

MEMORANDUM

To: Sport BC Membership
Date: Tuesday, June 9, 2026
Subject: 2-Day Notice – Sport BC AGM

Dear Sport BC Members,

Sport BC is pleased to announce the 2026 Annual General Meeting will take place virtually on **Thursday June 11, 2026**.

In preparation for the 2026 Sport BC Annual General Meeting, the following documents are included in this package:

1. Registration Form
 - a. <https://forms.office.com/r/Pssg37xbBJ>
2. 2025 AGM Minutes (draft)
3. 2026 AGM Agenda
4. 2026 Sport BC Board of Director Candidates Package
5. Review Engagement Consolidated Financial Statements for the year ended March 31, 2026

Sport BC Annual General Meeting

DRAFT MINUTES

Thursday May 29, 2025

5:00 pm – 7:00 pm

Via Zoom Conferencing

1. Call to Order

The meeting convened at 5:00 pm by Sandi Swanigan, Chair. The board was all in attendance (Sandi Swanigan, Lisa Kwiatkowski, Brian McCalder, Jennifer Fenton, Allan Prazky, and Judy Joseph-Black). Chair called the meeting to order at 5:13 pm and appointed Katelynn Ramage as secretary of the meeting. Chair announced the first notice of meeting was circulated electronically to the membership on February 28, 2025, in the 90-Day Package distributed to the membership

2. Confirmation of quorum and voting rules

The minimum 1/3 of the members were present, therefore quorum was declared by the Chair of the Board.

3. Adoption of Agenda of 2025 AGM

***Motion:** Membership adopts the agenda of the 2025 AGM as presented
Moved. Seconded. Carried.*

4. Approval of Minutes of 2024 AGM

***Motion:** Membership approves the minutes from the 2024 AGM as presented
Moved. Seconded. Carried.*

5. Approval of March 12, 2025 Special Member Meeting

***Motion:** Membership approves the minutes from the March 12, 2025 Special Member Meeting
Moved. Seconded. Carried.*

6. Business arising from 2024 AGM

There was no new business to discuss from the 2024 AGM.

7. Chair Remarks

Chair, Sandi Swanigan, thanked the members and volunteers across BC that work passionately to deliver sport. Chair reported that we have continued to see an increase in our membership base and participation in our core program and services, and entering Year 3 of the strategic plan. The team at Sport BC has worked to support our members and to stay connected as a community; collaboration remains a proven and valuable tool for all in the amateur sport sector.

8. President and CEO Remarks

President & CEO, Rob Newman, recognized the entire membership and their leadership efforts over the past year. Sport BC over the last year has been committed to:

- Continuing effort of Sport BC's strategic plan, focusing on three pillars: advocacy, programs and services and organizational excellence
- Delivering meaningful member opportunities such as the philanthropy workshops
- Continuing to be a demographic voice for amateur sport in the province enhancing our role as advocacy leaders
- Providing high impact programs and services through Sport BC Insurance, KidSport, BC Women and Sport, and the BC Amateur Sport Fund

9. Committee Reports

a. Finance & Audit Committee

The Chair of the Board introduced Finance and Reporting Committee led by Lisa Kwiatkowski. Lisa advised that KPMG completed a review engagement and there are no financial concerns outside of the normal operations risks for the organization. Lisa provided a financial summary of fiscal year 2025 revenues and expenses for Sport BC and Sport BC programs: Sport BC Insurance, and KidSport BC. Lisa also presented the consolidated fiscal year 2026 budget that was approved by the Board.

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

Moved. Seconded. Carried.

Motion: To accept the review engagement consolidated financial statements for the year ending March 31, 2025 as presented.

Moved. Seconded. Carried.

Motion: Membership accepts KPMG LLG, or other auditors as approved by the Board of Directors, be appointed to perform an audit or review engagement of Sport BC for the year 2025/2026 and that the Board of Directors be empowered to set the remuneration of the auditors.

Moved. Seconded. Carried.

b. Governance Committee

Chair of the Governance committee, Brian McCaldar, thank the committee members. Chair reported there are six elected directors, and four are up for election later in the agenda. Chair also thanked the outgoing board members, Lisa Kwiatkowski and Sandi Swanigan, for their time on the board.

Motion: Membership accepts the governance committee report as presented.

Moved. Seconded. Carried.

10. Membership Fees

Chair, Sandi Swanigan, advised that management provided a recommendation for the fee structure remain unchanged for the upcoming year.

Motion: Sport BC membership accepts the base membership fee for members as presented.

Moved. Seconded. Carried.

11. New Business

a. 2025 Annual General Meeting Date

Chair established the date for the next Annual General Meeting, Thursday June 11, 2026.

12. Election of Directors

a. Nominations Committee Report

Nominations Committee Chair, Lisa Kwiatkowski, advised there are four (4) directors at large for election, for two-year terms. As of April 29th (nomination deadline) six (6) nominations were received from Maureen Barranoik, Jennifer Fenton, Andrew Ference, Brian McC Calder, Janet Petras, and Duncan Wood.

b. Overview of election process

Pursuant to Sport BC Bylaws, the election of Directors was conducted by secret ballot.

c. Election

d. Announcement of Directors of 2025 – 2026

The elected directors are Andrew Ference, Brian McC Calder, Janet Petras, and Duncan Wood.

13. Motion to Adjourn

Motion: Membership approves the adjournment of the 2025 Sport BC Annual General Meeting.

Moved. Seconded. Carried.

Meeting adjourned at 6:16 PM.

Appendix A

Voting Member Registration

	ORGANIZATION	DESIGNATE
1	Badminton BC	Andy Zhu
2	Basketball BC	Shawn Dheensaw
3	BC Archery	Darby Mummery
4	BC Artistic Swimming	Mandy Curtis
5	BC Blind Sports	Jane Blaine
6	BC Deaf Sports Federation	Cecilia Tung
7	BC Diving	Jayne McDonald
8	BC Fencing Association	John French
9	BC Freestyle	Josh Dueck
10	BC Hockey	Kim Heal
11	BC Lacrosse Association	Jill Krop
12	BC Soccer	Gabriel Assis
13	BC Wheelchair Sports	Michelle McDonell
14	Boxing BC	Mehran Baghaie
15	British Columbia Golf	Kris Jonasson
16	Curl BC	Scott Braley
17	Field Hockey BC	Mark Saunders
18	Horse Council BC	Craig Cherrett
19	Judo BC	Katie Thomson
20	Karate BC	Larry Feagan
21	Skate Canada BC/YT	Danielle Williams
22	Softball BC	Diane St-Denis
23	SportAbility	Donna Cumming
24	Squash BC	Kimberly Dennis
25	Triathlon BC	Allan Prazky
26	Volleyball BC	Emma Gibbons

Non-Voting Member Registration

	ORGANIZATION	DESIGNATE
1	BC Senior Games Society	Kim Moutour

Sport BC Annual General Meeting

AGENDA

Thursday, June 11, 2026
4:30 pm – 6:30 pm Via Zoom

1. Call to Order
 2. Confirmation of quorum and voting rules
 3. Adoption of Agenda of 2026 AGM
Motion: *Membership adopts the agenda of the 2026 AGM as presented.*
 4. Approval of Minutes of 2025 AGM
Motion: *Membership approves the minutes from the 2025 AGM as presented.*
 5. Business arising from 2025 AGM
 6. Chair Remarks
 7. President and CEO Remarks
 8. Committee Reports
 - a. Finance & Reporting Committee
 - i. Review Engagement Financial Statements for the year ending March 31, 2026
 - ii. Presentation of approved budget for the year ending March 31, 2027
2027**Motion:** *Membership accepts the finance and reporting committee report as presented.*
Motion: *To accept the review engagement consolidated financial statements for the year ending March 31, 2026, as presented.*
- Motion:** *Membership accepts KPMG LLG, or other auditors as approved by the Board of Directors, be appointed to perform an audit or review engagement of Sport BC for the year*

2026/2027 and that the Board of Directors be empowered to set the remuneration of the auditors.

- a. Governance Committee

Motion: Membership accepts the governance committee report as presented.

- 9. Membership Fees

Motion: Sport BC membership accepts the base membership fee for members as presented.

- 10. New Business

- a. 2027 Annual General Meeting Date

- 11. Election of Directors

- a. Nominations Committee Report
- b. Overview of election process
- c. Election
- d. Announcement of Directors of 2026 - 2027

- 12. Motion to Adjourn

Motion: Membership approves the adjournment of the 2026 Sport BC Annual General Meeting.

2026 Sport BC Board of Directors Nominations

1. Judy Joseph-Black
2. Allan Prazsky

1. Judy Joseph-Black

**Judy Joseph-Black
Sport Administrator
Bio**

Judy has worked in a myriad of sport administration positions over the past four decades. Most recently, she worked for the 55+ BC Games and the BC Games Society as an Event Manager; the Provincial Government as a Sport Consultant for over a decade with a portfolio of accessible sport and Indigenous sport; managed the National Women's Soccer team under Head Coach Even Pellerud; owned her own sport communications company with clients including Racquetball Canada, Pacific Sport Institute and Coaches Association of BC; was the Executive Director for Provincial Sport Organization, Badminton BC and she was the Sports Information Director for the University of Victoria Athletic Department. She is currently retired, committing her time and expertise on various boards of directors including the Canadian Paralympic Committee, the Canada Games Council and Sport BC.



A self admitted Games junkie, she was the Assistant Press Chief for Team Canada at the 2012 and 2008 Paralympic Games; media attaché for the 2000, 2002 and 2004 Paralympic Games; Team BC Communications Manager and mission staffer for over a dozen Summer and Winter Canada Games and three Western Canada Summer Games and a member of the communications team for both the 1994 and 2006 Commonwealth Games. She was part of the Team BC mission staff for both the Cowichan, BC 2008 and Regina, Saskatchewan 2014 North American Indigenous Games.

2. Allan Prazsky

Board of Directors Nomination: Allan Prazsky

As the incumbent Vice Chair of Sport BC, I am pleased to stand for re-election to the Board of Directors. During my current term, I have actively help shape Sport BC's renewed strategic plan and provided valuable contributions to the Governance and Insurance Committees, all while ensuring the perspectives of Provincial Sport Organizations are heard and remain central to dialogue.

My broader experience includes leadership roles with Cycling BC and BC Blind Sports, as well as national governance contributions with the Commonwealth Games and advisory work with ViaSport and Triathlon Canada.

As the Executive Director of Triathlon BC, I have driven sustained organizational growth, including diversified revenue streams, increased membership, expanded sponsorship, and philanthropic support, positioning Triathlon BC as a consistent, high-performing organization. Working across municipal, provincial and federal governments, I have also secured major event hosting grants, including large, six -figure funding for recent World Championships.

My diverse background spans the sport ecosystem; from competing internationally as a high-performance athlete and managing programs for diverse agencies, to coaching and volunteering, and on through to creating and delivering Canada's largest pancreatic cancer fundraising event – an initiative I am tremendously proud of.

As the incumbent, I bring my day-to-day management skills that includes post-secondary education in Not-for-Profit Governance, supplemented with a Project Management Certificate.

I am committed to ensuring sport remains a powerful vehicle for social and health benefits. If re-elected, I will continue to advocate diligently for a resilient, transparent, and forward-looking Sport BC.

Consolidated Financial Statements of

SPORT BC

And Independent Practitioner's Review Engagement
Report thereon

Year ended March 31, 2026



KPMG LLP

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Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Sport BC

We have reviewed the accompanying consolidated financial statements of Sport BC, which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statement of operations and change in net assets and consolidated statement of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying consolidated financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of consolidated financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in the nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on the consolidated financial statements.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated financial statements do not present fairly, in all material respects, the financial position of Sport BC as at March 31, 2026, 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.

Chartered Professional Accountants

Vancouver, Canada
June XX, 2026

SPORT BC

Consolidated Statement of Financial Position

March 31, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,952,036	\$ 3,330,603
Restricted cash (note 3)	541,965	466,965
Accounts receivable (note 4)	784,557	509,535
Prepaid expenses	43,079	59,252
Investments, at fair value (note 5)	4,099,182	3,854,281
	<u>8,420,819</u>	<u>8,220,636</u>
Tangible capital assets (note 6)	13,148	16,205
	<u>\$ 8,433,967</u>	<u>\$ 8,236,841</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 1,029,458	\$ 802,944
Deferred contributions (note 8)	787,762	1,083,579
Deferred revenue (note 9)	15,000	-
Payroll services retainer (note 10)	319,023	341,023
	<u>2,151,243</u>	<u>2,227,546</u>
Net assets	6,282,724	6,009,295
Commitments (note 11)		
	<u>\$ 8,433,967</u>	<u>\$ 8,236,841</u>

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Judy Joseph-Black, Director

Allan Prazsky, Director

SPORT BC

Consolidated Statement of Operations and Change in Net Assets

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Corporate support, events and fundraising	\$ 1,690,283	\$ 1,344,533
Insurance revenue	1,387,403	1,366,178
Provincial funding (note 8)	1,077,396	849,119
Net investment income (note 5)	217,654	203,884
Fees for services and other	94,043	92,381
Membership fees	79,650	81,350
	<u>4,546,429</u>	<u>3,937,445</u>
Operating expenses:		
KidSport™ BC (note 8)	1,851,664	1,780,671
Insurance operations (notes 4, 6 and 12)	883,925	806,554
Fundraising and related	482,674	-
Financial services	368,602	370,086
Leadership and operations (note 6)	303,103	293,362
Marketing, communications, and events	281,770	298,882
Fundraising payouts to members	67,298	-
Kids in Sport/Whitecaps initiative (note 8)	-	100,000
Sport philanthropy (note 8)	62,145	59,250
Provincial Funding Initiative (note 8)	55,041	22,584
	<u>4,356,222</u>	<u>3,731,389</u>
Excess of revenue over expenses before the undernoted	190,207	206,056
Unrealized gain in fair value of investments	83,222	226,401
Excess of revenue over expenses	273,429	432,457
Net assets, beginning of year	6,009,295	5,576,838
Net assets, end of year	<u>\$ 6,282,724</u>	<u>\$ 6,009,295</u>

See accompanying notes to consolidated financial statements.

SPORT BC

Consolidated Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	\$ 273,429	\$ 432,457
Items not involving cash:		
Amortization of tangible capital assets	4,619	4,745
Unrealized gain on investments	(83,222)	(226,401)
	194,826	210,801
Changes in non-cash operating items:		
Restricted cash	(75,000)	(99,178)
Accounts receivable	(275,022)	(99,802)
Prepaid expenses	16,173	(22,221)
Accounts payable and accrued liabilities	226,514	113,683
Deferred contributions	(295,817)	(349,119)
Deferred revenue	15,000	-
Payroll services retainer	(22,000)	(7,500)
	(215,326)	(253,336)
Investing:		
Acquisition of investments	(188,272)	(115,098)
Disposal of investments	26,593	25,924
Acquisition of tangible capital assets	(1,562)	(6,455)
	(163,241)	(95,629)
Decrease in cash and cash equivalents	(378,567)	(348,965)
Cash and cash equivalents, beginning of year	3,330,603	3,679,568
Cash and cash equivalents, end of year	\$ 2,952,036	\$ 3,330,603

See accompanying notes to consolidated financial statements.

SPORT BC

Notes to Consolidated Financial Statements

Year ended March 31, 2026

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 (Canada), Sport BC is exempt from Canadian federal and provincial income taxes.

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

SBC Insurance Agencies Ltd. ("SBC") is a taxable for-profit insurance brokerage incorporated under the laws of British Columbia and is wholly owned by Sport BC. All after-tax earnings of SBC accrue to the benefit of Sport BC in support of amateur sport in British Columbia.

SBC offers a variety of insurance brokerage services and primarily focuses on sport organization and event coverages.

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. All intercompany transactions and balances have been eliminated.

(b) Cash and cash equivalents:

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

(c) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of business, except when the transaction is an exchange of a product or property held for sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(d) Tangible capital assets:

Tangible 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 tangible 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.

(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 tangible capital assets are deferred and recognized as revenue on the same basis as the tangible 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.

(g) Customer deposits:

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

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(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 estimated proportion of respective time Sport BC employees commit to the specific areas of operations. Indirect costs, such as occupancy costs, are allocated based on planned and actual usage.

(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. 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, 2026

3. Restricted cash:

Restricted cash is comprised of funds collected from clients and held by SBC in its trust and operating bank accounts for premiums payable, which are included in accounts payable and accrued liabilities (note 7).

4. Accounts receivable:

As at March 31, 2026, the balance of accounts receivable is net of an allowance for doubtful accounts of nil (2025 - nil).

Included in insurance operations expenses is bad debt expense of nil (2025 - nil).

5. Investments, at fair value:

As at March 31, 2026, Sport BC held \$4,099,182 in units of a balanced mutual fund measured at fair value (2025 - \$3,854,281). As at March 31, the fund's portfolio was invested in the following asset classes:

Amounts below are stated in percentages	2026	2025
Cash equivalents	4.3	6.1
Fixed income	34.9	33.2
Canadian equities	19.9	17.7
US equities	15.2	17.2
International equities	25.7	25.8
	100.0	100.0

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

	2026	2025
Interest	\$ 54,289	\$ 113,153
Mutual fund distributions	188,275	115,098
Investment counsel fees	(33,712)	(31,144)
Realized gains on disposal of fund units	8,802	6,777
	\$ 217,654	\$ 203,884

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

6. Tangible capital assets:

			2026	2025
	Cost	Accumulated amortization	Net book value	Net book value
Equipment and telephone	\$ 6,184	\$ 6,086	\$ 98	\$ 123
Computers and software	115,597	102,547	13,050	16,082
	\$ 121,781	\$ 108,633	\$ 13,148	\$ 16,205

Included in leadership and operations expenses is amortization of \$3,129 (2025 - \$3,078) and included in insurance operations is amortization of \$1,490 (2025 - \$1,667).

7. Accounts payable and accrued liabilities:

The balance of accounts payable and accrued liabilities as at March 31 is comprised of the following:

	2026	2025
Trade payables and accrued liabilities	\$ 485,466	\$ 327,539
Insurance premiums payable (note 3)	541,965	466,965
Government remittances payable (a)	2,027	8,440
	\$ 1,029,458	\$ 802,944

(a) Government remittances payable relates to income taxes and sales taxes.

8. Deferred contributions:

The balance of deferred contributions as at March 31 is comprised of the following:

	2026	2025
KidSport™ BC – Other restricted contributions (a)	\$ 381,579	\$ -
KidSport™ BC – Provincial grants (a)	-	560,210
Sport BC - Provincial initiative grant (b)	385,578	440,619
Sport BC – Sport philanthropy grant (c)	20,605	82,750
	\$ 787,762	\$ 1,083,579

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

8. Deferred contributions (continued):

- (a) KidSport™ BC is a licensed provincial chapter of KidSport™ BC Canada and operates as a division of Sport BC. KidSport™ BC receives funds through provincial grants, corporate sponsorships, and other fundraising activities, and provides grants for children ages 18 and under to participate in a sport season of their choice.

KidSport™ BC also provides administrative and program support to 39 community Kidsport™ chapters in British Columbia to aid them in their fundraising and granting activities. The information contained in these financial statements are with respect to the KidSport™ BC provincial chapter only and do not include amounts or balances related to any community KidSport™ BC chapters as Sport BC does not control these community KidSport™ chapters.

Funds received and receivable 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 change in net assets.

- (b) In April 2019, the Province of British Columbia (the “Province”) 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.
- (c) In April 2022, the Province granted Sport BC \$142,000 to expand programs related to sport philanthropy. Funds received not deployed have been deferred to future periods.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

8. Deferred contributions (continued):

(d) The changes in deferred contributions are as follows:

	2026	2025
Deferred contributions, beginning of year	\$ 1,083,579	\$ 1,432,698
Amounts received or receivable, Province of BC:		
KidSport™ BC - Provincial grants	400,000	500,000
Amounts received, other:		
KidSport™ BC - Other restricted contributions	1,249,450	1,071,808
Amounts recognized as revenue:		
KidSport™ BC - Provincial grants	(960,210)	(500,000)
KidSport™ BC - Other restricted contributions	(867,871)	(1,239,093)
Sport BC - Provincial initiative grant	(55,041)	(22,584)
Sport BC - Sport philanthropy grant	(62,145)	(59,250)
Sport BC - Kids In Sport/Whitecaps initiative	-	(100,000)
Deferred contributions, end of year	\$ 787,762	\$1,083,579

9. Deferred revenue:

As at March 31, 2026, the deferred revenue balance of \$15,000 (2025 – nil) relates to sponsorship revenue for an event scheduled for the fall of 2026.

10. Payroll services retainer:

Payroll services retainer relates to advanced payment for payroll processing services provided by clients. Balances are repaid when the client no longer requires payroll processing services from Sport BC.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

11. Commitments:

Operating leases:

Sport BC has an agreement with BC Pavilion Corporation to lease office space at 999 Canada Place in Vancouver, BC on a month-to-month basis. The landlord has agreed 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, as well as a three-year commitment for third-party information technology service provision expiring in 2028.

The annual future minimum payments under these agreements are as follows:

2027	\$	12,762
2028		5,730
	\$	18,492

12. Income tax expense:

Income tax expense of \$41,502 included in insurance operations expense (2025 - \$49,669) differs from the amount that would be computed by applying the applicable federal and provincial statutory rates of 11% on taxable income of up to \$500,000 and 27% thereafter (2025 – 27.0%) to the excess of revenues over expenses. The reasons for the difference are as follows:

	2026	2025
Excess of revenue over expenses after income tax	\$ 273,429	\$ 432,457
Income tax expense included in insurance operations	41,502	49,669
Excess of revenue over expenses before income tax	314,931	482,126
Income tax expense computed at statutory rates	\$ 34,642	\$ 53,034
Increased (decreased) by the tax effect of:		
SBC non-deductible expenses	103	203
SBC amortization	164	183
SBC capital cost allowance subject to tax	(123)	(139)
Net amounts not subject to tax in Sport BC	6,716	(3,612)
	\$ 41,502	\$ 49,669

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

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. 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. As at March 31, 2026, no amounts (2025 - nil) have been drawn against these credit facilities.

14. Employee remuneration and related party transactions:

For the year ended March 31, 2026, Sport BC paid total remuneration of \$753,727 (2025 - \$625,106) to seven (2025 - six) employees, each of whom earned total annual remuneration of \$75,000 or greater. There was no remuneration paid to members of the board of directors of Sport BC or SBC during the fiscal year.

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 its cash and cash equivalents, investments and accounts receivable. Cash and cash equivalents are entirely held at one Canadian chartered bank. Investments are entirely held with one custodian. 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 is performed by management and provided for.

(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.

(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 has been no change to the above risk exposures from the prior year.

SPORT BC

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2026

16. Comparative information:

Certain comparative information has been reclassified from those previously presented to conform to the presentation of the current year financial statements. There was no impact to total assets, total net assets, total revenue, or excess of revenue over expenses as a result of these reclassifications.