

**CANADIAN CEREBRAL PALSY  
SPORTS ASSOCIATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2017**

**CONTENTS**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF CHANGES IN NET ASSETS	3
STATEMENT OF OPERATIONS	4
STATEMENT OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6
INDEPENDENT AUDITORS' COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION	9
SUPPLEMENTARY SCHEDULE - SPORT CANADA	10



**PARKER PRINS LEBANO**  
**Chartered Professional Accountants**  
Professional Corporation

**INDEPENDENT AUDITORS' REPORT**

To the Members of the:  
**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**

**Report on the Financial Statements**

We have audited the accompanying financial statements of the **CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**, which comprise the Statement Of Financial Position as at March 31, 2017, and the Statements Of Changes In Net Assets, Operations and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Basis for Qualified Opinion**

In common with many charitable organizations, the organization derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and net assets.

**Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the **CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION** as at March 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in cursive script, appearing to read 'Parker Prins LeBano'.

Parker Prins LeBano Chartered Professional Accountants Professional Corporation  
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario  
July 18, 2017

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 183,644	\$ 374,614
Accounts receivable	18,343	20,438
HST receivable	104,570	54,083
Prepaid expenses	<u>-</u>	<u>23,887</u>
	306,557	473,022
<b>CAPITAL ASSETS (note 3)</b>	6,601	6,299
<b>INTERNALLY RESTRICTED CASH (notes 8 and 9)</b>	<u>300,000</u>	<u>-</u>
	<u>\$ 613,158</u>	<u>\$ 479,321</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 58,370	\$ 18,509
Government remittances payable	<u>6,677</u>	<u>4,716</u>
	<u>65,047</u>	<u>23,225</u>
<b>NET ASSETS</b>		
<b>INVESTED IN CAPITAL ASSETS</b>	6,601	6,299
<b>UNRESTRICTED</b>	241,510	449,797
<b>TOKYO 2020 PARALYMPIC RESERVE (note 8)</b>	150,000	-
<b>CEREBRAL PALSY SPORTS PARTICIPATION RESERVE (note 9)</b>	<u>150,000</u>	<u>-</u>
	<u>548,111</u>	<u>456,096</u>
	<u>\$ 613,158</u>	<u>\$ 479,321</u>

Approved by the Board:



Director



Director

# CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2017

	Tokyo 2020 Paralympic Reserve	Cerebral Palsy Sports Participation Reserve	Invested in Capital Assets	Unrestricted	2017 Total	2016 Total
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ -	\$ -	\$ 6,299	\$ 449,797	\$ 456,096	\$ 362,125
Excess of revenue over expenditures	-	-	-	92,015	92,015	93,971
Transfers (notes 8 and 9)	150,000	150,000	-	(300,000)	-	-
Amortization	-	-	(2,276)	2,276	-	-
Purchase of capital assets	-	-	2,578	(2,578)	-	-
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 6,601</u>	<u>\$ 241,510</u>	<u>\$ 548,111</u>	<u>\$ 456,096</u>

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

---

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

---

	<u>2017</u>	<u>2016</u>
<b>REVENUE</b>		
Sport Canada (note 2)	\$ 549,000	\$ 551,000
Fundraising	776,056	720,838
Athlete assessments	14,100	18,169
Memberships	337	587
Other grants	5,490	4,300
Interest and sundry	<u>52,633</u>	<u>29,755</u>
	<u>1,397,616</u>	<u>1,324,649</u>
<b>EXPENDITURES</b>		
Governance and leadership (note 7)	270,103	213,752
Communication and marketing (note 7)	34,764	41,249
Boccia and cerebral palsy participation and development	102,794	78,632
Boccia high performance (note 7)	433,175	440,896
Funding and partnerships	<u>464,765</u>	<u>456,149</u>
	<u>1,305,601</u>	<u>1,230,678</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>\$ 92,015</u>	<u>\$ 93,971</u>

---

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

---

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 92,015	\$ 93,971
Items not affecting cash:		
Amortization	<u>2,276</u>	<u>2,700</u>
	94,291	96,671
Net changes in non-cash items related to operations:		
Accounts receivable	2,095	(15,648)
HST receivable	(50,487)	(13,540)
Prepaid expenses	23,887	15,372
Accounts payable and accrued liabilities	39,861	(64,466)
Government remittances payable	<u>1,961</u>	<u>1,628</u>
	111,608	20,017
<b>CASH FLOWS USED FOR INVESTING ACTIVITIES</b>		
Purchases of capital assets	<u>(2,578)</u>	<u>-</u>
<b>INCREASE IN CASH</b>	109,030	20,017
<b>CASH, BEGINNING OF YEAR</b>	<u>374,614</u>	<u>354,597</u>
<b>CASH, END OF YEAR</b>	<u><u>\$ 483,644</u></u>	<u><u>\$ 374,614</u></u>

---

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

---

**1. DESCRIPTION OF ACTIVITIES**

The Canadian Cerebral Palsy Sports Association (the "Association") is incorporated under the Canada Corporations Act and is a registered charitable organization as defined by the Income Tax Act of Canada. The Association is committed to ensuring treatment of athletes with cerebral palsy and other related disabilities, within a valid classification system through the facilitation of sport opportunities.

**2. SIGNIFICANT ACCOUNTING POLICIES**

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

**CAPITAL ASSETS**

Capital assets are recorded at cost and amortization is calculated at the rate of 30% per year on a declining balance basis. In the year of acquisition, one-half of the annual rate is applied.

**REVENUE RECOGNITION**

The Association follows the deferral method of recognizing revenue. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

**SPORT CANADA CONTRIBUTIONS**

Contributions received from Sport Canada are subject to specific terms and conditions regarding the expenditure of the funds. The Association's records are subject to audit by Sport Canada to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to Sport Canada. Adjustments to prior years' contributions are recorded in the year in which Sport Canada request the adjustment.

Contributions are accounted for on an accrual basis. Any portion of a contribution that has not been spent for the purpose it was intended is considered refundable to the Federal Government.

**USE OF ESTIMATES**

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

**FINANCIAL INSTRUMENTS**

Financial instruments are recognized at fair value.

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2017**

**3. CAPITAL ASSETS**

	<u>2017</u>		<u>2016</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Office equipment	\$ 50,839	\$ 46,468	\$ 4,371	\$ 3,113
Sports equipment	17,159	14,929	2,230	3,186
	<u>\$ 67,998</u>	<u>\$ 61,397</u>	<u>\$ 6,601</u>	<u>\$ 6,299</u>

**4. FINANCIAL INSTRUMENTS**

The Association's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities and government remittances payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

**5. CREDIT FACILITY**

The Association had a business line of credit that provided for bank overdrafts up to \$75,000. The credit balance was repayable on demand. Interest was charged at an annual rate of Bank Prime plus 2.5%. As of March 31, 2017 the balance outstanding on this facility was \$nil (2016 - \$nil). This line of credit was closed in May 2016.

**6. LEASE COMMITMENTS**

The Association is committed to operating leases for office facility. The minimum payment over the next four years are as follows:

2018	\$ 16,844
2019	23,786
2020	23,786
2021	13,875

**7. SALARIES AND BENEFITS**

Salaries and benefits are allocated as follows:

	<u>2017</u>	<u>2016</u>
Governance and leadership	\$ 155,072	\$ 75,145
Communication and marketing	6,428	5,889
Boccia high performance	<u>167,363</u>	<u>143,781</u>
	<u>\$ 328,863</u>	<u>\$ 224,815</u>



---

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2017**

---

**8. TOKYO 2020 PARALYMPIC RESERVE**

The Association's Board of Directors has established this fund for the purpose of segregating funds to be used for preparation of the Tokyo 2020 Paralympic team. Valid use of the funds could include, but not limited to, sport science services, coaching, competitions, training, equipment, and research and development.

The initial investment in the Tokyo 2020 Paralympic Reserve will be \$150,000. Any income generated by the fund will be kept within the fund and any expenses will require the Association's Board of Directors approval. Transferring of money from the fund to another Association account will require the Association's Board of Directors approval. Annually, the Association's Board of Directors will review activities in the fund and determine if the fund is meeting its intended purpose. Closing the fund will require the Association's Board of Directors approval.

**9. CEREBRAL PALSY SPORTS PARTICIPATION RESERVE**

The Association's Board of Directors has established this fund for the purpose of segregating funds to be used as per the Association's stated mission of "...increase the participation of Canadians with cerebral palsy and related disabilities in sports and physical activity...". Valid use of the funds could include, but not limited to, programming, partnerships, marketing and communications, and research projects.

The initial investment in the Cerebral Palsy Sports Participation Reserve will be \$150,000. Any income generated by the fund will be kept within the fund and any expenses will require the Association's Board of Directors approval. Transferring of money from the fund to another Association account will require the Association's Board of Directors approval. Annually, the Association's Board of Directors will review activities in the fund and determine if the fund is meeting its intended purpose. Closing the fund will require the Association's Board of Directors approval.

**10. COMPARATIVE FIGURES**

Certain comparative figures may have been reclassified in order to conform with the current year financial statement presentation.



**PARKER PRINS LEBANO**  
**Chartered Professional Accountants**  
Professional Corporation

**INDEPENDENT AUDITORS' COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION**

To the Members of the:  
**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**

The audited financial statements of the **CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION** as at March 31, 2017 and our report thereon, dated July 18, 2017, are presented in the preceding section of these financial statements. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the financial statements and, in our opinion, it is fairly presented in all material respects in relation to the financial statements taken as whole.

A handwritten signature in black ink, appearing to read 'Parker Prins Lebano', is written in a cursive style.

Parker Prins Lebano Chartered Professional Accountants Professional Corporation  
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario  
July 18, 2017

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**SUPPLEMENTARY SCHEDULE - SPORT CANADA**  
**MARCH 31, 2017**

	Athletes with a disability		
	Sport Development	Enhanced Excellence	Total
<b>FUNDING</b>			
General administration	\$ 25,500	\$ -	\$ 25,500
Governance	11,250	-	11,250
Salaries, fees and benefits	86,625	-	86,625
Coaching salaries and professional development	93,625	44,500	138,125
National team program	20,000	235,500	255,500
Official languages	10,000	-	10,000
Operations and programming	22,000	-	22,000
	<u>269,000</u>	<u>280,000</u>	<u>549,000</u>
<b>EXPENDITURES</b>			
General administration	84,943	-	84,943
Governance	30,392	-	30,392
Salaries, fees and benefits	181,197	-	181,197
Coaching salaries and professional development	95,000	60,615	155,615
National team program	22,000	237,008	259,008
Official languages	25,326	-	25,326
Operations and programming	102,793	-	102,793
	<u>\$ 541,651</u>	<u>\$ 297,623</u>	<u>\$ 839,274</u>