

Financial statements of

Paralympic Foundation of Canada

March 31, 2017

Paralympic Foundation of Canada

March 31, 2017

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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, 2017, 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, 2017, 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

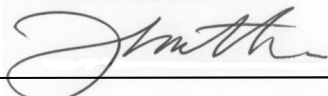
August 22, 2017

Paralympic Foundation of Canada

Statement of financial position as at March 31, 2017

	2017	2016
	\$	\$
Assets		
Current assets		
Cash	526,935	81,949
Accounts receivable	34,421	25,549
Prepaid expenses	3,645	-
	565,001	107,498
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	285,338	8,873
Fund balances		
Unrestricted - General Administration Fund	279,663	13,371
Externally restricted - Circle of Champions Fund	-	53,317
Externally restricted - Fall Campaign Fund	-	31,937
	279,663	98,625
	565,001	107,498

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, 2017

	General Admin Fund	Circle of Champions Fund	Fall Campaign Fund	2017	2016
	\$	\$	\$	\$	\$
Revenue					
General donations	171,181	-	-	171,181	15,315
Circle of Champions	-	130,765	-	130,765	53,317
Campaigns	10,523	-	28,062	38,585	31,937
Grants	-	-	-	-	7,000
Events	102,539	-	-	102,539	-
Cause marketing	99,659	-	-	99,659	-
	383,902	130,765	28,062	542,729	107,569
Expenses					
Administration	111,691	-	-	111,691	1,944
Grants	-	-	-	-	7,000
	111,691	-	-	111,691	8,944
Excess of revenue over expenses					
before contribution to CPC	272,211	130,765	28,062	431,038	98,625
Contribution to CPC	5,919	184,082	59,999	250,000	-
Excess of revenue over expenses	266,292	(53,317)	(31,937)	181,038	98,625

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, 2017

	General Admin Fund Unrestricted	Circle of Champions Fund Externally restricted	Fall Campaign Fund Externally restricted	Total	
				2017	2016
	\$	\$	\$	\$	\$
Balance, beginning of year	13,371	53,317	31,937	98,625	-
Excess of revenue over expenses	266,292	(53,317)	(31,937)	181,038	98,625
Balance, end of year	279,663	-	-	279,663	98,625

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, 2017

	2017	2016
	\$	\$
Operating activities		
Excess of revenue over expenses	181,038	98,625
Changes in non-cash operating working capital items (Note 4)	263,948	(16,676)
	444,986	81,949
Net cash inflow	444,986	81,949
Cash, beginning of year	81,949	-
Cash, end of year	526,935	81,949

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, 2017

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 Administration Fund

The General Administration 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 Administration 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 Administration 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, 2017

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 Administration 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

	2017	2016
	\$	\$
Accounts receivable	(8,872)	(25,549)
Prepaid expenses	(3,645)	-
Accounts payable and accrued liabilities	276,465	8,873
	263,948	(16,676)

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 and controls the Foundation

Paralympic Foundation of Canada

Notes to the financial statements

March 31, 2017

5. Related party transactions (continued)

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

	2017	2016
	\$	\$
Salary	168,106	171,291
General expenses	-	78,172
	168,106	249,463

As at March 31, 2017, the Foundation has an amount receivable of \$nil (2016 - \$23,549) from the Committee and an amount payable of \$280,482 (2016 - \$7,000) to the Committee. For the year ended March 31, 2017, the Foundation contributed an amount of \$250,000 (2016 - \$nil) to the Committee.