



# 2023/24 FINANCIAL REPORT



# 2023/24 YEAR IN REVIEW



STARS is a charitable, non-profit organization funded by our allies: visionary individuals, organizations, businesses, event partners and governments.

Since 1985, our success has been grounded in community partnerships and donations. We are committed to continuing those alliances and providing life-saving services well into the future, for your children, your grandchildren, and beyond.

Below you'll find a breakdown of our annual revenue.

## ////// HOW WE ARE FUNDED

Fiscal 2023-24 revenues of \$99,045 (amounts in 000's)<sup>1</sup>

**GOVERNMENT  
CONTRIBUTIONS**  
**\$38,302**

**DONATIONS &  
FUNDRAISING**  
**\$36,457**

**AB & SK LOTTERIES<sup>1,2</sup>**  
**\$14,437**


**INDUSTRY SERVICES  
REVENUE**  
**\$5,658**

**INVESTMENT & OTHER  
INCOME**  
**\$3,486**

**CALENDAR<sup>2</sup>**  
**\$705**

<sup>1</sup> Excludes prior year receipts of \$4,891 related to the fleet renewal and \$4,545 related to the 2022-23 lottery recognized in current year revenues

<sup>2</sup> Shown on a net basis

 The accompanying consolidated financial statements of STARS as at March 31, 2024 and all other financial and operating information contained in this Annual Financial Report are the responsibility of Management. The consolidated financial statements have been prepared in accordance with accounting policies detailed in the notes to the consolidated financial statements and in accordance with generally accepted accounting principles in Canada.

The organization's systems of internal controls have been designed and maintained to provide reasonable assurance that assets are properly safeguarded and that the financial records are sufficiently well maintained to provide relevant, timely and reliable information to Management. Management believes the systems of internal controls were operating effectively in the 2023-24 fiscal year.

Public Accountants, appointed by the Board of Directors, have independently examined the consolidated financial statements. The Audit and Finance Committee has reviewed these consolidated financial statements with Management and the Public Accountants.

The Board of Directors has approved these consolidated financial statements on the recommendation of the Audit and Finance Committee.

[Originally signed by Katherine Emberly]  
President and Chief Executive Officer  
STARS

[Originally signed by Linda Dalgetty, FCPA, FCA]  
Chief Financial Officer  
STARS

June 26, 2024



**YE** 20  
24

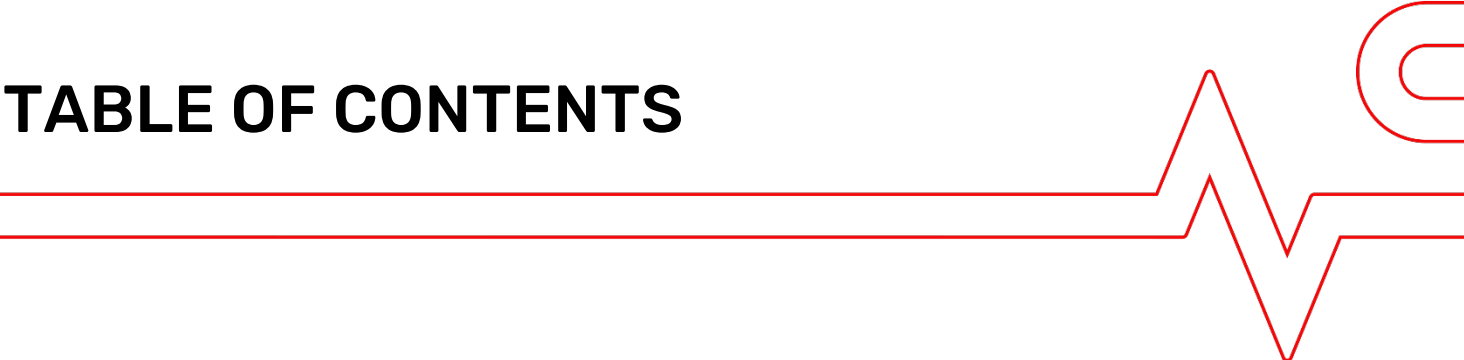
**CONSOLIDATED FINANCIAL  
STATEMENTS**

SHOCK TRAUMA AIR RESCUE SERVICE

March 31, 2024



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## Independent auditor's report

To the Board of Directors of Shock Trauma Air Rescue Service

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### Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Shock Trauma Air Rescue Service and its subsidiary (together, the Organization) as at March 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### What we have audited

The Organization's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2024;
- the consolidated statement of fundraising, operations and change in net assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

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### 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 consolidated financial statements* section of our report.

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

#### Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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.

In preparing the consolidated financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted 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 consolidated 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 consolidated 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 Organization'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 Organization'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 consolidated 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 Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Calgary, Alberta  
June 27, 2024

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended March 31, <i>(Canadian dollars in thousands)</i>	2024 \$	2023 \$
<b>Assets</b>		
<b>Current</b>		
Cash	63,131	45,345
Restricted cash - fleet contributions and grants <i>[note 11]</i>	—	23,599
Investments <i>[notes 7 and 11]</i>	3,232	2,750
Accounts receivable <i>[note 3]</i>	1,036	1,788
Deferred expenses <i>[note 15]</i>	1,259	6,237
Prepaid expenses	1,152	1,129
Risk management contracts <i>[note 20]</i>	—	1,377
Deposits <i>[note 4]</i>	160	—
Assets held for sale <i>[note 5]</i>	—	4,686
Inventory <i>[note 6]</i>	2,760	2,144
<b>Total current assets</b>	<b>72,730</b>	<b>89,055</b>
Deposits <i>[note 4]</i>	—	121
Investments <i>[note 7]</i>	14,453	13,370
Maintenance contracts <i>[note 8]</i>	8,047	5,092
Property and equipment <i>[note 9]</i>	120,682	126,532
	<b>215,912</b>	<b>234,170</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities <i>[note 10]</i>	7,908	9,160
Deferred revenue <i>[note 15]</i>	2,551	11,871
Current portion of long-term debt <i>[note 11]</i>	—	23,184
<b>Total current liabilities</b>	<b>10,459</b>	<b>44,215</b>
Deferred contributions <i>[note 12]</i>	86,985	12,019
Deferred fleet contributions and grants <i>[note 13]</i>	—	86,902
<b>Total liabilities</b>	<b>97,444</b>	<b>143,136</b>
Commitments and contingencies <i>[note 18 and 22]</i>		
<b>Net assets <i>[note 14]</i></b>		
Capital preservation fund	118,211	90,777
Endowment fund - externally restricted	257	257
<b>Total net assets</b>	<b>118,468</b>	<b>91,034</b>
	<b>215,912</b>	<b>234,170</b>

See accompanying notes to the consolidated financial statements

On behalf of the Board:

[Originally signed by Curtis Stange]  
Director – Board Co-chair

[Originally signed by Carla Madra ]  
Director – Audit & Finance Chair

## CONSOLIDATED STATEMENT OF FUNDRAISING, OPERATIONS & CHANGE IN NET ASSETS

Year ended March 31, <i>(Canadian dollars in thousands)</i>	2024 \$	2023 \$
<b>Fundraising activities</b>		
<b>Donations and fundraising</b>		
Gross revenue <i>[notes 12 and 13]</i>	36,457	29,190
Direct fundraising expenditures	(5,784)	(5,540)
	<b>30,673</b>	23,650
<b>Lottery <i>[note 15]</i></b>		
Gross revenue	42,940	32,725
Direct expenditures, including prizes	(23,958)	(18,558)
	<b>18,982</b>	14,167
<b>Calendar</b>		
Gross revenue	1,386	1,415
Direct expenditures	(681)	(700)
	<b>705</b>	715
<b>Total net fundraising revenue before other expenditures</b>	<b>50,360</b>	38,532
General fundraising and administrative expenditures	(2,479)	(2,375)
<b>Excess of revenue over expenditures from fundraising</b>	<b>47,881</b>	36,157
<b>Operating activities</b>		
<b>Operating revenue</b>		
Government contributions	38,302	37,196
Government fleet contributions - Federal and Provincial <i>[notes 12 and 13]</i>	4,891	4,969
Site registration recoveries	3,195	3,628
Fee for services <i>[note 16]</i>	2,463	3,121
	<b>48,851</b>	48,914
<b>Operating expenditures</b>		
Aviation operations <i>[note 6]</i>	32,936	32,126
Clinical operations	24,431	21,924
STARS Emergency Link Centre	4,842	4,735
Base operations and administration	11,037	9,648
Amortization <i>[note 9]</i>	10,369	10,224
	<b>83,615</b>	78,657
<b>Deficiency of revenue over expenditures from operations</b>	<b>(34,764)</b>	(29,743)
<b>Consolidated excess of revenue over expenditures before other items</b>	<b>13,117</b>	6,414
Investment and other income <i>[note 7]</i>	3,486	970
(Loss) gain on risk management contracts <i>[note 20]</i>	(203)	1,415
<b>Consolidated excess of revenue over expenditures before net gain on sale assets held for sale</b>	<b>16,400</b>	8,799
Accelerated amortization of deferred contributions on sale of assets held for sale	7,184	536
Gain on sale of assets held for sale	3,850	6,462
<b>Net gain on sale of assets held for sale <i>[note 5]</i></b>	<b>11,034</b>	6,998
<b>Consolidated excess of revenue over expenditures</b>	<b>27,434</b>	15,797
Net assets, beginning of year	91,034	75,237
<b>Net assets, end of year</b>	<b>118,468</b>	91,034

See accompanying notes to the consolidated financial statements

## CONSOLIDATED STATEMENT OF CASH FLOWS

March 31, 2024  
(Canadian dollars in thousands)

Year ended March 31, (Canadian dollars in thousands)	2024 \$	2023 \$
<b>Operating activities</b>		
Consolidated excess of revenue over expenditures	27,434	15,797
Add (deduct) items not affecting cash:		
Amortization of property and equipment [note 9]	10,369	10,224
Amortization of deferred contributions [note 12]	(8,362)	(1,132)
Accelerated amortization of deferred contributions on sale of assets held for sale [note 12]	(7,184)	(536)
Amortization of deferred fleet contributions and grants [note 13]	–	(5,660)
Unrealized (gain) loss on investments [note 7]	(965)	557
Unrealized gain on risk management contracts [note 20]	–	(381)
Realized loss on risk management contracts [note 20]	203	–
Gain on sale of assets held for sale [note 5]	(3,850)	(6,462)
	17,645	12,407
Net change in non-cash working capital items [note 17]	(8,436)	(908)
<b>Cash provided by operating activities</b>	<b>9,209</b>	<b>11,499</b>
<b>Financing activities</b>		
Proceeds from long-term debt [note 11]	–	8,200
Repayments of long-term debt [note 11]	(23,184)	(3,181)
Proceeds on settlement of risk management contracts [note 20]	1,174	–
Deferred contributions received [note 12]	3,610	995
Deferred fleet contributions and grants received [note 13]	–	5,757
<b>Cash (used in) provided by financing activities</b>	<b>(18,400)</b>	<b>11,771</b>
<b>Investing activities</b>		
Purchase of investments	(2,245)	(1,533)
Proceeds from sale of investments	1,645	944
Proceeds on sale of assets held for sale, net of selling costs of \$34 (2023 - \$409) [note 5]	8,536	11,384
Deposits, net of transfers to property and equipment [note 4]	(39)	2,862
Purchase of property and equipment [note 9]	(4,519)	(17,851)
<b>Cash provided by (used in) investing activities</b>	<b>3,378</b>	<b>(4,194)</b>
<b>Net (decrease) increase in cash and restricted cash</b>	<b>(5,813)</b>	<b>19,076</b>
Cash and restricted cash, beginning of year	68,944	49,868
<b>Cash, end of year</b>	<b>63,131</b>	<b>68,944</b>

See accompanying notes to the consolidated financial statements

March 31, 2024  
(Canadian dollars in thousands)

## 1. Nature of operations

These consolidated financial statements represent the consolidated financial position and operations of Shock Trauma Air Rescue Service ("Service") and Shock Trauma Air Rescue Service Foundation ("Foundation"). Collectively, these entities are referred to as "STARS" or the "Organization".

Service and Foundation are registered federally under the Canada Not-for-Profit Corporations Act. Through its right and ability as the sole member of Foundation to appoint the majority of Foundation's Board of Directors, Service controls Foundation. Service and Foundation are non-profit and non-taxable registered charities pursuant to Section 149 of the *Income Tax Act (Canada)*.

STARS works collaboratively with emergency services, the community, individuals, businesses, corporations, government, and regional health authorities to provide critical care, anywhere through partnership, innovation, and leadership. The current service area for STARS is the provinces of Alberta, Saskatchewan, Manitoba, and the eastern part of British Columbia, where it is a trusted critical care provider. STARS supports critically ill and injured patients by providing emergency medical communications and emergency medical transport by air, by ground or virtually, when needed. Education and research, fundraising and community partnerships are also significant pillars of the STARS program.

Commencing in 2018, STARS began a fleet renewal program that had two key parts:

- The purchase of Airbus H145 medically equipped helicopters, provision of initial training to pilots and aviation engineers on the new aircraft, and phase out and ultimate disposal of the legacy helicopters ("excess fleet") by Service; and
- The capital campaign to fundraise for the Fleet Renewal Program by the Foundation.

At March 31, 2023, all of the ten total Airbus H145 helicopters had been purchased. The capital campaign officially ended on March 31, 2022.

## 2. Significant accounting policies

### **Basis of presentation and consolidation**

These consolidated financial statements have been prepared in accordance with Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Accounting Handbook - Accounting Standards for Not-for-Profit Organizations. They include the financial results as at and for the year ended March 31, 2024, of Service and Foundation. Transactions and balances between the entities have been eliminated in arriving at the consolidated financial statements.

March 31, 2024  
(Canadian dollars in thousands)

## 2. Significant accounting policies (continued)

### Net assets

The Capital Preservation Fund (the "Fund") is comprised of unrestricted funds and exists to fund the management of current assets and liabilities of the Organization, and to fund the purchases of future capital expenditures. A portion of the Fund has already funded past purchases of helicopters, buildings, and equipment. Additionally, operating and fundraising surpluses and deficits are allocated to the Fund through resolutions of the Board of Directors.

The Fund also provides the Organization with the ability to have surplus cash on hand to enable sustainability of its operations and continue to deliver on STARS' mission, should future fundraising initiatives not be successful as in the past.

The Endowment Fund is an externally restricted fund where the principal assets are to be maintained in perpetuity. The earnings from these assets are to be expended in accordance with the objectives of the endowment agreements.

### Cash and restricted cash

Bank balances are presented under cash and restricted cash. Restricted cash is subject to internal or external restrictions that prevent its use for general operations and must be spent in accordance with the relevant restrictions applied by management, donors, or government bodies.

### Foreign currency translation

Foreign currency balances are translated into Canadian dollars as follows: monetary assets and liabilities at the rates of exchange prevailing at the consolidated statement of financial position date, non-monetary assets and liabilities at historical exchange rates and revenue and expenses at the approximate rate of exchange prevailing at the time of the transactions. Both realized and unrealized gains and losses resulting from the settlement or restatement of foreign currency transactions are included in the consolidated statement of fundraising, operations and change in net assets, other than those related to designated hedges.

### Inventory

Inventory is valued at the lower of cost or net realizable value, with cost determined on a specific item basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### Investments

Investments are recorded at fair value with realized and unrealized gains and losses and any impairment recognized in the consolidated statement of fundraising, operations and change in net assets. Investments maturing within one year of the consolidated statement of financial position are classified as current.

March 31, 2024  
*(Canadian dollars in thousands)*

## 2. Significant accounting policies (continued)

### Property and equipment

Property and equipment are recorded at cost less accumulated amortization and any provision for impairment. The cost of contributed property and equipment is considered to be fair value at the date of contribution. The cost of property and equipment made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components. Assets under capital lease are accounted for at cost, which corresponds to the present value of the minimum lease payments on recognition, less accumulated amortization.

Amortization of property and equipment and assets under capital lease is provided over the estimated useful life of the Organization's assets on a straight-line basis or using the variable charge method. Helicopters and related equipment are componentized into helicopter airframe and aviation equipment and engines. Expenditures incurred to get an asset ready for use are capitalized and amortized over the asset's useful life once they are operating in the manner intended by management. The cost of routine repairs and maintenance is charged to operating expenditures as incurred.

Asset type	Method	Useful life
Helicopter airframe and aviation equipment	Straight-line	3 to 20 years
Engines	Variable charge	12.5 years
Buildings	Straight-line	20 years
Medical equipment	Straight-line	2 to 5 years
Computer hardware and software	Straight-line	2 to 3 years
Other (leasehold improvements and office equipment)	Straight-line	Lesser of term of lease (where applicable) or 5 years

Engines are amortized using the variable charge method whereby amortization is calculated based on the actual flight hours incurred each fiscal year compared to an estimated 5,000 hours until an overhaul is completed, and the hours are reset to zero.

Property and equipment is classified as held for sale when management commits to a plan whereby the asset is available for immediate sale in its present condition, an active program to locate a buyer has been initiated, the sale is probable and expected to be recognized as a sale within one year, the asset is being actively marketed for sale at a price that is reasonable and it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Assets held for sale are measured at the lower of their carrying value and their fair value less selling costs and are no longer amortized.

March 31, 2024  
(Canadian dollars in thousands)

## 2. Significant accounting policies (continued)

### Maintenance and repairs

The Organization has long-term maintenance contracts (the “Contracts”) that cover both engines and covered parts for helicopter airframe and aviation equipment. The annual cost of these Contracts is based on a contractual hourly rate multiplied by the number of flight hours (subject to a minimum required hours). The provisions of the Contracts allow for the prepayment of engine overhauls and covered parts replacement which, when performed, will extend the life of the helicopters. An estimate of the proportion of the annual contractual hourly rate related to prepayment has been recorded as maintenance contracts on the consolidated statement of financial position. When engine overhauls or covered parts replacement occurs, the amount is transferred to the appropriate property and equipment category. The remainder of the amounts paid under the Contracts are expensed as incurred and included in aviation operations expenditures on the consolidated statement of fundraising, operations and change in net assets.

### Impairment

Property and equipment are reviewed for impairment when conditions indicate that a capital asset no longer contributes to STARS’ ability to provide critical care services, or when conditions indicate that the carrying value of the asset may no longer be recoverable. The Organization assesses impairment by comparing the carrying value of the asset against the undiscounted cash flows expected from the asset’s use and disposition. When a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset’s fair value or replacement cost. Any impairment losses are recognized as expenses in the consolidated statement of fundraising, operations and change in net assets and are not reversed if the fair value of the related asset subsequently increases.

### Financial instruments

The Organization initially records arm’s length financial instruments at fair value. Subsequently, the Organization measures financial instruments as follows:

- Investments in equity instruments that are quoted in an active market at fair value;
- All other financial assets, including cash, restricted cash, accounts receivable, deposits and maintenance contracts, at amortized cost;
- All other financial liabilities, including accounts payable and accrued liabilities and long-term debt, at amortized cost; and
- Risk management contracts, not designated as a hedge, at fair value.

Transaction costs incurred on the acquisition of financial instruments that are measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and are then amortized using the straight-line method.

March 31, 2024  
(Canadian dollars in thousands)

## 2. Significant accounting policies (continued)

### Long-term debt

Long-term debt is initially measured at fair value, net of transaction costs and financing fees. It is subsequently measured at amortized cost. Transaction costs and financing fees are amortized on a straight-line basis.

### Risk management contracts

The Organization uses financial derivative instruments to economically hedge the impact of foreign currency changes in anticipated transactions denominated in foreign currencies and to mitigate the effect of changes in variable interest rates on variable rate debt. Although management considers all risk management contracts to be economic hedges, none have been designated as effective hedges for accounting purposes.

Risk management contracts are initially measured at fair value with subsequent changes in fair value recognized as gains or losses on risk management contracts in the consolidated statement of fundraising, operations and change in net assets. The fair value of these derivative contracts is based on an estimate of the amounts that would be paid or received to settle these instruments at the consolidated statement of financial position date.

March 31, 2024  
*(Canadian dollars in thousands)*

## 2. Significant accounting policies (continued)

### Revenue recognition

Type of revenue	Revenue recognition policy
1) Donation contributions, including those received from government agencies.	Deferral method.
a) Restricted contributions	Recognized as revenue in the year in which the related expenses are incurred, unless related to property and equipment, in which case they are deferred and amortized to revenue in the same manner as the related asset.
b) Fleet contributions and grants	Fleet contributions and grants are externally restricted funds received from donors and government agencies that are to be used only for helicopter purchases and pilot and aviation engineer training. Fleet contributions and grants are deferred and amortized to revenue in the same manner as the related asset or expenditure.
c) Unrestricted contributions and government contributions	Recognized when received or receivable if the amount to be received can reasonably be estimated and collection is reasonably assured.
d) Endowment contributions	Recognized as an increase in net assets when received. Earnings from endowment assets are to be recognized in accordance with the objectives of the endowment agreements.
2) Revenue received in advance of the period to which it relates	Recorded as deferred revenue.
3) Site registration and other fees for service	Recognized as revenue when the service has been performed if the amount can be reasonably estimated and collection is reasonably assured.
4) Lottery revenue has two elements:	The two elements are determined based on:
a) Ticket revenue associated with a purchaser buying a ticket with the intended purpose of winning a prize	The stand-alone value of the ticket revenue component measured at fair value as compared to other similarly prize-based lotteries recognized at the time the prizes are drawn.

March 31, 2024  
*(Canadian dollars in thousands)*

## 2. Significant accounting policies (continued)

Type of revenue	Revenue recognition policy
b) Contribution revenue based on the ticket purchasers intended purpose to contribute to STARS mission	The contribution component comprised of the residual and recognized when received.
5) Calendar and merchandise revenue	Recognized at the time when calendars or merchandise are sold if the amount can be reasonably estimated, and collection is reasonably assured.
6) Fundraising event revenue	Initially deferred and recognized as revenue when the event occurs.
7) Realized interest, unrealized gains and losses on investments and investment revenue	Recognized in revenue as earned.
8) Donations of in-kind investments	Recorded at market value on the date of donation (excluding goods & services tax).

### Donations of services and materials

Donations in kind are recorded at fair market value only when fair market value can be reasonably estimated and when the donated materials or services would otherwise normally be purchased and paid for by the Organization. The value of donations in kind recorded in fiscal 2024 was \$982 (2023 – \$1,018). Volunteers contribute substantial donated time and services throughout the year to STARS; however, due to the difficulty of determining fair market value of these donated services, this value is not recorded in these consolidated financial statements.

### Expense recognition

Costs incurred for lottery and annual event marketing material not meeting the definition of an asset are expensed in the year incurred. All prize costs for the lottery and refundable fundraising deposits paid prior to the event are recorded as deferred expenses on the consolidated statement of financial position until the lottery draw is held, or the event occurs.

March 31, 2024  
(Canadian dollars in thousands)

## 2. Significant accounting policies (continued)

### Use of estimates

The preparation of the consolidated financial statements in conformity with Part III of the CPA Canada Accounting Handbook requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting periods. Management believes the most significant estimates and assumptions are associated with the valuation of accounts receivable, inventories, fair value of assets held for sale, fair value and useful life of property and equipment, estimate of prepayments related to maintenance contracts, fair value of investments and fair value of risk management contracts. If the underlying estimates and assumptions upon which the consolidated financial statements are based change in future periods, actual amounts may differ materially from those included in the accompanying consolidated financial statements.

Revisions to accounting estimates are recognized in the period in which the estimates are made and in any future years affected.

### Cloud computing arrangements

Effective March 1, 2023, the Organization early adopted the new Accounting Guideline AcG-20, *Customer's Accounting for Cloud Computing Arrangements*. This new guideline provides guidance on both accounting for a customer's expenditures in a cloud computing arrangement and determining whether a software intangible asset exists in the arrangement.

Under the new AcG-20, enterprises are provided with an optional simplification approach to expense the expenditures related to the elements in a cloud computing arrangement, as incurred. An accounting policy choice is also available to either capitalize directly attributable expenditures on implementation activities when the arrangement is a software service or expense such expenditures as incurred.

The Organization has chosen to apply the simplification approach to account for expenditures in cloud computing arrangements. Under this approach, the Organization recognizes the expenditures related to the elements in cloud computing arrangements as an expense as incurred. The Organization has also made an accounting policy choice to capitalize directly attributable expenditures on implementation activities when the arrangement is a software service.

For the year ended March 31, 2024, the Organization expensed \$230 (2023 - \$nil) for software services included in operating expenditures and capitalized \$451 (2023 - \$nil) in directly attributable expenditures on implementation activities related to software services.

March 31, 2024  
(Canadian dollars in thousands)

### 3. Accounts receivable

	2024 \$	2023 \$
Site registration recoveries	1,008	1,379
Out of province patients and other	98	617
Government remittances	224	331
	<b>1,330</b>	2,327
Less: Allowance for doubtful accounts	(294)	(539)
<b>Balance, end of year</b>	<b>1,036</b>	1,788

### 4. Deposits

Deposits relate to H145 helicopter purchases and upgrades and are included in the cost of the asset upon arrival of the helicopter or completion of the upgrade and final payment.

	2024 \$	2023 \$
Balance, beginning of year	121	2,983
Additions	329	4,043
Transfers to property and equipment	(290)	(6,905)
	<b>160</b>	121
Less: short-term deposits	(160)	—
<b>Long-term deposits</b>	<b>—</b>	121

### 5. Assets held for sale

	2024 \$	2023 \$
Balance, beginning of year	4,686	216
Transfers from property and equipment <i>[note 9]</i>	—	9,392
	<b>4,686</b>	9,608
Less: disposals	(4,686)	(4,922)
<b>Balance, end of year</b>	<b>—</b>	4,686

March 31, 2024  
(Canadian dollars in thousands)

## 5. Assets held for sale (continued)

In November 2021, the Organization committed to a plan to dispose of four BK117 helicopters with a carrying value of \$nil that were considered excess fleet. These helicopters were sold on May 25, 2022, for total proceeds of \$3,131, resulting in a gain on sale of assets held for sale of \$3,105, net of costs to sell. The remaining four BK117 helicopters with a carrying value of \$20 were identified as excess fleet and transferred from property and equipment in November 2022. Two of these BK117 helicopters with a carrying value of \$20 were sold on November 10, 2022, for total proceeds of \$2,037, resulting in a gain on sale of assets held for sale of \$2,017. On August 21, 2023, one BK117 helicopter, with a carrying value of \$nil, along with an additional engine from the last BK117 helicopter held for sale, with a carrying value of \$nil, were sold for total proceeds of \$1,659, resulting in a gain on sale of assets held for sale of \$1,656, net of costs to sell.

In November 2022, the Organization committed to a plan to dispose of two AW139 helicopters with a carrying value of \$9,372 that were considered excess fleet and transferred from property and equipment at that time. These helicopters were ready for immediate sale when transferred and one helicopter, with a carrying value of \$4,686, was sold on January 20, 2023, for total proceeds of \$6,371, resulting in a gain on sale of assets held for sale of \$1,302, net of costs to sell. Outstanding deferred contributions of \$536 associated with this helicopter were also recognized. On February 6, 2024, the last AW139 helicopter, with a carrying value of \$4,686, was sold for total proceeds of \$6,911 resulting in a gain on assets held for sale of \$2,194, net of costs to sell. Outstanding deferred contributions of \$7,184 associated with this helicopter were also recognized.

As part of the capital campaign to fundraise for the fleet renewal program that concluded on March 31, 2022, the Organization restored a classic car with a carrying value of \$216 that was sold for a selling price of \$254 on April 20, 2022, resulting in a gain on sale of assets held for sale of \$38.

The total gain on sale of assets held for sale of \$3,850 (2023 - \$6,462) and outstanding deferred contributions of \$7,184 (2023 - \$536) are included in the net gain on sale of assets held for sale in the consolidated statement of fundraising, operations and change in net assets for the years ended March 31, 2024 and 2023.

## 6. Inventory

	2024 \$	2023 \$
Helicopter parts	2,548	1,942
Calendar and merchandise inventory	212	202
<b>Balance, end of year</b>	<b>2,760</b>	2,144

The amount of inventories recognized in aviation operations expenditures on the consolidated statement of fundraising, operations and change in net assets during the year ended March 31, 2024 was \$697 (2023 - \$1,788), including \$nil (2023 - \$929) related to the impairment of excess fleet inventory.

March 31, 2024  
*(Canadian dollars in thousands)*

## 7. Investments

Most of the Organization's bond/fixed income and equity funds are professionally managed under pooled portfolio management service agreements. The Organization's Statement of Investment Beliefs ensures that the investment portfolio is managed with a primary emphasis on preservation and security of capital and a secondary emphasis on growth of that capital. The mix of investment assets at March 31 is as follows:

	2024 \$	2023 \$
<b>Classified as current assets</b>		
Cash and cash equivalents	3,232	2,750
	<b>3,232</b>	<b>2,750</b>
<b>Classified as non-current assets</b>		
Bonds/fixed income	6,979	6,427
Canadian equities	3,660	3,306
Global equities	3,814	3,637
	<b>14,453</b>	13,370

Included in cash and cash equivalents as at March 31, 2024 is a \$1,000 (March 31, 2023 - \$1,000) guaranteed income certificate that is pledged as collateral under the Organization's credit facilities (note 11).

Investment and other income on the consolidated statement of fundraising, operations and change in net assets for the year ended March 31 included:

	2024 \$	2023 \$
Investment income	2,502	1,465
Gain on sale of investments	19	62
Unrealized gain (loss) on investments	965	(557)
<b>Total investment and other income</b>	<b>3,486</b>	970

March 31, 2024  
(Canadian dollars in thousands)

## 8. Maintenance contracts

In fiscal 2020, Service entered into two Contracts for long-term maintenance related to engines and helicopter and aviation equipment. Both Contracts are for a term of ten years and provide for escalation of the contractual rate as defined in the Contract over that period.

	2024 \$	2023 \$
Balance, beginning of year	5,092	2,003
Additions	2,955	3,089
<b>Balance, end of year</b>	<b>8,047</b>	5,092

## 9. Property and equipment

	March 31, 2024			March 31, 2023
	Cost \$	Accumulated amortization \$	Net carrying value \$	Net carrying value \$
Helicopters & aviation equipment	106,738	17,432	89,306	93,338
Engines	34,816	9,432	25,384	27,102
Buildings	6,534	3,720	2,814	3,118
Medical equipment	7,635	6,603	1,032	1,233
Computer hardware and software	4,435	2,833	1,602	1,378
Other	5,913	5,369	544	363
	<b>166,071</b>	<b>45,389</b>	<b>120,682</b>	126,532

Included in property and equipment are assets under capital lease as follows:

	March 31, 2024			March 31, 2023
	Cost \$	Accumulated amortization \$	Net carrying value \$	Net carrying value \$
Buildings	4,876	2,845	2,031	2,276
	<b>4,876</b>	<b>2,845</b>	<b>2,031</b>	2,276

Property and equipment include \$2,887 of assets not yet in use at March 31, 2024 (March 31, 2023 - \$1,788) and, as such, are not subject to amortization.

March 31, 2024  
*(Canadian dollars in thousands)*

## 9. Property and equipment (continued)

Two AW139 helicopters with a carrying value of \$9,372, along with four BK117 helicopters with a carrying value of \$20 (total of \$9,392), were transferred to assets held for sale during fiscal 2023 as discussed in note 5.

## 10. Accounts payable and accrued liabilities

	2024 \$	2023 \$
Accounts payable and accrued liabilities	7,894	9,085
Government remittances owing	14	75
<b>Balance, end of year</b>	<b>7,908</b>	<b>9,160</b>

## 11. Long-term debt

	2024 \$	2023 \$
Syndicated credit facility	—	22,555
Revolving demand credit facility	—	629
Total long-term debt	—	23,184
Less: current portion	—	(22,555)
Demand credit facility	—	(629)
Long-term portion of long-term debt	—	—

### Syndicated credit facility

On March 28, 2019, the Organization entered into a non-revolving term syndicated credit facility (the "Syndicate") for the purchase of H145 helicopters. Individual helicopter loans were drawn under Canadian dollar bankers' acceptances which carried stamping fees of 140 basis points or as prime loans bearing interest at prime plus 40 basis points. The Syndicate had a term of five years, with individual loan amortization periods of 15 – 24 years, and quarterly repayments of \$429 (2023 – \$429) with the additional draw on the Syndicate of \$8,200 in fiscal 2023. The Syndicate was secured by the Organization's helicopter assets and intellectual property and had a maturity date of March 28, 2024. On May 1, 2023, the Organization repaid the full balance outstanding on the Syndicate of \$22,419 without penalty, utilizing restricted cash – fleet contributions and grants. STARS also settled the two interest rate swap contracts related to this debt as discussed in note 20.

March 31, 2024  
*(Canadian dollars in thousands)*

## 11. Long-term debt (continued)

### Demand credit facility

On March 19, 2019, the Organization entered into a \$1,000 credit facility (the "Facility") for ongoing general corporate purposes. The Facility is revolving, due on demand, can be drawn in increments of \$5 and bears interest at bank prime. The Organization drew on the Facility on March 31, 2022, in order to repay a term loan held at a different financial institution related to the Winnipeg hangar. Additionally, the Organization determined that monthly principal payments of \$3 (March 31, 2023 - \$3) would be made, based on the remaining amortization period of the term loan of 18 years at the time of the draw. On December 15, 2023, the Organization repaid the full balance outstanding of \$605 on the Facility.

The total amount outstanding on the Facility as at March 31, 2024 was \$nil (March 31, 2023 - \$629). A \$1,000 guaranteed investment certificated (included in investments - note 7) has been pledged as collateral for the Facility.

## 12. Deferred contributions

Contributions are deferred when a donor restricts the usage of their contribution to a specific purpose. Most deferred donations received by the Organization relate to amounts to be used for the purchase of helicopters, training for pilots and aviation engineers and medical equipment.

	2024 \$	2023 \$
Balance, beginning of year	12,019	12,692
Transfers from deferred fleet contributions and grants <i>[note 13]</i>	86,902	-
Restricted contributions received	3,610	995
Amortization of amounts related to operating expenditures	(1,426)	(507)
Accelerated amortization of deferred contributions on sale of assets held for sale <i>[note 5]</i>	(7,184)	(536)
Amortization of amounts related to government funded property and equipment	(4,891)	-
Amortization of amounts related to property and equipment	(2,045)	(625)
<b>Balance, end of year</b>	<b>86,985</b>	12,019

With the completion of the fleet renewal program in fiscal 2023, the deferred fleet contributions and grants balance of \$86,902 at March 31, 2023 was transferred to deferred contributions for presentation purposes. Amortization of amounts related to operating expenditures and property and equipment are included in gross donations and fundraising revenue on the consolidated statement of fundraising, operations and change in net assets.

March 31, 2024  
(Canadian dollars in thousands)

### 13. Deferred fleet contributions and grants

Fleet contributions and grants are deferred and restricted for the fleet renewal program – including helicopter purchases and pilot and aviation engineer training.

	2024 \$	2023 \$
Balance, beginning of year	86,902	86,805
Transfers to deferred contributions	(86,902)	–
Contributions received	–	5,757
Amortization of amounts related to operating expenditures	–	(391)
Amortization of amounts related to government funded property and equipment	–	(4,969)
Amortization of amounts related to property and equipment	–	(300)
<b>Balance, end of year</b>	<b>–</b>	<b>86,902</b>

The deferred fleet contributions and grants balance at March 31, 2023 of \$86,902 were transferred to deferred contributions for presentation purposes as discussed in note 12. Amortization of amounts related to operating expenditures and property and equipment are included in gross donations and fundraising revenue on the consolidated statement of fundraising, operations and change in net assets.

### 14. Net assets

#### Capital preservation fund

	2024 \$	2023 \$
Unrestricted	118,441	90,777
<b>Balance, end of year</b>	<b>118,441</b>	<b>90,777</b>

#### Endowment fund

	2024 \$	2023 \$
Medical physicians	20	20
Doctors on board	237	237
<b>Balance, end of year</b>	<b>257</b>	<b>257</b>

March 31, 2024  
(Canadian dollars in thousands)

## 15. Lottery revenue and expenses

### Alberta lottery

The following table summarizes the net lottery revenue recognized during the fiscal year and amounts deferred to the next fiscal year. This deferral is based on contribution margins for prize draws occurring in April. For fiscal 2024, STARS introduced a daily cash raffle prize of 40 cash prizes drawn from March 28, 2024 – April 30, 2024.

	2024 \$	2023 \$
Lottery close date	Mar 21, 2024	Mar 22, 2023
Main lottery prize draw date	Mar 28, 2024	Apr 5, 2023
Daily cash raffle prize draw dates	Mar 28 - Apr 30, 2024	Not applicable
Lottery revenue	32,434	21,763
Lottery expenses	(17,530)	(11,768)
<b>Net lottery revenue</b>	<b>14,904</b>	<b>9,995</b>

	2024 \$	2023 \$
Deferred ticket revenue [a]	1,500	11,432
Deferred expenses [b]	(750)	(6,137)
<b>Net revenue deferred to the next fiscal year</b>	<b>750</b>	<b>5,295</b>

The net revenue deferred of \$750 relates to the daily cash raffle and will be recorded in the fiscal year ending March 31, 2025 (\$5,295 in the fiscal year ended March 31, 2024, related to the main lottery).

[a] Deferred revenue	2024 \$	2023 \$
Deferred ticket revenue	1,500	11,432
Other deferred revenue	1,051	439
<b>Balance, end of year</b>	<b>2,551</b>	<b>11,871</b>

[b] Deferred expenses	2024 \$	2023 \$
Deferred lottery expenses	750	6,137
Other deferred expenses	509	100
<b>Balance, end of year</b>	<b>1,259</b>	<b>6,237</b>

March 31, 2024  
*(Canadian dollars in thousands)*

## 15. Lottery revenue and expenses (continued)

### Saskatchewan lottery

The Saskatchewan lottery begins and concludes within each fiscal year, thus there is no deferred revenue or expense associated with this lottery. Accordingly, the entire net contribution of \$4,078 was recognized during the year ended March 31, 2024 (2023 - \$4,172). This net contribution was comprised of \$10,506 in lottery revenue and \$6,428 in lottery expenses (2023 - \$10,962 in lottery revenue and \$6,790 in lottery expenses).

## 16. Fee for service

	2024 \$	2023 \$
Support and other services	2,404	2,751
Foreign currency (loss) gain	(68)	290
Human patient simulator	71	65
Other	56	15
	<b>2,463</b>	3,121

## 17. Net change in non-cash working capital items

	2024 \$	2023 \$
Accounts receivable	752	505
Deferred expenses	4,978	358
Prepaid expenses	(23)	103
Inventory	(616)	1,080
Maintenance contracts	(2,955)	(3,089)
Accounts payable and accrued liabilities	(1,252)	277
Deferred revenue	(9,320)	(142)
	<b>(8,436)</b>	(908)

March 31, 2024  
 (Canadian dollars in thousands)

## 18. Commitments and contingencies

### Commitments

The Organization is obligated to make payments under certain base and office space lease agreements. At March 31, 2024 the aggregate payments in the next five years and thereafter are set out in the table below:

	\$
2025	2,418
2026	2,139
2027	745
2028	352
2029	58
Thereafter	898
	6,610

### Contingent liabilities

STARS is party to certain legal actions resulting from its operations activities. These actions are routine litigation and administrative proceedings arising in the ordinary course of business, some of which are covered by liability insurance, and none of which are expected to have a material adverse effect on the consolidated financial position, results of fundraising and operations or cash flows of the Organization.

## 19. Financial risk management

The existence of financial instruments exposes the Organization to financial risks. The Organization's overall risk management program seeks to mitigate these risks and reduce volatility that may otherwise occur in its financial performance. Financial risk management is carried out by the Organization's finance group, under policies approved by the Board of Directors. STARS' policies for minimizing these risks are detailed below.

### Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Components of market risk to which the Organization is exposed are discussed below.

#### *Interest rate risk*

Interest rate risk refers to the risk that the fair value of a financial instrument or the future cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest-bearing financial liabilities (long-term debt and credit facilities) carried by the Organization. STARS manages interest rate risk by sourcing its borrowings from different sources providing short-term and long-term funding options, seeking to fix interest rates where practical through the use of interest rate swap derivative contracts and controlling the mix of liabilities with fixed and variable interest rate obligations.

March 31, 2024  
(Canadian dollars in thousands)

## 19. Financial risk management (continued)

### *Currency risk*

Currency risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in foreign currency exchange rates. The Organization enters into foreign currency purchase transactions and has liabilities that are denominated in foreign currencies and thus is exposed to the financial risks of earning fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. The Organization uses foreign currency forward derivative contracts from time to time to mitigate its foreign currency risk.

### **Price risk**

Price risk is the risk of a decline in the value of a security or portfolio. The Organization is subject to price risk on its investments for three primary reasons:

- Changing interest rates impact the market value of fixed rate investments such as bonds;
- Foreign exchange rates impact the market value of investments denominated in currencies other than the Canadian dollar; and
- General economic conditions affect the market value of the equity investments held by the Organization.

STARS manages this risk by using an investment manager for its long-term portfolio investments and by investing other funds in short term fixed rate products with high credit ratings in line with the Organization's Investment Policy.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable and maintenance contracts. STARS manages this risk by ensuring that it enters into business relationships with reputable, credit worthy organizations.

The Organization strives to mitigate risk of financial loss due to financial institution failure by maintaining cash balances in highly liquid investments or deposits in or with major Canadian financial institutions.

The Organization is also exposed to counterparty credit risk inherent in risk management contracts. In all contracts that the Organization may enter into, the counter party is a major Canadian financial institution, and the Organization assesses this risk as minimal.

March 31, 2024  
*(Canadian dollars in thousands)*

## 19. Financial risk management (continued)

### Liquidity risk

Liquidity risk includes the risk that:

- The Organization will not have sufficient funds to settle a transaction on the due date; and/or
- The Organization may be unable to settle or recover a financial asset.

To help mitigate these risks, STARS maintains cash and access to undrawn credit facilities, and adheres to its capital management policies discussed in note 21, and continually monitors forecasted cash flows and available credit under existing banking arrangements. Additionally, the Organization uses an investment manager to help alleviate the risk that the Organization would be required to sell a portion of its investment portfolio at a time that the market for these investments is unfavorable.

## 20. Risk management contracts

From time to time, the Organization uses financial derivative instruments to reduce its exposure to fluctuations in interest rates and foreign currencies. At March 31, 2024 there were no risk management contracts outstanding.

The following is a summary of all risk management contracts that were in place at March 31, 2023:

### Interest rate swap contracts

Interest rate swap contracts		
Term	Notional (\$CDN)	Fixed rate
April 2022 - Jan 2029	\$6,551	3.56%
April 2022 - Dec 2035	\$7,804	2.93%

In May 2023, in conjunction with repayment of the Syndicate as discussed in note 11, both interest rate swap contracts were settled for proceeds of \$1,174. As of March 31, 2024, the realized loss on risk management contracts related to these contracts was \$203 (2023 – gain of \$163) and the unrealized gain was \$nil (2023 – \$393).

The fair value associated with STARS' interest rate swap contracts at March 31, 2024 was an asset of \$nil (2023 – asset of \$1,377).

March 31, 2024  
*(Canadian dollars in thousands)*

## 20. Risk management contracts (continued)

### Foreign currency forward contracts

To mitigate foreign currency risk on deposit payments for the purchase of H145 aircraft and operating costs related to helicopter maintenance and pilot and aviation engineer training, the Organization utilizes foreign currency forward contracts as required. As at March 31, 2024 and 2023 there were no such contracts outstanding. For the year ended March 31, 2024, the realized gain on risk management contracts related to foreign currency forward contracts was \$nil (2023 – \$871) and the unrealized loss was \$nil (2023 – \$12)

At the consolidated statement of financial position date, the fair value of the risk management contracts were determined with reference to a quotation from a derivatives dealer which the Organization accepts as the fair value of these instruments.

## 21. Capital management

STARS' objective when managing its capital is to safeguard its assets and continue as a going concern to provide appropriate benefits and services to its beneficiaries and its stakeholders.

A portion of the Organization's capital is restricted, and the Organization must meet certain requirements to utilize externally restricted funds, as described in note 2. The Organization has internal control processes to ensure that the restrictions are met prior to the utilization of these funds and the Organization has been in compliance with these restrictions throughout the year.

## 22. Supplemental disclosures

### Commitments

As disclosed in note 18, the Organization is obligated to make payments under certain base and office space lease agreements. At March 31, 2024 the aggregate payments in the next five years and thereafter, by province, are set out in the table below:

	Alberta \$	Saskatchewan \$	Manitoba \$	Total \$
<b>Commitments</b>				
2024	1,537	823	58	<b>2,418</b>
2025	1,449	632	58	<b>2,139</b>
2026	680	7	58	<b>745</b>
2027	294	—	58	<b>352</b>
2028	—	—	58	<b>58</b>
Thereafter	—	—	898	<b>898</b>
	<b>3,960</b>	<b>1,462</b>	<b>1,188</b>	<b>6,610</b>

March 31, 2024  
(Canadian dollars in thousands)

## 22. Supplemental disclosures (continued)

### Other considerations

Beginning in the year ended March 31, 2014, in the province of Manitoba, the Organization committed to funding the deficiencies in fundraising activities from unrestricted cross provincial donations. During the years ended March 31, 2024 and 2023, the province of Manitoba did not have any such fundraising-related deficiencies which the Organization would have had to fund.

The Organization has also established individual bank accounts for each province to segregate fundraising and operations revenues and expenditures. On a monthly and/or quarterly basis, STARS reconciles revenues and expenditures for each province which results in an interprovincial receivable or payable. Cash transfers settle interprovincial receivable or payable accounts on a monthly and/or quarterly basis.

## 23. Related party transactions

Certain members of the STARS Board of Directors hold positions at organizations where the Organization has commercial activities in the ordinary course of business. As such, these organizations are related parties to STARS.

## 24. Comparative figures

Certain prior year figures have been reclassified when necessary to conform to the current year's presentation.

March 31, 2024  
(Canadian dollars in thousands)

## 25. Fundraising expenses and other

As required under Section 7(2) of the Charitable Fundraising Act Regulation of Alberta, the Saskatchewan Charitable Fund-raising Businesses Act, and the Manitoba Charities Endorsement, the Organization discloses the following additional information:

<b>Alberta Charitable Fundraising Act</b>	<b>2024</b> \$	<b>2023</b> \$
Gross contributions	<b>25,046</b>	23,171
Gross gaming proceeds	<b>32,233</b>	21,523
Soliciting contributions expense <b>[a]</b>	<b>5,558</b>	5,097
<b>[a]</b> Soliciting contributions expense includes:		
Fundraising expenses	<b>2,035</b>	1,999
Remuneration paid to employees	<b>2,997</b>	2,572
Third party fundraising expenses	<b>526</b>	526
<b>Saskatchewan Charitable Fundraising Businesses Act</b>	<b>2024</b> \$	<b>2023</b> \$
Gross contributions	<b>11,815</b>	10,126
Gross gaming proceeds	<b>10,535</b>	11,113
Soliciting contributions expense <b>[b]</b>	<b>2,816</b>	3,037
<b>[b]</b> Soliciting contributions expense includes:		
Fundraising expenses	<b>1,516</b>	1,822
Remuneration paid to employees	<b>1,031</b>	995
Third party fundraising expenses	<b>269</b>	220
<b>Manitoba Charities Endorsement</b>	<b>2024</b> \$	<b>2023</b> \$
Gross contributions	<b>2,308</b>	2,407
Gross gaming proceeds	–	3
Soliciting contributions expense <b>[c]</b>	<b>911</b>	951
<b>[c]</b> Soliciting contributions expense includes:		
Fundraising expenses	<b>403</b>	515
Remuneration paid to employees	<b>417</b>	388
Third party fundraising expenses	<b>91</b>	48

Gross contributions include capital campaign receipts. The gross gaming proceeds were realized from lottery sales and other gaming activities, both of which are governed by each province's gaming authority. The remuneration paid to employees includes those whose principal duties are fundraising.