Pacekids Programs
Audited Financials
Year Ended August 31, 2020

Message from Leadership

On September 28, 2019 we came together to kick off our 25th year of delivering critical early intervention programs in our city. Many of us braved a fall snowstorm and celebrated the thousands of lives we have touched and the countless memories we have been a part of.

Our fall and winter saw unprecedented support from our incredible donors and community partners through signature events, giving campaigns, and sector collaborations. As we wrapped up our most successful Gala-ry of Hope event to date, we were met with a dramatic changing of tides. The budget of the new Alberta Government was unveiled.

Pacekids, like so many others in our sector, was met with extensive reductions to funding for our centre-based Early Childhood Services (ECS) program. A funding change that saw the redesign of our ECS program and kickstart to adapting our strategic plan with an enhanced focus on our financial viability priority.

And then came COVID-19.

To say our celebrations of a 25th year of impacting so many lives took a back burner is an understatement. Navigating staffing reductions our organization has never experienced, adapting programming that thrives on direct, in-person contact to remain effective and provide continuity over virtual platforms, and canceling crucial fundraising events, all the while keeping our staff and the families we serve safe.

The last half of our 25th year was unimaginable. It brought forward incredibly challenging variables and impossible decisions. However, it has showed resilience in all of our stakeholders - staff, families, funders, community partners. It has reaffirmed our purpose - the need for Pacekids and the work our organization does is more critical now than ever before. It has demonstrated devotion - every single fragment, person, company, child that makes up the Pacekids' family has remained steadfast in their role and relationship with our mission.

Pacekids' 25th year of changing lives in this city, among many things, has made us all a bit more familiar with the trials, the elated moments, and the devotion the children and families we serve experience each day.

Thank you to each and every one of you for being a part of the last 25 years and for remaining devoted to helping ensure that every child has the best opportunity to thrive.

Alex Reed,
Executive Director

Hugh Erickson,
Board Chair

Independent Auditor's Report

Independent Auditor's Report

To the Board of Directors of Pacekids Society for Children with Special Needs:

OPINION

We have audited the financial statements of Pacekids Society for Children with Special Needs (the "Society"), which comprise the statement of financial position as at August 31, 2020, and the statements of operations and 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 August 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for-profit organizations.

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 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.

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.

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.

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 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.

BDO Canada LLP

Chartered Professional Accountants

Calgary, Alberta
November 17, 2020

PACEKIDS SOCIETY FOR CHILDREN WITH SPECIAL NEEDS
Statement of Financial Position
As at August 31, 2020

	2020	2019
Assets		
Current		
Cash and cash equivalents	$ 1,357,863	$ 63,484
Restricted cash *(Note 3)*	75,114	41,764
Accounts receivable *(Note 4)*	21,268	935,518
Prepaid expenses	11,516	18,809
	1,465,761	1,059,575
Investments *(Note 5)*	1,461,871	1,290,281
Tangible capital assets *(Note 6)*	357,828	314,246
	3,285,460	2,664,102
Liabilities		
Current		
Bank indebtedness *(Note 7)*	$ -	$ 51,265
Accounts payable and accrued liabilities	117,102	87,200
Wages payable	312,797	334,634
Deferred contributions related to operations *(Note 8)*	449,063	804,845
FSCD funding payable *(Note 8)*	278,606	154,695
Unearned operating revenue	13,460	23,490
Current portion of rent inducements *(Note 9)*	86,814	86,814
	1,257,842	1,542,943
Rent inducements *(Note 9)*	520,284	607,099
Deferred Contributions related to tangible capital assets *(Note 10)*	246,978	154,658
	2,025,104	2,304,700
Net assets		
Unrestricted	341,150	169,702
Invested in tangible capital assets	110,850	159,588
Internally restricted *(Note 11)*	808,356	30,112
	1,260,356	359,402
	$ 3,285,460	$ 2,664,102

Commitments *(Note 12)*
Economic dependence *(Note 13)*
Impacts of COVID-19 pandemic *(Note 14)*

On behalf of the Board

_______________ Director

_______________ Director

The accompanying notes are an integral part of these financial statements.

PACEKIDS SOCIETY FOR CHILDREN WITH SPECIAL NEEDS
Statement of Operations
For the Year Ended August 31, 2020

		2020		2019
Revenue				
Alberta Education	**$**	**7,258,349**	$	6,370,288
FSCD Block funding *(Note 8)*		**2,834,811**		3,044,413
Fundraising events *(Note 15)*		**398,099**		291,394
Grants and donations *(Note 15)*		**204,688**		75,489
Program fees		**94,354**		116,255
Amortization of deferred contributions related to tangible capital assets *(Note 10)*		**46,163**		47,367
FSCD Fee for Service		**33,805**		312,365
Casino revenue		**26,122**		28,382
Other revenue		**3,974**		6,540
	$	**10,900,365**	$	10,292,493
Expenses				
Salaries and wages (*Note 15)*	**$**	**8,202,652**	$	8,244,464
Facilities and occupancy costs		**882,502**		846,617
Program expenses		**656,575**		782,850
Amortization		**94,901**		111,767
Computer supplies and support		**69,364**		92,701
Fundraising *(Note 15)*		**66,853**		90,679
GST expense		**38,491**		33,822
Professional fees		**36,122**		35,985
Office		**28,389**		43,430
Interest and bank charges		**19,191**		21,408
Advertising and promotion		**15,126**		7,274
Insurance		**14,336**		12,875
Memberships and subscriptions		**5,286**		3,214
Meals and entertainment		**1,254**		2,268
Bad debts (recovery)		**(2,081)**		4,294
	$	**10,128,961**	$	10,333,648
Excess (deficiency) of revenue over expenses from operations	**$**	**771,404**	$	(41,155)
Other income				
Investment income		**129,550**		63,234
Excess of revenue over expenses	**$**	**900,954**	$	22,079

The accompanying notes are an integral part of these financial statements.

PACEKIDS SOCIETY FOR CHILDREN WITH SPECIAL NEEDS
Statement of Changes in Net Assets
For the Year Ended August 31, 2020

	Invested in Tangible Capital Assets	Internally Restricted *(Note 11)*	Unrestricted	2020	2019
Net assets - beginning of year	**$ 159,588**	**$ 30,112**	**$ 169,702**	**$ 359,402**	$ 337,323
Transferred to operating reserve *(Note 11)*	**-**	**778,244**	**(778,244)**	**-**	-
Excess of revenue over expenses	**(48,738)**	**-**	**949,692**	**900,954**	22,079
Net assets - end of year	**$ 110,850**	**$ 808,356**	**$ 341,150**	**$ 1,260,356**	$ 359,402

The accompanying notes are an integral part of these financial statements.

PACEKIDS SOCIETY FOR CHILDREN WITH SPECIAL NEEDS
Statement of Cash Flows
For the Year Ended August 31, 2020

		2020		2019
Operating activities				
Excess of revenue over expenses	**$**	**900,954**	$	22,079
Items not affecting cash:				
Amortization of tangible capital assets		**94,901**		111,767
Amortization of deferred contributions related to tangible capital assets		**(46,163)**		(47,367)
Change in rent inducements		**(86,814)**		75,171
Bad debt (recoveries)		**(2,081)**		4,294
Unrealized gain from short term investments		**(129,957)**		(62,737)
Interest and bank charges		**8,367**		8,927
	$	**739,207**	$	112,134
Changes in non-cash working capital				
Restricted cash	**$**	**(33,350)**	$	28,874
Accounts receivable		**916,330**		(462,263)
Prepaid expenses		**7,293**		76,019
Accounts payable and accrued liabilities		**29,902**		15,148
Wages payable		**(21,837)**		64,435
Deferred contributions related to operations		**(355,782)**		338,003
FSCD funding payable		**123,911**		9,507
Unearned operating revenue		**(10,030)**		4,450
Cash flows generated by operating activities	**$**	**1,395,644**	$	186,307
Investing activities				
Purchase of tangible capital assets	**$**	**(138,483)**	$	(141,124)
Purchase of investments		**(50,000)**		(54,000)
Cash flows used in investing activities	**$**	**(188,483)**	$	(195,124)
Financing activity				
Funding received for purchase of tangible capital assets (*Note 10*)	**$**	**138,483**	$	86,829
Increase in cash and cash equivalents	**$**	**1,345,644**	$	78,012
Cash and cash equivalents (bank indebtedness) - beginning of year		**12,219**		(65,793)
Cash and cash equivalents - end of year	**$**	**1,357,863**	$	12,219
Cash and cash equivalents is comprised of:				
Cash	**$**	**1,357,863**	$	63,484
Bank indebtedness		**-**		(51,265)
	$	**1,357,863**	$	12,219

The accompanying notes are an integral part of these financial statements.

Pacekids Society for Children with Special Needs (the "Society") was incorporated under the Societies Act of Alberta on June 12, 1996. The Society offers programs for children with disabilities and their families. The Society is registered as a charitable organization under section 149(1) of the Income Tax Act of Canada and accordingly is exempt from the payment of income taxes.

1. Change in accounting policies

Effective September 1, 2019, the Society adopted the new standards in the Chartered Professional Accountants of Canada Handbook, Part Ill - Accounting for Not-for-Profit Organizations Sections 4433 (Tangible Capital Assets Held by Not-for-Profit Organizations) and 4441 (Collections Held by Not-for-Profit Organizations).

The adoption of Section 4433 resulted in a change to the Society's accounting policies with respect to componentization and amortization of tangible capital assets. The cost of tangible capital assets made up of significant separable component parts is now allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components. Also, in accordance with Section 4433, the Society's accounting policy with respect to impairment of tangible capital assets has been revised.

In accordance with the transitional provisions in Section 4433, the cost and related accumulated amortization of those tangible capital assets identified as having significant separable components were not allocated to their component parts as of September 1, 2019, as based on management's assessment, there is no material impact upon adoption of this standard.

Section 4441 - Collections Held by Not-for-Profit Organizations had no impact on these financial statements as the Society does not maintain collections.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part Ill 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:

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. Fee for service, program fees and other revenue are recognized as revenue when earned. Contributions-in-kind are recorded at fair market value when the fair market value can be reasonably determined, and items otherwise would be purchased. Contributions received for property and equipment are recognized as revenue in proportion to the annual amortization of the related assets for which the contribution was made.

Financial instruments

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.

Cash, cash equivalents, and restricted cash

Cash, cash equivalents, and restricted cash consist of cash on hand, balances with banks and short-term investments with original maturities of less than three months when acquired.

Investments

Investments consist of investments in a balanced, pooled fund managed by a reputable financial institution and are readily convertible to cash. These are measured at fair value with fair value changes reported in the statement of operations. As management currently is not anticipating spending all nor a portion of these funds within the Society's next fiscal year, these investments have been presented as long-term in the statement of financial position.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and any impairment provisions. Contributed tangible capital assets are recorded at their fair market value when fair market value is reasonably determinable at the date of contribution. The cost of tangible capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the useful lives of the separate components.

Amortization is provided once the assets have been placed in use in accordance with the straight-line method over the following number of years:

Motor vehicles	5 years
Leasehold improvements	Over remaining lease term
Office equipment	3 years
Program equipment	5 years
Software implementation	4 years
Program furniture	5 years

Tangible capital assets are tested for impairment whenever events or changes in circumstances indicate that an asset can no longer be used as originally expected and its carrying amounts may not be fully recoverable. An impairment loss is recognized when and to the extent that management assesses the future useful life of an asset to be less than originally expected.

Rent inducements

Rent inducements include rent-free periods provided to the Society on negotiation and execution of lease agreements. The Society recognizes rent inducements and rent expense on a straight-line basis over the term of the lease.

Contributed materials and services

The Society recognizes contributed materials or services as assets or expenses to the extent the fair value of the contributed materials or service can be reasonably estimated, are used in the normal course of the Society's operations and would have otherwise been purchased. Contributed time of volunteers is not recognized by the Society due to the difficulty in determining the value of time contributed.

Measurement uncertainty

When preparing financial statements in accordance with Canadian accounting standards for not-for-profit organizations, management makes estimates and assumptions which are based on a number of factors including historical experience, current events and actions that the Society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. Significant estimates in the financial statements are the estimated useful lives of tangible capital assets, completeness of accrued liabilities, amortization of deferred contributions related to property and equipment, recognition of rent inducement, carrying value of accounts receivable, determination of contribution to be deferred contributions, and expense allocations among programs.

3. Restricted cash

Restricted cash represents funds received from Alberta Gaming, Liquor and Cannabis Commission ("AGLC") restricted for specified expenditures (Note 8). As at August 31, 2020, there was a balance of $75,114 (2019 - $41,764) in restricted cash.

4. Accounts receivable

	2020	2019
Goods and services tax recoverable	**15,501**	19,927
Others	**5,767**	414,323
Alberta Education	**-**	466,723
Family Support for Children with Disabilities ("FSCD") fee for service	**-**	40,641
	21,268	941,614
Allowance for bad debts	**-**	(6,096)
	21,268	935,518

5. Investments

The investments are invested in a balanced, pooled mutual fund managed by ATB Investor Services, the investment manager, and are recorded at fair value.

6. Tangible capital assets

	Cost	Accumulated Amortization	**2020 Net Book Value**	2019 Net Book Value
Motor vehicles	$ 393,099	$ (122,190)	**$ 270,909**	$ 196,522
Leasehold improvements	112,732	(60,889)	**51,843**	65,257
Office equipment	76,454	(65,479)	**10,975**	15,106
Program equipment	186,178	(175,289)	**10,889**	16,433
Software implementation	17,605	(8,802)	**8,803**	13,204
Program furniture	51,372	(46,963)	**4,409**	7,724
	$ 837,440	$ (479,612)	**$ 357,828**	$ 314,246

7. Bank indebtedness

The Society maintains an operating line of credit to finance short-term working capital to a maximum of $900,000 (2019 - $900,000) that is due on demand and bears interest at the bank's prime interest rate plus 0.5% (2019 - 0.6%) per annum. As at August 31, 2020, there was no balance on the line of credit (2019 - $51,265).

8. Deferred contributions related to operations

	Balance 2019	Additions	Utilizations	Transfers/ Repayments	**Balance 2020**
FSCD Block funding (a)	$ 355,497	$ 3,085,347	$ (2,834,811)	$ (278,606)	**$ 327,427**
Restricted Contribution (b)	407,004	24,070	(257,475)	(127,508)	**46,091**
Casino (c)	42,344	70,298	(26,122)	(10,975)	**75,545**
	$ 804,845	$ 3,179,715	$ (3,118,408)	$ (417,089)	**$ 449,063**

(a) Revenue recognition for FSCD block funding is based program expenses incurred. Any surplus requires repayment to FSCD. There is a cash repayment required of $34,452 for the year ended March 31, 2020 ($124,696 for the year ended March 31, 2019). An additional $244,154 is estimated to be payable for the 5 months ended August 31, 2020 for a total estimated repayment of $278,606 (2019 - $154,695).

(b) The Society receives funding from various donors and revenue is recognized as the funds are spent as directed by the donors. $127,508 (2019 - $86,829) was expended during the year for purchase of capital assets.

(c) The Society received funding from AGLC. Revenue is recognized as the funds are spent as directed. During the year,$26,122 (2019 - $28,382) was used for charitable purposes in accordance with AGLC guidelines. $10,975 in Casino funds were expended on capital assets (2019 - $nil).

9. Rent Inducements

	2020	2019
Opening balance	**$ 693,912**	$ 618,742
Additions	**-**	139,922
Applied as a reduction in facilities and occupancy costs expense	**(86,814)**	(64,752)
	$ 607,098	$ 693,912
Current portion	**(86,814)**	(86,814)
	$ 520,284	$ 607,098

Rent inducements relate to rent-free periods allowed by the landlord at the North and South facilities.

10. Deferred contributions related to tangible capital assets

	2020	2019
Opening balance	**$ 154,658**	$ 115,196
Additions *(Note 8)*	**138,483**	86,829
Amortization of deferred contributions related to tangible capital assets	**(46,163)**	(47,367)
	$ 246,978	$ 154,658

11. Internally restricted net assets

Internally restricted net assets represents an Operating reserve aggregating $808,356 (2019 - $30,112), approved by the Society's Board of Directors, to fund COVID-19 related operating expenditures, unfunded programming expenditures associated with changes to the Alberta Education funding model and tangible capital asset maintenance and replacement necessary to support program delivery.

12. Commitments

The Society has long-term leases with respect to its premises in the North location (expires August 31, 2024), and the South location (expires January 2029). Along with basic rent, the Society also provides payment to the landlord for utilities and maintenance costs. Future minimum lease payments are estimated as follows:

	North	South	Total
2021	$ 604,883	$ 344,951	**$ 949,834**
2022	604,883	344,951	**949,834**
2023	604,883	344,951	**949,834**
2024	604,883	360,103	**964,986**
2025	-	369,195	**369,195**
Thereafter	-	1,246,783	**1,246,783**
	2,419,532	3,010,934	**5,430,466**

13. Economic dependence

The Society's primary source of income is from the Alberta Government through Alberta Education and FSCD. The Society's ability to continue viable operations is dependent on this funding.

14. Impacts of COVID-19 pandemic

On January 30, 2020, the World Health Organization declared the outbreak of COVID 19 to be a Public Health Emergency of International Concern. The spread of COVID 19 severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of nonessential services, have triggered significant disruptions to businesses worldwide resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

As a result of the outbreak of COVID-19, the Society implemented public health official recommendations that included suspension of home visits, closure of its premises to staff, students and families, as well as the general public. The Society also implemented enhanced sanitization protocols to ensure the safety of its staff, students, families and community. In September 2020, the Society recommenced providing on-site and virtual programming for students and families in accordance with public health official and Alberta Education guidelines and recommendations.

While governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions, the duration and extent of the impact of the COVID 19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of the consequences of COVID 19, as well as the impact on the financial position and results of operations of the Society for future periods.

15. Fundraising

As required under Section 7(2) of the Regulations of the Charitable Fundraising Act of Alberta, total expenses in the amount of $227,374 (2019 - $129,729) were incurred in the year for the purposes of soliciting donations. Gross contributions received from fund raising were $631,644 (2019 -$360,224).

16. Allocation of expenses

The Society allocates administrative wages and general support expenses across various programs based on grant budgets approved by their major funders. General support expenses include advertising and promotion, professional fees, memberships and subscriptions, interest and bank charges, office, insurance, facilities and occupancy costs, computer supplies and support, salaries and wages, and meals and entertainment. General support expenses which are specific to a program are allocated fully to that program.

17. Financial instruments

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of August 31, 2020.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk primarily due to accounts receivable and investments. For accounts receivable the Society monitors its accounts for timely collection. For any uncollectible balances, an allowance for doubtful accounts is established based upon factors surrounding the credit risk including historical trends and other information. For investments, the Society invests only in conservative products through reputable financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, obligations under rental leases, accounts payable and accrued liabilities, and wages payable. The Society mitigates this risk through preparation of annual budgets, monthly forecasting, monitoring of cash flows, and maintenance of an operating line of credit facility to fund short-term working capital requirements.

(c) 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 comprises three types of risk: currency risk, interest rate risk and other price risk. The Society is not exposed to currency rate risk. The Society is exposed to interest rate risk through its bank indebtedness. The Society is also exposed to risk of changes in fair value of its investments. Management reviews these investments closely with their investment advisors to ensure that these investments are made in low risk instruments and accounts.

PACEKIDS SOCIETY FOR CHILDREN WITH SPECIAL NEEDS
Schedule 1 - Revenue and Expenses by Program
For the Year Ended August 31

	ECS	DBA Block	SPS Block	Fee for Service and Other	Fund Development *(Note 15)*	2020 Total	2019 Total
Revenue							
Alberta Education	$ 7,258,349	$ -	$ -	$ -	$ -	**$ 7,258,349**	$ 6,370,288
FSCD Block Funding	-	1,786,304	1,048,507	-	-	**2,834,811**	3,044,413
Fundraising events	-	-	-	-	398,099	**398,099**	291,394
Grants and donations	43,428	-	-	-	161,260	**204,688**	75,489
Program fees	91,375	-	-	2,979	-	**94,354**	116,255
Amortization of contributions related to tangible capital assets	-	-	-	-	46,163	**46,163**	47,367
FSCD Fee For Service	-	-	-	33,805	-	**33,805**	312,365
Casino revenue	-	-	-	-	26,122	**26,122**	28,382
Other revenue	-	-	-	3,974	-	**3,974**	6,540
	$ 7,393,152	**$ 1,786,304**	**$ 1,048,507**	**$ 40,758**	**$ 631,644**	**$ 10,900,365**	**$ 10,292,493**
Expenses							
Salaries and wages	$ 5,517,865	$ 1,561,735	$ 907,612	$ 141,857	$ 73,583	**$ 8,202,652**	$ 8,244,464
Facilities and occupancy costs	722,018	86,247	54,347	1,890	18,000	**882,502**	846,617
Program expenses	466,217	100,947	62,998	7,663	18,750	**656,575**	782,850
Amortization	45,374	-	-	7,338	42,189	**94,901**	111,767
Computer supplies and support	40,453	13,801	10,068	3,694	1,348	**69,364**	92,701
Fundraising	-	-	-	-	66,853	**66,853**	90,679
GST expense	28,071	-	-	8,728	1,692	**38,491**	33,822
Professional fees	17,689	12,107	6,099	227	-	**36,122**	35,985
Office	18,580	4,189	2,617	2,179	824	**28,389**	43,430
Interest and bank charges	5,011	1,102	651	8,694	3,733	**19,191**	21,408
Advertising and promotion	9,648	2,820	2,375	-	283	**15,126**	7,274
Insurance	8,172	2,151	1,200	2,813	-	**14,336**	12,875
Memberships and subscriptions	3,872	841	268	273	32	**5,286**	3,214
Meals and entertainment	531	364	272	-	87	**1,254**	2,268
Bad debts (recoveries)	3,225	-	-	(5,306)	-	**(2,081)**	4,294
	$ 6,886,726	**$ 1,786,304**	**$ 1,048,507**	**$ 180,050**	**$ 227,374**	**$ 10,128,961**	**$ 10,333,648**
Excess (deficiency) of revenue over expenses from operations	$ 506,426	$ -	$ -	$ (139,292)	$ 404,270	**$ 771,404**	$ (41,155)
Other income	-	-	-	129,550	-	**129,550**	63,234
Excess (deficiency) of revenue over expenses	**$ 506,426**	**$ -**	**$ -**	**$ (9,742)**	**$ 404,270**	**$ 900,954**	**$ 22,079**