
MEMORANDUM

To: Sport BC Membership
Date: Friday, May 22, 2020
Subject: 5 day notice – Sport BC AGM

Dear Sport BC Members,

Sport BC is pleased to announce the 2020 Annual General Meeting by electronic means (virtual AGM) will take place on **Thursday, May 28** and will be hosted **via ZOOM at 5:00 pm – 7:00 pm.**

In preparation for the 2020 Sport BC Annual General Meeting, the following documents are included in this package:

1. Registration Form:
 - a. <https://www.eventbrite.ca/e/sport-bc-agm-tickets-97401176541>
2. Agenda
3. Audited Consolidated Financial Statements for the year ending March 31, 2020

Sport BC Annual General Meeting

AGENDA

Thursday, May 28, 2020
5:00 pm – 7:00 pm
Via Zoom Conferencing

1. Call to Order
2. Confirmation of quorum and voting rules
3. Adoption of Agenda of 2020 AGM

Motion: Membership adopts the agenda of the 2020 AGM as presented.

4. Approval of minutes of 2019 AGM

Motion: The minutes of the 2019 AGM be approved as presented.

5. Business arising from 2019 AGM
6. Chair Remarks
7. President & CEO Remarks
8. Finance & Audit Committee

Motion: Membership accepts the finance and audit committee report as presented.

- a. Audited Financial Statements for the year ending March 31, 2020.

Motion: To accept the audited consolidated financial statements for the year ending March 31, 2020 as presented.

Motion: To accept KPMG LLP, or other auditors as approved by the Board of Directors, be appointed to perform an audit of Sport BC for the year 2020-2021 and that the Board of Directors be empowered to set the remuneration.

- b. Presentation of approved budget for the year ending March 31, 2021.

9. Governance Committee Report

Motion: Membership accepts the governance committee report as presented.

10. Membership Fees

Motion: Membership accepts the base membership fee for members to remain the same in 2020-2021.

Motion: Membership fees for the period of April 1, 2020 to March 31, 2021 (financial year) are waived.

11. Sport BC Bylaw changes

Motion: To accept the proposed by-law amendments of the addition of proxy voting and electronic voting as presented.

12. Election of Directors

- a. Nominations committee report
- b. Election by Acclamation
- c. Announcement of Directors of 2020 – 2021

13. New Business

- a. 2021 AGM Date – Thursday, May 27, 2021

14. Q&A

15. Adjournment

Motion: Membership approves the adjournment of the 2020 AGM.

Consolidated Financial Statements of

SPORT BC

And Independent Auditors' Report thereon

Year ended March 31, 2020



KPMG LLP
PO Box 10426 777 Dunsmuir Street
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Canada
Telephone (604) 691-3000
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INDEPENDENT AUDITORS' REPORT

To the Members of Sport BC

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Sport BC (the "Entity"), which comprise:

- the consolidated statement of financial position as at March 31, 2020
- the consolidated statement of operations and changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2020, and its consolidated results of operations and its consolidated 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity 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 the 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
May 22, 2020

SPORT BC

Consolidated Statement of Financial Position

March 31, 2020, with comparative information for 2019

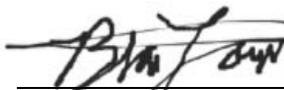
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,285,652	\$ 1,477,119
Restricted cash (note 3)	314,630	272,473
Accounts receivable (notes 4)	386,505	548,234
Prepaid expenses	84,366	30,082
Investments at fair value (note 5)	2,688,195	2,719,319
	<u>7,759,348</u>	<u>5,047,227</u>
Investment in related party (note 6)	1	1
Capital assets (note 7)	28,380	32,398
	<u>\$ 7,787,729</u>	<u>\$ 5,079,626</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (notes 3 and 8)	\$ 691,225	\$ 820,283
Deferred contributions (note 9)	2,594,346	109,697
Deferred revenue (note 10)	100,773	-
Customer deposits	210,010	86,800
	<u>3,596,354</u>	<u>1,016,780</u>
Net assets	4,191,375	4,062,846
Commitments (note 11)		
	<u>\$ 7,787,729</u>	<u>\$ 5,079,626</u>

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:


Blair Lowther, Director


Mario Ramos, Director

SPORT BC

Consolidated Statement of Operations and Changes in Net Assets

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Insurance revenue	\$ 873,107	\$ 674,326
Net investment income (note 5)	122,089	83,376
Fees for services and other	81,637	106,360
Provincial funding (note 9)	404,613	510,053
Membership fees	68,900	62,250
Corporate support, events and fundraising (note 9)	581,220	872,445
	<u>2,131,566</u>	<u>2,308,810</u>
Operating expenses:		
Insurance operations (notes 4 and 12)	378,900	385,972
Financial services	284,857	338,058
Leadership and operations	245,236	245,940
Marketing and communications	91,062	128,834
KidSport™ BC (note 9)	931,258	1,173,454
	<u>1,931,313</u>	<u>2,272,258</u>
Excess of revenue over expenses before the undernoted	200,253	36,552
Unrealized (loss) gain in fair value of investments	(71,724)	95,527
Contributed capital (note 16)	-	20,000
	<u>(71,724)</u>	<u>115,527</u>
Excess of revenue over expenses	128,529	152,079
Net assets, beginning of year	4,062,846	3,910,767
Net assets, end of year	<u>\$ 4,191,375</u>	<u>\$ 4,062,846</u>

See accompanying notes to consolidated financial statements.

SPORT BC

Consolidated Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	\$ 128,529	\$ 152,079
Add (deduct) non-cash items:		
Amortization of capital assets	10,163	7,750
Unrealized loss (gain) on investments	71,724	(95,527)
	210,416	64,302
Changes in non-cash operating items:		
Restricted cash	(42,157)	(59,377)
Accounts receivable	161,729	203,236
Prepaid expenses	(54,284)	(4,735)
Accounts payable and accrued liabilities	(129,058)	(13,460)
Deferred contributions	2,484,649	(109,907)
Deferred revenue	100,773	-
Customer deposits	123,210	(17,357)
	2,855,278	62,702
Investing:		
Acquisition of investments	(64,792)	(84,023)
Disposal of investments	24,192	30,357
Acquisition of capital assets	(6,145)	(23,625)
	(46,745)	(77,291)
Increase (decrease) in cash and cash equivalents	2,808,533	(14,589)
Cash and cash equivalents, beginning of year	1,477,119	1,491,708
Cash and cash equivalents, end of year	\$ 4,285,652	\$ 1,477,119

See accompanying notes to consolidated financial statements.

SPORT BC

Notes to Consolidated Financial Statements

Year ended March 31, 2020

1. Nature of operations:

Sport BC is a not-for-profit organization incorporated under the Societies Act (British Columbia). Under the provisions of the Income Tax Act, Sport BC is exempt from Canadian federal and provincial income taxes.

Sport BC, as a federation of sport organizations, provides leadership, direction, and support to foster the growth and development of amateur sport in British Columbia.

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Sport BC decided to postpone the 54th Annual Athlete of the Year Awards and Presidents' Awards originally set to take place on March 12, 2020 (note 10). Sport BC has also transitioned to a work from home approach for employees that are able to do so. The ultimate duration and magnitude of the pandemic and the impact of the related public health and government measures are not known at this time. The estimate of the financial effect on Sport BC cannot be made at this time. Impacts could include potential decrease in revenue or potential increase in market risk of investments.

2. Significant accounting policies:

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

(a) Consolidation:

These consolidated financial statements include the accounts of Sport BC and its wholly owned subsidiary, SBC Insurance Agencies Ltd. ("SBC"), a taxable entity whose principal business activity is to operate an insurance brokerage. All intercompany transactions and balances have been eliminated.

The consolidated financial statements also include SBC Distributions Ltd. Sport BC owns 100% of the shares of SBC Distributions Ltd., a controlled profit-oriented enterprise, and accounts for this investment using the equity method.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on account and investments in short-term term deposits that have maturities within ninety days of acquisition.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are stated at cost less accumulated amortization and impairment write-downs. Amortization expense is charged using the declining balance method as follows:

Equipment and telephone	20%
Computers and software	33%

Repairs and maintenance costs are charged to expense. Betterments that enhance the service potential or extend the useful life of an asset are capitalized. When a capital asset no longer contributes to Sport BC's ability to provide services or the value of the future service potential is less than its net carrying amount, its carrying amount is written down to its fair value or replacement cost to reflect partial and full impairments.

(d) Payroll retainer:

Sport BC performs payroll processing services and collects a retainer from each client at the commencement of service. The balance is recorded as a liability in accounts payable and accrued liabilities and repaid when the client no longer requires payroll processing services to be performed.

(e) Revenue recognition:

Sport BC follows the deferral method of accounting for contributions. Restricted non-capital contributions are initially deferred and recognized as revenue in the year in which the related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. Contributions of, or funding for, the acquisition of capital assets are deferred and recognized as revenue on the same basis as the capital asset is amortized. 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.

Membership fees are recognized upon membership approval for new members and receipt of renewal form for existing members. Investment income, fees for service, and event revenue is recognized when earned. Corporate support and fundraising revenue is recognized when received or when pledged and collection is reasonably certain.

Insurance commission revenue is recorded as insurance premium commissions at the time the coverage period of the policy commences.

(f) Contributed materials and services:

Sport BC recognizes as revenue contributions of certain services received at the estimated fair value of those services, provided the services would otherwise have been acquired and a fair value can be determined.

Contributed equipment is recorded at fair value when received.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(g) Customer deposits

Deposits received and related revenue are deferred in current liabilities until the sale is recorded.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. Sport BC has elected to carry its investments 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 incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets carried at cost or amortized cost 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, Sport BC determines if there is a significant adverse change in the expected amount or timing of future cash flows from the 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 Sport BC 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.

(i) Allocation of expenses:

Management allocates human resource expenses based on the proportion of respective time Sport BC employees commit to the specific areas of operations.

(j) Income taxes:

SBC uses the taxes payable method to account for income taxes whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period (note 12), determined in accordance with the rules established by taxation authorities. Sport BC is exempt from Canadian federal and provincial income taxes.

(k) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable. Actual results could differ from those estimates.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(l) New accounting standards:

In March 2018, the Accounting Standards Board issued “Basis for Conclusions – Accounting Standards Improvements for Not-for-Profit Organizations” resulting in the introduction of three new handbook sections in Canadian accounting standards for not-for-profit organizations; Section 4433 Tangible capital assets held by not-for-profit organizations, Section 4434 Intangible assets held by not-for-profit organizations and Section 4441 Collections held by not-for-profit organizations.

The amendments are effective for financial statements with fiscal years beginning on or after January 1, 2019. Management has considered the application of the aforementioned new accounting standards and the implementation of these changes had no impact on Sport BC’s consolidated financial statements.

3. Restricted cash:

Restricted cash is comprised of funds held by SBC for premiums collected on behalf of clients. This amount is also included in accounts payable and accrued liabilities.

4. Accounts receivable:

As at March 31, 2020, the balance of accounts receivable is net of an allowance for doubtful accounts of nil (2019 - nil).

Included in insurance operations expenses is bad debt expense of nil (2019 - nil).

5. Investments at fair value:

As at March 31, 2020, Sport BC held \$2,688,195 in mutual funds measured at fair value (2019 - \$2,719,319).

Net investment income earned during the year ended March 31 is comprised of the following:

	2020	2019
Interest	\$ 80,203	\$ 28,204
Dividends	64,792	84,023
Investment counsel fees	(25,697)	(30,129)
Realized gain	2,791	1,278
	<u>\$ 122,089</u>	<u>\$ 83,376</u>

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

6. Investment in related party:

Sport BC owns 100% of the shares of SBC Distributions Ltd., a controlled profit-oriented enterprise, and accounts for this investment using the equity method. The company is inactive and, accordingly, Sport BC's equity investment in the shares have been reduced to a nominal value of \$1.

7. Capital assets:

			2020	2019
	Cost	Accumulated amortization	Net book value	Net book value
Equipment and telephone	\$ 6,184	\$ 5,809	\$ 375	\$ 468
Computers and software	91,042	63,037	28,005	31,930
	\$ 97,226	\$ 68,846	\$ 28,380	\$ 32,398

Included in leadership and operations expenses is amortization of \$7,882 (2019 - \$5,404) and included in insurance operations is amortization of \$2,281 (2019 - \$2,346).

8. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are payroll services retainers of \$315,076 (2019 - \$321,649) and government remittances payable of \$35,151 (2019 - \$16,234) related to income, sales taxes and payroll withholdings.

9. Deferred contributions:

The changes in deferred contributions are as follows:

	2020	2019
Deferred contributions, beginning of year	\$ 109,697	\$ 219,604
Amounts received, Province of BC:		
KidSport™ BC - Provincial grants	400,000	400,000
Sport BC - Provincial initiative grant (a)	2,500,000	-
Amounts received, other:		
KidSport™ BC - Other restricted contributions	512,603	664,120
Amounts recognized as revenue:		
KidSport™ BC - Provincial grants	(399,813)	(510,053)
KidSport™ BC - Other restricted contributions	(523,341)	(663,974)
Sport BC - Provincial initiative grant (a)	(4,800)	-
Deferred contributions, end of year	\$ 2,594,346	\$ 109,697

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

9. Deferred contributions (continued):

The balance of deferred contributions as at the year end, is comprised of the following:

	2020	2019
KidSport™ BC - Provincial grants	\$ 99,146	\$ 98,959
Sport BC - Provincial initiative grant (a)	2,495,000	-
KidSport™ BC - Other restricted contributions	-	10,738
	<u>\$ 2,594,346</u>	<u>\$ 109,697</u>

Kidsport™ BC is a licensed provincial chapter of Kidsport™ Canada and operates as a division of Sport BC. Kidsport™ BC receives funds through provincial grants, corporate sponsorships, and annual fundraising events, and provides grants for children ages 18 and under to participate in a sport season of their choice. Funds received in the year that are not granted out to children or used to operate Kidsport™ programs are deferred to future periods. Provincial grants and corporate sponsorships recognized as revenue in the year are included under Provincial funding and Corporate support, events and fundraising respectively in the consolidated statement of operations and changes in net assets.

(a) In April 2019, the Province of British Columbia granted Sport BC \$2,500,000 to expand programs supporting children and families in under-represented populations such as indigenous peoples, new Canadians, women and girls, and low-income families. Funds received that have not yet been deployed in these target areas are deferred to future periods.

10. Deferred revenue:

Each March, Sport BC holds the Athlete of the Year Awards to celebrate amateur sport. In March 2020, the event was postponed to fiscal year 2021 due to the COVID-19 pandemic and \$100,773 of revenue related to the event deferred.

11. Commitments:

Operating leases:

Sport BC has an agreement with BC Pavilion Corporation to lease office space at 999 Canada Place in Vancouver, BC. The lease expired on October 31, 2018 and was renewed for a further six months to April 30, 2019 whereon the lease is on a month-to-month basis with the landlord agreeing to provide no less than six months' notice before terminating the lease.

Sport BC also has operating lease agreements for printers requiring a quarterly minimum charge plus charges for additional impressions and/or services.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

11. Commitments (continued):

The annual future minimum lease payments under operating leases are as follows:

2021	\$	15,121
2022		655
	\$	15,776

12. Income tax expense:

The income tax expense included in insurance operations expense differs from the amount that would be computed by applying the applicable federal and provincial statutory rates of 11% (2019 - 11.8%) to income before the tax expense. The reasons for the difference are as follows:

	2020	2019
Income tax expense computed at statutory rates	\$ 14,138	\$ 17,874
Increased (decreased) by the tax effect of:		
SBC Insurance non-deductible expenses	28	144
SBC Insurance amortization	251	276
SBC Insurance capital cost allowance subject to tax	(363)	(545)
Income tax expense in the period	3,799	1,622
Net amounts not subject to tax in Sport BC	16,685	(5,573)
	\$ 34,538	\$ 13,798

13. Bank loan:

Sport BC has a banking agreement with TD Canada Trust (the "Bank") for credit facilities consisting of a revolving term facility with a maximum of \$300,000 and an operating loan with a maximum of \$250,000, each bearing interest at the Bank's prime rate.

As at March 31, 2020, no amounts (2019 - nil) have been drawn against these credit facilities.

Both credit facilities are collateralized by a general security agreement representing a first charge on all of Sport BC's present and after acquired personal property.

14. Employee remuneration:

For the year ended March 31, 2020, Sport BC paid total remuneration of \$321,707 (2019 - \$334,691) to three (2019 - three) employees, each of whom received total annual remuneration of \$75,000 or greater. There was no remuneration paid to directors of Sport BC during the fiscal year.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2020

15. Financial risks:

(a) Credit risk:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. Sport BC is exposed to credit risk with respect to the accounts receivable. Sport BC assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. Assessment for uncollectible accounts are performed by management and provided for. There has been no change to the risk exposure from the prior year.

(b) Liquidity risk:

Liquidity risk is the risk that an entity will not be able to meet its obligations associated with financial liabilities. Sport BC is exposed to this risk mainly in respect of its bank loan and accounts payable and accrued liabilities. Sport BC manages liquidity risk by maintaining adequate cash and highly liquid investments. There may be an effect on the liquidity risk due to COVID-19, however it is not known at this time.

(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 risks include equity price risk, currency risk and interest rate risk. Sport BC's exposure to equity price risk is primarily attributable to fluctuations in quoted market prices of listed investments.

The risks associated with investments are managed through Sport BC's established investment policy.

There may be an effect on the financial risk due to COVID-19, however it is not known at this time. See note 1 disclosure for further details.

16. Contributed capital:

On February 6, 2019, Sport BC entered into an asset purchase agreement to acquire the assets of ProMOTION Plus, a society incorporated in British Columbia. The acquired assets are comprised of \$20,000 cash, goodwill and intellectual property. In consideration for the assets, Sport BC has agreed to use commercially reasonable efforts to continue to operate the programs of ProMOTION Plus and to increase opportunities for women and girls in sport and physical activity. The transaction was recorded as contribution of capital of \$20,000 for cash received in fiscal 2019.