

KIDS KOTTAGE FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019



KIDS KOTTAGE FOUNDATION

FOR THE YEAR ENDED MARCH 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Directors of

KIDS KOTTAGE FOUNDATION

To the directors of **Kids Kottage Foundation**

Qualified Opinion

We have audited the accompanying financial statements of **Kids Kottage Foundation**, which comprise the statement of financial position as at March 31, 2019, and the statements of operations, statement of changes in net assets, and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of **Kids Kottage Foundation** as at March 31, 2019, 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.

Basis for Qualified Opinion

In common with many charitable organizations, **Kids Kottage Foundation** derives revenue from donations and fundraising the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of **Kids Kottage Foundation**. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations or fundraising, excess of revenue over expenses, cash flows from operations for the years ended March 31, 2019 and 2018, current assets as at March 31, 2019 and 2018, and net assets as at April 1 and March 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of **Kids Kottage 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The financial statements of the Entity for the year ended March 31, 2018 were audited by another auditor who expressed a qualified opinion on those statements on June 12, 2018 for the reasons described in the *Basis for Qualified Opinion* section.

Responsibilities of Management and those Charged with Governance 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.

INDEPENDENT AUDITORS' REPORT (continued)

In preparing the financial statements, management is responsible for assessing **Kids Kottage 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 **Kids Kottage Foundation** or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing **Kids Kottage Foundation's** financial reporting process.

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 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 audit 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 judgement and maintain a 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 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 **Kids Kottage 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 **Kids Kottage 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 **Kids Kottage 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.

Edmonton, Alberta
June 13, 2019


CHARTERED PROFESSIONAL ACCOUNTANTS

KIDS KOTTAGE FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 324,036	\$ 162,251
Restricted Cash (Note 3)	10,145	3,806
Marketable securities (Note 4)	570,035	174,898
Short-term investments (Note 4)	330,435	418,192
Accounts receivable (Note 5)	8,777	5,261
Prepaid expenses	10,283	10,364
Endowment fund income receivable (Note 6)	12,241	12,890
	1,265,952	787,662
LONG-TERM INVESTMENTS (Note 4)	-	324,402
CAPITAL ASSETS (Note 7)	23,182	14,209
	\$ 1,289,134	\$ 1,126,273
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 9)	\$ 92,598	\$ 94,773
Deferred contributions (Note 10)	139,696	41,067
	232,294	135,840
DEFERRED CAPITAL CONTRIBUTIONS (Note 11)	18,924	7,060
	251,218	142,900
NET ASSETS		
INVESTED IN CAPITAL ASSETS	4,258	7,149
UNRESTRICTED FUND	1,023,513	972,418
RESTRICTED FUND (Note 3)	10,145	3,806
	1,037,916	983,373
	\$ 1,289,134	\$ 1,126,273

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director



KIDS KOTTAGE FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2019

				2019	2018
	Restricted Fund (Note 12)	Unrestricted Fund	Invested in Capital Assets	Total	Total
BALANCE , beginning of year	\$ 3,806	\$ 972,418	\$ 7,149	\$ 983,373	\$ 1,120,870
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	8,748	49,324	(3,529)	54,543	(137,497)
INTERFUND TRANSFERS	(2,409)	2,409	-	-	-
INVESTED IN CAPITAL ASSETS	-	(638)	638	-	-
BALANCE , end of year	\$ 10,145	\$ 1,023,513	\$ 4,258	\$ 1,037,916	\$ 983,373



KIDS KOTTAGE FOUNDATION

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2019

	2019	%	2018	%
			(Restated)	
REVENUE				
Fundraising and donations	\$ 1,002,361	54.7	\$ 723,531	42.9
Province of Alberta	798,823	43.6	778,704	46.2
Investment income	15,184	0.8	17,253	1.0
Income from endowment fund	12,241	0.7	12,890	0.8
Amortization of deferred capital contributions	3,037	0.2	53,218	3.2
Other government grants	300	-	100,000	5.9
	1,831,946	100.0	1,685,596	100.0
PROGRAM EXPENSES				
Wages and benefits	1,083,253	59.1	1,059,197	62.8
Program costs	49,188	2.7	54,651	3.2
Office	15,490	0.8	17,758	1.1
Program advertising	12,175	0.7	15,117	0.9
Insurance	8,828	0.5	9,338	0.6
Telephone	7,621	0.4	7,629	0.5
Repairs and maintenance	5,527	0.3	10,796	0.6
Staff training, education, and recruitment	2,884	0.2	9,421	0.6
Travel	2,516	0.1	3,173	0.2
Amortization	2,387	0.1	58,960	3.5
Volunteer training and expenses	1,413	0.1	2,110	0.1
	1,191,282	65.0	1,248,150	74.1
EXCESS OF REVENUE OVER EXPENSES BEFORE ADMINISTRATIVE EXPENSES	640,664	35.0	437,446	25.9
ADMINISTRATIVE EXPENSES				
Fundraising (Note 13)	452,908	24.7	426,223	25.3
Salaries and benefits	78,112	4.3	73,663	4.4
Office	15,252	0.8	7,238	0.4
Office equipment rentals	12,088	0.7	17,339	1.0
Professional fees	8,400	0.5	26,928	1.6
Telephone and utilities	6,555	0.4	4,251	0.3
Amortization	4,179	0.2	9,937	0.6
Bank charges and interest	3,904	0.2	2,834	0.2
Insurance	2,943	0.2	2,873	0.2
Staff training, education and recruitment	1,047	0.1	1,714	0.1
Repairs and maintenance	733	-	1,943	0.1
	586,121	32.1	574,943	34.2
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 54,543	2.9	\$ (137,497)	(8.3)



KIDS KOTTAGE FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

	2019	2018
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Cash receipts from funders	\$ 2,059,280	\$ 1,768,795
Cash paid to suppliers and employees	(1,907,823)	(1,880,471)
Interest received	9,151	17,088
	<u>160,608</u>	<u>(94,588)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Purchase of capital assets	(15,539)	(46,332)
Purchase of investments	(395,137)	(98,614)
Proceeds on sale of investments	418,192	194,210
	<u>7,516</u>	<u>49,264</u>
INCREASE (DECREASE) IN CASH DURING THE YEAR	168,124	(45,324)
CASH, beginning of year	166,057	211,381
CASH, end of year	\$ 334,181	\$ 166,057
REPRESENTED BY		
Cash	\$ 324,036	\$ 162,251
Restricted cash	10,145	3,806
	<u>\$ 334,181</u>	<u>\$ 166,057</u>



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. NATURE OF OPERATIONS

The Kids Kottage Foundation ("the Foundation") is a registered charitable organization and, as such, is exempt from taxation under paragraph 149(1)(f) of the Income Tax Act (Canada). The Foundation was incorporated under the Societies Act (Alberta) as a not-for-profit organization. The Foundation is an organization working to promote the health and well-being of Canadian children and their families.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following accounting policies:

(a) Use of Estimates

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Estimated life of capital assets and collectibility of accounts receivable are the most significant items that involve the use of estimates.

(b) Financial Instruments

Unless otherwise disclosed, the Foundation measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Foundation recognizes its transaction costs, if any, in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Capital assets

Capital assets are stated at cost. Amortization is provided annually based at rates and methods calculated to write-off the assets over their estimated useful lives. A pro-rated portion of normal rates are applied in the year of acquisition. These rates and methods are as follows:

Computer equipment	50% straight line
Kottage equipment	20% straight line
Leasehold improvements	20% straight line
Office equipment	20% straight line

(d) Investments

The Foundation's investments are initially recognized at fair value, adjusted for transaction costs and finance fees, and subsequently measured at amortized cost unless management irrevocably elects to subsequently measure the investment at fair value in which each transaction costs and finance fees are an expense of the period and the changes in fair value are recognized in income in the period. The Foundation uses the effective interest method in the determination of amortized cost. Management has irrevocably elected to measure its investments in money market funds at fair value.

(e) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions.

Unrestricted donations are recognized as revenue in the Unrestricted Fund when received or receivable if the amount to be received can be estimated and collection is reasonably assured.

Contributions subject to external restrictions from funders are recognized as revenue in the Restricted Fund in the year in which the related expenses are recognized.

(f) Cash and Cash Equivalents

Cash and cash equivalents consists of bank balances at Canadian financial institutions, investment broker accounts, and this includes balances in restricted cash accounts.

(g) Contributed Materials and Services

The Foundation benefits greatly from the donated goods and services of its many dedicated volunteers. The value of volunteer services is not recognized in the financial statements due to the difficulty in determining fair value.

Where the fair market value of contributed goods can be reliably determined, those contributions are recognized in the year received.



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Fund Accounting

The Foundation uses the fund method of accounting whereby transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

The Unrestricted Fund accounts for the revenues and expenses associated with the operation of the Foundation and related administrative and fundraising activities of the Foundation;

The Restricted Fund accounts for contributions received with externally or internally imposed conditions for use in projects or public engagement activities; and

The Invested in Capital Assets Fund accounts for revenues and expenses related to the Foundation's capital assets.

(i) Deferred Capital Contributions

Capital contributions received are recognized as revenue of the Invested in Capital Assets Fund over the amortization period of the related assets.

(j) Allocation of Expenses

The Foundation operates three general programs - client services, fundraising and administration. The costs of each program include all costs directly related to that program, including wages and benefits, training, occupancy costs, and supplies. The Foundation also incurs general expenses that are shared amongst the three general programs.

The Foundation allocates these general expenses by identifying the appropriate basis for allocating each expense, which is applied consistently each year. Expenses that are not allocated include corporate governance and general management. Other general expenses are allocated as follows:

- (i) Administrative and support staff wages and benefits are allocated proportionately based on the standard hours each position is expected to devote to each of the three general programs.
- (ii) Other support costs including advertising, telephone and office expenses are charged directly to programs wherever possible. Costs that cannot be specifically identified between programs are allocated evenly amongst the programs they relate to.



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3. RESTRICTED CASH

The Foundation receives proceeds from casinos and raffles under the authority of Alberta Gaming, Liquor and Cannabis. These funds are kept in separate bank accounts and can only be expended for approved purposes.

4. INVESTMENTS

Marketable securities are comprised of near-cash publicly traded money market funds that are available for immediate liquidation.

Short-term investments consist of GICs with maturity dates between July 5, 2019 and March 30, 2020 bearing interest at 1.9%. Long-term investments shown in the comparative statement of financial position are comprised of GIC's with maturity dates beyond one year.

5. ACCOUNTS RECEIVABLE

	<u>2019</u>	<u>2018</u>
Trade accounts receivable	\$ 4,318	\$ 263
Goods and Services Tax	4,459	4,998
	<u>\$ 8,777</u>	<u>\$ 5,261</u>

6. ENDOWMENT FUND

The Foundation has entered into an agreement with the Edmonton Community Foundation and the family of the late Lilly Schmidt to create a permanent endowment fund, known as the "Kids Kottage Fund", to support the building of strong families and ensure the safe-keeping and well-being of all children during times of family crisis. The Kids Kottage Fund was established with a \$300,000 contribution from the Estate of Lilly Schmidt and can accept donations from the general public. The Fund is administered by the Edmonton Community Foundation and, under the terms of the agreement, 4% of the value of the fund at December 31 each year is available for disbursement. The Foundation is entitled to receive the entire disbursement as long as it remains a registered charity that continues to carry out the aims of the fund. The disbursement for the year ended December 31, 2018 was \$12,241 (2017 - \$12,890). This payment is recognized as revenue as soon as the amount can be determined and collection is reasonably assured.

The value of the fund at December 31, 2018 was \$306,394 (2017 - \$322,254). However, since the Kids Kottage Foundation has no control over the management, investing or disbursing of the endowment fund, it is not included in net assets.



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

7. CAPITAL ASSETS

	2019			2018	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Computer equipment	\$ 52,276	\$ 51,974	\$ 302	\$	1,929
Kottage equipment	29,205	20,877	8,328		5,694
Leasehold improvements	65,535	58,432	7,103		3,553
Office equipment	11,029	3,580	7,449		3,033
	\$ 158,045	\$ 134,863	\$ 23,182	\$	14,209

8. BANK INDEBTEDNESS

The Foundation's financial institution provided overdraft protection on its bank accounts to a maximum of \$65,000, secured by a general security agreement and a GIC with a carrying value of \$87,990. Overdraft interest is charged at the bank prime rate plus 1.0%. At March 31, 2019 no accounts were overdrawn. Subsequent to the fiscal year, the accounts at this financial institution were closed, with the overdraft facilities closed and corresponding security released.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019		2018	
Trade accounts payable	\$	19,746	\$	29,968
Salaries and wages		72,852		64,805
	\$	92,598	\$	94,773

Included in accounts payable are government remittances of \$594 (2018 - \$840).

10. DEFERRED CONTRIBUTIONS

Deferred contributions include amounts that are externally restricted for specific programs or purposes which have not yet been expended for the specified purpose.

	2019		2018	
Opening	\$	41,067	\$	81,762
Funds received		126,139		20,800
Expenditures		(23,593)		(29,217)
Transfer to deferred capital contributions		(3,917)		(32,278)
	\$	139,696	\$	41,067



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

11. DEFERRED CAPITAL CONTRIBUTIONS

	2019		2018	
	Capital Contributions	Accumulated Amortization	Deferred Capital Contributions	Deferred Capital Contributions
Computer equipment and software	\$ 58,696	\$ 58,696	\$ -	\$ -
Kottage equipment	25,531	17,770	7,761	5,695
Leasehold improvements	58,998	53,995	5,003	-
Office equipment	8,119	1,959	6,160	1,365
	\$ 151,344	\$ 132,420	\$ 18,924	\$ 7,060

12. RESTRICTED CASINO FUND

	2019		2018	
Revenue	\$ 92,963	\$ -		
Bank Interest	23	-		
Professional Services	(2,375)	-		
Approved Expenses	(81,863)	-		
	\$ 8,748	\$ -		

13. FUNDRAISING EXPENSES

	2019		2018	
Direct costs of fundraising events	\$ 209,783	\$ 172,721		
Fundraising wages and benefits	209,421	213,658		
Fundraising administration	33,704	39,844		
	\$ 452,908	\$ 426,223		



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

14. COMMITMENTS

The Foundation has an operating lease for its premises at \$1 per year, with an additional \$1 per year for parking. This lease expired on April 30, 2018 but has been verbally extended under the same terms until the new government can assess and formally renew the lease terms.

The Foundation has also entered into various operating leases for its equipment expiring between March 31, 2020 and March 31, 2024.

The minimum annual lease payments for the next five years are as follows:

2020	\$	9,977
2021		7,489
2022		7,489
2023		7,489
2024		7,489
		<hr/>
	\$	39,933

The Foundation has also entered into an agreement for radio advertising for the period ending March 31, 2020 in the amount of \$75,421 plus GST.

15. FINANCIAL INSTRUMENTS

The Foundation's financial assets and liabilities are exposed to certain risks. Unless otherwise noted, the Foundation's risk exposure has not changed significantly from the prior year.

Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its obligations on a timely basis or at a reasonable cost.

The Foundation's cash requirements are met by government funding and community fundraising. Unexpended funds are invested until they are required.

The Foundation's operations are funded by the Province of Alberta, supplemented by community fundraising. The Foundation's ability to continue operating is dependant upon maintaining both sources of funding. Should provincial funding be significantly reduced, the Foundation would need to find an alternative source of stable funding. Similarly, a significant reduction in the proceeds from community fundraising would force the Foundation to seek government or other institutional funding. The Foundation has sufficient reserves to enable it to continue operating temporarily while searching for alternative funding sources.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligation, resulting in a financial loss.



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15. FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

Operating cash is held at two major Canadian chartered banks, GICs are held by a variety of Canadian banks and trust companies. Cash held for investment purposes is deposited with the Foundation's registered securities broker and the investment savings accounts are held by Canadian trust companies. The Foundation is exposed to risk to the extent that these deposits exceed the amounts guaranteed by the Canada Deposit Insurance Corporation and the Canadian Investor Protection Fund.

The Foundation's policy is not to record accounts receivable unless collection is reasonably assured.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fixed-rate instruments subject the Foundation to a fair value risk, floating-rate instruments subject the Foundation to a cash flow risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: currency risk, interest rate risk and other price risk. The Foundation is mainly exposed to currency risk and interest rate risk.

16. COMPARATIVE FIGURES AND ACCOUNTING CHANGES

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

During the year, the Foundation changed its policy regarding the recording of revenue and related expenses for contributed goods. Where a reasonable and independent estimate of fair value can be obtained, the Foundation has chosen to record these in-kind contributions of goods. As such, the comparative figures have been retroactively restated to increase fundraising and donations revenue and program costs by \$3,732 respectively. There were no changes to the statements of financial position, changes in net assets, and cash flows as a result of this retroactive restatement.

17. FASD RESPITE CARE

The Foundation has outsourced its FASD Respite Care Program to the Elves Special Needs Society under a memorandum of understanding. This program provides respite to parents of children with FASD. Funding is received from the Edmonton and Area Fetal Alcohol Network Society and from other designated donations.

	<u>2019</u>	<u>2018</u>
Grants received	\$ 111,936	\$ 111,936
Donation to Elves Special Needs Society	(111,936)	(111,936)
	<u>\$ -</u>	<u>\$ -</u>



KIDS KOTTAGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

18. BASIC SHELF

The Foundation operates the Basic Shelf to educate parents on how to cook and shop for food on a limited budget. Funding is provided by donors who have specifically directed their donations to this program.

	<u>2019</u>	<u>2018</u>
Donations received	\$ 15,800	\$ 16,300
Allocation from deferred contributions	7,156	6,160
Program costs	<u>(22,956)</u>	<u>(22,460)</u>
	<u>\$ -</u>	<u>\$ -</u>

