

**CANADIAN CEREBRAL PALSY
SPORTS ASSOCIATION**

FINANCIAL STATEMENTS

MARCH 31, 2018

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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, 2018, 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, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

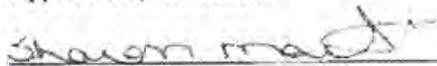
Parker Prins Lebano Chartered Professional Accountants Professional Corporation
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario
June 27, 2018

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash	\$ 164,604	\$ 183,644
Accounts receivable	9,280	18,343
HST receivable	51,922	104,570
Prepaid expenses	<u>80,127</u>	<u>-</u>
	305,933	306,557
CAPITAL ASSETS (note 3)	5,629	6,601
INTERNALLY RESTRICTED FUNDS (notes 7 and 8)	<u>300,675</u>	<u>300,000</u>
	<u>\$ 612,237</u>	<u>\$ 613,158</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 22,915	\$ 58,370
Government remittances payable	<u>6,724</u>	<u>6,677</u>
	<u>29,639</u>	<u>65,047</u>
NET ASSETS		
INVESTED IN CAPITAL ASSETS	5,629	6,601
UNRESTRICTED	276,294	241,510
TOKYO 2020 PARALYMPIC RESERVE (note 7)	150,000	150,000
CEREBRAL PALSY SPORTS PARTICIPATION RESERVE (note 8)	<u>150,675</u>	<u>150,000</u>
	<u>582,598</u>	<u>548,111</u>
	<u>\$ 612,237</u>	<u>\$ 613,158</u>

Approved by the Board:



Director



Director

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2018

	Tokyo 2020 Paralympic Reserve	Cerebral Palsy Sports Participation Reserve	Invested in Capital Assets	Unrestricted	2018 Total	2017 Total
NET ASSETS, BEGINNING OF YEAR	\$ 150,000	\$ 150,000	\$ 6,601	\$ 241,510	\$ 548,111	\$ 456,096
Excess of revenue over expenditures	-	675	-	33,812	34,487	92,015
Amortization	-	-	(2,158)	2,158	-	-
Purchase of capital assets	-	-	1,186	(1,186)	-	-
NET ASSETS, END OF YEAR	<u>\$ 150,000</u>	<u>\$ 150,675</u>	<u>\$ 5,629</u>	<u>\$ 276,294</u>	<u>\$ 582,598</u>	<u>\$ 548,111</u>

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Sport Canada (note 2)	\$ 541,000	\$ 549,000
Fundraising	833,634	776,056
Athlete assessments	19,200	14,100
Memberships	624	337
Other grants	31,210	5,490
Interest and sundry	<u>37,288</u>	<u>52,633</u>
	<u>1,462,956</u>	<u>1,397,616</u>
EXPENDITURES		
Governance and leadership (note 6)	265,108	270,103
Communication and marketing (note 6)	11,982	34,764
Boccia and cerebral palsy participation and development	69,285	102,794
Boccia high performance (note 6)	565,944	433,175
Funding and partnerships	<u>516,150</u>	<u>464,765</u>
	<u>1,428,469</u>	<u>1,305,601</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 34,487</u>	<u>\$ 92,015</u>

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
CASH FLOWS (USED FOR) FROM OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 34,487	\$ 92,015
Items not affecting cash:		
Amortization	2,158	2,276
	36,645	94,291
Net changes in non-cash items related to operations:		
Accounts receivable	9,063	2,095
HST receivable	52,648	(50,487)
Prepaid expenses	(80,127)	23,887
Accounts payable and accrued liabilities	(35,455)	39,861
Government remittances payable	47	1,961
	(17,179)	111,608
CASH FLOWS USED FOR INVESTING ACTIVITIES		
Purchases of capital assets	(1,186)	(2,578)
(DECREASE) INCREASE IN CASH	(18,365)	109,030
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	483,644	374,614
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 465,279	\$ 483,644
Cash and cash equivalents consist of:		
Cash	\$ 164,604	\$ 183,644
Internally restricted funds (notes 7 and 8)	300,675	300,000
	\$ 465,279	\$ 483,644

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2018

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 collaborates with partners to increase the participation of Canadians with cerebral palsy and related disabilities in sport and physical activity, while leading, developing and growing boccia from grassroots, to producing World and Paralympic Champions.

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, 2018

3. CAPITAL ASSETS

	2018			2017
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment	\$ 52,025	\$ 47,958	\$ 4,067	\$ 4,371
Sports equipment	17,159	15,597	1,562	2,230
	<u>\$ 69,184</u>	<u>\$ 63,555</u>	<u>\$ 5,629</u>	<u>\$ 6,601</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. LEASE COMMITMENTS

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

2019	\$ 24,384
2020	24,384
2021	14,224

6. SALARIES AND BENEFITS

Salaries and benefits are allocated as follows:

	2018	2017
Governance and leadership	\$ 164,590	\$ 155,072
Communication and marketing	5,111	6,428
Boccia high performance	<u>175,003</u>	<u>167,363</u>
	<u>\$ 344,704</u>	<u>\$ 328,863</u>

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

7. 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 was \$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.

As at March 31, 2018 the fund balance consisted of a Guaranteed Investment Certificate (GIC) of \$150,000 (2017 - Cash of \$150,000) bearing an annual interest rate of 0.40% and maturing in May 2018.

8. 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 "...increasing 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 was \$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.

As at March 31, 2018 the fund balance consisted of a Guaranteed Investment Certificate (GIC) of \$150,675 (2017 - Cash of \$150,000) bearing an annual interest rate of 0.95% and maturing in June 2018.



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, 2018 and our report thereon, dated June 27, 2018, 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.

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

Ottawa, Ontario
June 27, 2018

CANADIAN CEREBRAL PALSY SPORTS ASSOCIATION
SUPPLEMENTARY SCHEDULE - SPORT CANADA
MARCH 31, 2018

	<u>Athletes with a disability</u>			<u>Total</u>
	<u>Sport Development</u>	<u>Enhanced Excellence</u>	<u>Next Generation</u>	
FUNDING				
General administration	\$ 27,000	\$ -	\$ -	\$ 27,000
Governance	1,500	-	-	1,500
Salaries, fees and benefits	71,500	-	-	71,500
Coaching salaries and professional development	47,000	71,000	-	118,000
National team program	63,000	176,000	25,000	264,000
Official languages	10,000	-	-	10,000
Operations and programming	49,000	-	-	49,000
	<u>269,000</u>	<u>247,000</u>	<u>25,000</u>	<u>541,000</u>
EXPENDITURES				
General administration	65,025	-	-	65,025
Governance	12,147	-	-	12,147
Salaries, fees and benefits	222,821	-	-	222,821
Coaching salaries and professional development	47,000	100,558	-	147,558
National team program	63,000	278,372	36,665	378,037
Official languages	15,560	-	-	15,560
Operations and programming	69,285	-	-	69,285
	<u>\$ 494,838</u>	<u>\$ 378,930</u>	<u>\$ 36,665</u>	<u>\$ 910,433</u>