2021

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 of 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.

3. CHANGES IN NON-CASH WORKING CAPITAL

	<u>2021</u>	<u>2020</u>
Accounts receivable	\$ 6	\$ 5,277
Accounts payable	3,177	5,384
GST payable (receivable)	(527)	363
	<u>\$ 2,656</u>	<u>\$ 11,024</u>

4. COMPARATIVE FIGURES

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