

CANADIAN CEREBRAL PALSY  
SPORTS ASSOCIATION

FINANCIAL STATEMENTS

MARCH 31, 2016

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	8
SUPPLEMENTARY SCHEDULE - SPORT CANADA	9



**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, 2016, 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, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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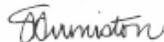
Parker Prins Lebano Chartered Professional Accountants Professional Corporation  
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario  
September 26, 2016

**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 374,614	\$ 354,597
Accounts receivable	20,438	4,790
HST receivable	54,083	40,543
Prepaid expenses	<u>23,887</u>	<u>39,259</u>
	473,022	439,189
<b>CAPITAL ASSETS (note 3)</b>	<u>6,299</u>	<u>8,999</u>
	<u>\$ 479,321</u>	<u>\$ 448,188</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 18,509	\$ 82,975
Government remittances payable	<u>4,716</u>	<u>3,088</u>
	<u>23,225</u>	<u>86,063</u>
<b>NET ASSETS</b>		
<b>INVESTED IN CAPITAL ASSETS</b>	6,299	8,999
<b>UNRESTRICTED</b>	<u>449,797</u>	<u>353,126</u>
	<u>456,096</u>	<u>362,125</u>
	<u>\$ 479,321</u>	<u>\$ 448,188</u>

Approved by the Board:



Director



Director

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**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2016**

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	Invested in Capital Assets	Unrestricted	2016 Total	2015 Total
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 8,999	\$ 353,126	\$ 362,125	\$ 235,701
Excess of revenue over expenditures	-	93,971	93,971	126,424
Amortization	<u>(2,700)</u>	<u>2,700</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 6,299</u>	<u>\$ 449,797</u>	<u>\$ 456,096</u>	<u>\$ 362,125</u>

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**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2016**

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	<u>2016</u>	<u>2015</u>
<b>REVENUE</b>		
Sport Canada (note 2)	\$ 551,000	\$ 518,000
Fundraising	720,838	639,808
Athlete assessments	18,169	21,905
Memberships	587	1,314
Other grants	4,300	4,568
Interest and sundry	7,339	13,514
Other income	22,416	37,939
	<u>1,324,649</u>	<u>1,237,048</u>
<b>EXPENDITURES</b>		
Administration (note 7)	177,968	154,964
Board meetings	33,784	13,250
Fundraising costs	456,149	363,621
Sports technical (note 7)	562,777	578,789
	<u>1,230,678</u>	<u>1,110,624</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>\$ 93,971</u>	<u>\$ 126,424</u>

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**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2016**

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	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 93,971	\$ 126,424
Items not affecting cash:		
Amortization	<u>2,700</u>	<u>3,856</u>
	96,671	130,280
Net changes in non-cash items related to operations:		
Accounts receivable	(15,648)	5,433
HST receivable	(13,540)	6,818
Prepaid expenses	15,372	(28,261)
Accounts payable and accrued liabilities	(64,466)	(22,543)
Government remittances payable	<u>1,628</u>	<u>(6,347)</u>
	<u>20,017</u>	<u>85,380</u>
<b>INCREASE IN CASH</b>	20,017	85,380
<b>CASH, BEGINNING OF YEAR</b>	<u>354,597</u>	<u>269,217</u>
<b>CASH, END OF YEAR</b>	<u>\$ 374,614</u>	<u>\$ 354,597</u>

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**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2016**

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**1. DESCRIPTION OF ACTIVITIES**

The Canadian Cerebral Palsy Sports 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.

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# CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

MARCH 31, 2016

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### 3. CAPITAL ASSETS

	2016		2015	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment	\$ 48,261	\$ 45,148	\$ 3,113	\$ 4,448
Sports equipment	17,159	13,973	3,186	4,551
	<u>\$ 65,420</u>	<u>\$ 59,121</u>	<u>\$ 6,299</u>	<u>\$ 8,999</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, 2016 the balance outstanding on this facility was \$nil (2015 - \$nil). This line of credit was closed in May 2016.

### 6. LEASE COMMITMENTS

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

2017	\$ 16,639
2018	6,933

### 7. SALARIES AND BENEFITS

Salaries and benefits are allocated as follows:

	2016	2015
Administration	\$ 71,182	\$ 88,220
Sports technical	118,758	126,752
	<u>\$ 189,940</u>	<u>\$ 214,972</u>

### 8. 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, 2016 and our report thereon, dated September 26, 2016, 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'.

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

Ottawa, Ontario  
September 26, 2016

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**CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION**  
**SUPPLEMENTARY SCHEDULE - SPORT CANADA**  
**MARCH 31, 2016**

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	Athletes with a disability		
	Sport	Enhanced	
	<u>Development</u>	<u>Excellence</u>	<u>Total</u>
<b>FUNDING</b>			
General administration	\$ 32,500	\$ 5,000	\$ 37,500
Governance	11,250	-	11,250
Salaries, fees and benefits	87,250	-	87,250
Coaching salaries and professional development	97,000	28,000	125,000
National team program	20,000	237,000	257,000
Official languages	10,000	-	10,000
Operations and programming	11,000	-	11,000
Long term athlete development (above core)	12,000	-	12,000
	<u>281,000</u>	<u>270,000</u>	<u>551,000</u>
<b>EXPENDITURES</b>			
General administration	90,000	22,065	112,065
Governance	35,486	-	35,486
Salaries, fees and benefits	93,827	-	93,827
Coaching salaries and professional development	30,000	130,726	160,726
National team program	40,000	239,564	279,564
Official languages	13,728	-	13,728
Operations and programming	66,179	-	66,179
Long term athlete development (above core)	7,794	-	7,794
	<u>\$ 377,014</u>	<u>\$ 392,355</u>	<u>\$ 769,369</u>