

Financial statements of

**Paralympic Foundation of Canada**

March 31, 2016

# Paralympic Foundation of Canada

March 31, 2016

## Table of contents

Independent Auditor’s Report ..... 1-2

Statement of financial position ..... 3

Statement of revenue and expenses ..... 4

Statement of changes in fund balances ..... 5

Statement of cash flows ..... 6

Notes to the financial statements ..... 7-9

## Independent Auditor's Report

To the Members of  
Paralympic Foundation of Canada

We have audited the accompanying financial statements of Paralympic Foundation of Canada (the "Foundation"), which comprise the statement of financial position as at March 31, 2016, and the statements of revenue and expenses, changes in fund balances 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.

### Auditor's 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 judgement, 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 entity'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 entity'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 audit opinion.

## **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2016, 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.

## **Comparative Information**

The statements of financial position as at March 31, 2015, and the statement revenue and expenses, statement of changes in fund balances and statement of cash flows for the year ended March 31, 2015 and for the 40-day period ended March 31, 2015, are unaudited.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants

September 2, 2016

# Paralympic Foundation of Canada

## Statement of financial position as at March 31, 2016

	2016	2015
		(Unaudited)
	\$	\$
<b>Assets</b>		
Current assets		
Cash	81,949	-
Accounts receivable	25,549	-
	<b>107,498</b>	-
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	8,873	-
<b>Fund balances</b>		
Unrestricted - General Admin Fund	13,371	-
Externally restricted - Circle of Champions Fund	53,317	-
Externally restricted - Fall Campaign Fund	31,937	-
	<b>107,498</b>	-

On behalf of the Board



Director



Director

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

# Paralympic Foundation of Canada

## Statement of revenue and expenses year ended March 31, 2016

	General Admin Fund	Circle of Champions Fund	Fall Campaign Fund	March 31, 2016	February 19 to March 31, 2015 (40 days) (Unaudited)
	\$	\$	\$	\$	\$
<b>Revenue</b>					
General donations	15,118	-	-	15,118	-
Circle of Champions	-	53,317	-	53,317	-
Fall Campaign	-	-	31,937	31,937	-
Grants	7,000	-	-	7,000	-
Third party events	197	-	-	197	-
	<b>22,315</b>	<b>53,317</b>	<b>31,937</b>	<b>107,569</b>	-
<b>Expenses</b>					
Administration	1,944	-	-	1,944	-
Grants	7,000	-	-	7,000	-
	<b>8,944</b>	-	-	<b>8,944</b>	-
<b>Excess of revenue over expenses</b>	<b>13,371</b>	<b>53,317</b>	<b>31,937</b>	<b>98,625</b>	-

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

# Paralympic Foundation of Canada

Statement of changes in fund balances  
year ended March 31, 2016

	General Admin Fund Unrestricted	Circle of Champions Fund Externally restricted	Fall Campaign Fund Externally restricted	Total	
	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	-	-	-	-	-
Excess of revenue over expenses	13,371	53,317	31,937	98,625	-
<b>Balance, end of year</b>	<b>13,371</b>	<b>53,317</b>	<b>31,937</b>	<b>98,625</b>	-

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

# Paralympic Foundation of Canada

## Statement of cash flows year ended March 31, 2016

	<b>March 31, 2016</b>	February 19 to March 31, 2015 (40 days) (Unaudited)
	\$	\$
<b>Operating activities</b>		
Excess of revenue over expenses	<b>98,625</b>	-
Changes in non-cash operating working capital items (Note 4)	<b>(16,676)</b>	-
	<b>81,949</b>	-
Net cash inflow	<b>81,949</b>	-
Cash, beginning of year	-	-
<b>Cash, end of year</b>	<b>81,949</b>	-

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



# Paralympic Foundation of Canada

## Notes to the financial statements

March 31, 2016

---

### 1. Organization

Paralympic Foundation of Canada (the "Foundation") was established to help ensure that the programs, equipment and people are in place to propel more Canadians with a disability all the way from the playground to the Paralympic podium. The Foundation raises funds to solely support the programs and activities of the Canadian Paralympic Committee.

The Foundation was incorporated under the Canada Corporations Act on February 19, 2015, without share capital. The Foundation is a public foundation registered under the Income Tax Act (Canada) effective June 12, 2015 and as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### *Fund accounting*

The accounts of the Foundation are maintained in accordance with the principles of fund accounting. Resources received and expended are classified for accounting and reporting purposes into funds according to objectives specified externally by donors or internally by the Board.

#### (i) *General Admin Fund*

The General Admin Fund accounts for all the Foundation's programs and administrative activities that relate to undesignated funds.

#### (ii) *Circle of Champions Fund*

The Circle of Champions Fund was established to support targeted initiatives including coaching, training and innovation and equipment.

#### (iii) *Fall Campaign Fund*

The Fall Campaign Fund was established to support targeted community-level initiatives including Parasport Jumpstart Fund, Paralympic Schools Week, FUNdamentals Physical Literacy Resources, Changing Minds, Changing Lives and Find a Sport / Activity / Club online resource.

#### *Revenue recognition*

- (i) The Foundation follows the restricted fund method of accounting, wherein contributions related to general operations are recognized as revenue of the General Admin Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All other restricted contributions are recognized as revenue of the appropriate restricted fund. Restricted contributions, for which the Foundation has no corresponding restricted fund, are deferred and recognized as revenue in the General Admin Fund in the year in which the related expenses are incurred.
- (ii) Donations are recognized as received. Donated services and materials which would normally be purchased by the Foundation are accounted for at their estimated fair values. Pledges are not recorded until collected.

#### *Financial instruments*

The Foundation initially measures its financial assets and liabilities at fair value. The Foundation subsequently measures all its financial assets and liabilities at amortized cost, except for cash which is measured at fair value.

#### *Donations in-kind*

Donations of materials and services are not recorded in the financial statements.

# Paralympic Foundation of Canada

## Notes to the financial statements

March 31, 2016

---

### 2. Significant accounting policies (continued)

#### *Use of estimates*

The preparation of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Major estimates and assumptions made by management include the collectibility of amounts receivable and in establishing the amount of accrued liabilities. Actual results could differ from these estimates.

### 3. Capital management

The Foundation's objectives in managing capital are:

- a) to ensure that sufficient financial resources are in place to deliver on priorities set by the Board of Directors during its strategic plan review;
- b) to safeguard the Foundation's ability to continue as a charitable organization and meet the objectives of the different funds;
- c) to invest funds in financial instruments in accordance with its Investment Policy; and
- d) to manage donations with external restrictions that specifies conditions for use of financial resources.

Capital consists of the General Admin Fund, the Circle of Champions Fund and the Fall Campaign Fund fund balances. There have been no changes to the Foundation's capital requirements and its overall strategy for capital remains unchanged since the preceding period. The Foundation has complied with requirements respecting restricted donations.

The Foundation monitors its capital by reviewing various financial metrics, including cash flow variances to forecasts and budgets.

### 4. Changes in non-cash operating working capital items

	<b>March 31, 2016</b>	February 19 to March 31, 2015 (40 days) (Unaudited)
	\$	\$
Accounts receivable	<b>(25,549)</b>	-
Accounts payable and accrued liabilities	<b>8,873</b>	-
	<b>(16,676)</b>	-

### 5. Related party transactions

The Canadian Paralympic Committee (the "Committee"), a separate not-for-profit organization, is responsible for all aspects of Canada's involvement in the Paralympic movement, including the Summer and Winter Games. The Committee is related to the Foundation by virtue of representation on the Foundation's Board. The Committee does not have control over the Foundation and, consequently, the net assets and results of operations are not included in the Committee's financial statements.

# Paralympic Foundation of Canada

Notes to the financial statements

March 31, 2016

---

## 5. Related party transactions (continued)

The Committee provides the Foundation support with the human resources, marketing and communications, as well as finance & administration, the amounts of which could be estimated to the following:

	<b>March 31, 2016</b>	February 19 to March 31, 2015 (40 days) (Unaudited)
	\$	\$
Salary	<b>171,291</b>	-
General expenses	<b>78,172</b>	-
	<b>249,463</b>	-

As at March 31, 2016, the Foundation has an amount receivable of \$23,549 (2015 - \$Nil) from the Committee and an amount payable of \$7,000 (2015 - \$Nil) to the Committee.