

FINANCIAL STATEMENTS
For
ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION
For year ended
MARCH 31, 2019

INDEPENDENT AUDITOR'S REPORT

To the directors of

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION

Qualified Opinion

We have audited the financial statements of Ontario Cerebral Palsy Sports Association (the "Association"), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2019 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.

Basis for Qualified Opinion

In common with similar charitable organizations, the Association derives revenue from charitable donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to donation revenue, net revenue and cash flows from operations for the years ended March 31, 2019 and 2018, current assets as at March 31, 2019 and 2018 and net assets as at April 1, 2018 and 2017 and March 31, 2019 and 2018. The audit opinion on the financial statements for the year ended March 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountant
Licensed Public Accountants

Ottawa, Ontario
June 20, 2019.

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION


STATEMENT OF FINANCIAL POSITION

MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 626,222	\$ 593,988
Accounts receivable	37,632	47,540
Government rebates receivable	20,136	24,381
Inventories	12,699	16,245
Prepaid expenses	<u>6,168</u>	<u>5,393</u>
	<u>\$ 702,857</u>	<u>\$ 687,547</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 38,289	\$ 80,443
Government remittances payable	<u>2,484</u>	<u>7,468</u>
	<u>40,773</u>	<u>87,911</u>
NET ASSETS		
Internally restricted - note 4	226,504	226,504
Unrestricted	<u>435,580</u>	<u>373,132</u>
	<u>662,084</u>	<u>599,636</u>
	<u>\$ 702,857</u>	<u>\$ 687,547</u>

Approved by the Board:

.....  Director

.....  Director

(See accompanying notes)

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
REVENUE		
Donations	\$ 628,235	\$ 626,352
Charitable programs:		
Competitions - note 5	55,933	44,191
Development - note 6	148,775	131,599
Memberships	2,680	2,640
Interest	<u>4,245</u>	<u>1,908</u>
	<u>839,868</u>	<u>806,690</u>
 EXPENSES		
Fundraising	384,923	380,715
Charitable programs:		
Competitions - note 5	95,823	63,020
Development - note 6	221,243	238,360
Administrative	69,948	45,179
Professional fees	5,483	5,457
Memberships and dues	<u>-</u>	<u>280</u>
	<u>777,420</u>	<u>733,011</u>
 NET REVENUE	 <u>\$ 62,448</u>	 <u>\$ 73,679</u>

(See accompanying notes)

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2019

	<u>Internally restricted</u>	<u>Unrestricted</u>	<u>2019 Total</u>	<u>2018 Total</u>
Balance, beginning of the year	\$ 226,504	\$ 373,132	\$ 599,636	\$ 525,958
Net revenue	<u>-</u>	<u>62,448</u>	<u>62,448</u>	<u>73,678</u>
Balance, end of the year	<u>\$ 226,504</u>	<u>\$ 435,580</u>	<u>\$ 662,084</u>	<u>\$ 599,636</u>

(See accompanying notes)

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Net revenue	\$ 62,448	\$ 73,678
Changes in non-cash working capital components:		
Accounts receivable	9,908	(39,477)
Government remittances receivable	4,245	(6,867)
Inventories	3,546	(1,400)
Prepaid expenses	(775)	-
Accounts payable and accrued liabilities	(42,154)	32,775
Government remittances payable	(4,984)	2,591
Deferred revenue	-	(80)
	<u>32,234</u>	<u>61,220</u>
INCREASE IN CASH	32,234	61,220
CASH AT BEGINNING OF YEAR	<u>593,988</u>	<u>532,768</u>
CASH AT END OF YEAR	\$ <u>626,222</u>	\$ <u>593,988</u>

(See accompanying notes)

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2019

1. NATURE OF OPERATIONS

Ontario Cerebral Palsy Sports Association (OCPSA) believes in the value of sport and that sport builds success in all aspects of life. It provides, promotes and coordinates competitive opportunities as well as encourages individual excellence through sport for athletes within the cerebral palsy family. To that end, OCPSA recruits, develops and supports athletes, coaches and volunteers.

OCPSA envisions a future where athletes with disabilities are an integral part of the sporting realm. In an ever-changing environment, OCPSA is committed to treating members and partners with integrity and respect, increasing public awareness and advocating for equal opportunity in sport.

The Association is a not-for-profit organization incorporated without share capital under the laws of Ontario. The Association is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

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

Boccia equipment sales are recognized when title of the goods has passed to the customer. Recognition of any revenue is subject to the provision that ultimate collection is assured.

Athlete assessments, project cost recoveries and registrations are recognized when the related event occurs and collection is reasonably assured.

Membership fees are recognized as revenue proportionately over the year to which they relate.

Inventory

Inventory is valued at the lower of cost and net realizable value. The cost is determined on a weighted average basis.

Contributed materials and services

Contributed materials and services which are used in the normal course of operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated.

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management makes accounting estimates in the determination of the potentially uncollectible accounts receivable, in the valuation of the Association's inventory and in the estimation of the Association's significant accrued liabilities. By their nature, these estimates are subject to uncertainty and the impact on the financial statements of the current and future years could be material.

Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures its financial assets and liabilities at amortized cost.

3. **FINANCIAL INSTRUMENTS**

The Association is exposed to various risks through its financial instruments.

Credit risk

The Association is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Association's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable.

The Association's cash is deposited with a Chartered Canadian bank. As a result management believes the risk of loss on these items to be remote.

The Association manages its credit risk by reviewing accounts receivable on a continuous basis and follows up on outstanding amounts. Management believes that all accounts receivable at year end will be collected and has not deemed it necessary to establish an allowance for doubtful accounts.

Liquidity risk

Liquidity risk is the risk that the Association cannot meet its demand for cash or fund its obligations as they become due. The Association meets its liquidity requirements by preparing and monitoring forecasts of cash flow from operations, anticipating investment activities and holding assets that can be readily converted into cash.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

i) Currency risk

The Association transacts primarily in Canadian dollars and as a result the Association is not subject to significant currency risk.

ii) Interest rate risk

The Association does not have debt or investments subject to variable interest rates. Therefore, the Association is not exposed to interest rate risks that arise from fluctuations in interest rates.

iii) Other price risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is not exposed to other price risk.

Changes in risks

There are no significant changes in risk exposure from the previous year.

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2019

4. **INTERNALLY RESTRICTED**

This fund, which represents the amounts bequeathed to the Association by the Late Thomas Weatherall, has been internally restricted. The purpose of the restriction and the use of the funds will be determined at a later date by the Board of Directors once the full amount of the bequest is determined and received.

5. **COMPETITIONS**

	<u>2019</u>	<u>2018</u>
Revenues		
ON Amateur Sport Fund (MTCS)	\$ 40,000	\$ 40,000
Ontario ParaSport Games	5,050	-
Boccia Nationals	4,000	-
Athletics National Championships	3,982	-
Ontario Boccia Championships - Host	<u>2,901</u>	<u>4,191</u>
	<u>\$ 55,933</u>	<u>\$ 44,191</u>
Expenses		
Staff	\$ 22,800	\$ 27,900
Boccia National Championships	20,266	-
Ontario Boccia Championships - Host	18,940	20,771
CPISRA World Championships	12,901	-
Athletics National Championship	12,195	10,339
Ontario ParaSport Games	8,221	-
National Para Challenge	500	500
Ontario Para-Athletics Championships	<u>-</u>	<u>3,510</u>
	<u>\$ 95,823</u>	<u>\$ 63,020</u>

ONTARIO CEREBRAL PALSY SPORTS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2019

6. DEVELOPMENT

	<u>2019</u>	<u>2018</u>
Revenues		
Boccia Bratz (OSRCF)	\$ 71,990	\$ 51,597
Athletics training camp	31,050	36,100
Canadian Tire Jumpstart	20,300	-
Boccia equipment sales	16,180	11,605
Canada Summer Employment Grant	3,787	4,237
CCPSA Provincial Development Program	3,000	3,060
Coaches Development	2,468	-
Big Boccia Blowout (ParaSport Strong Fund)	<u>-</u>	<u>25,000</u>
	<u>\$ 148,775</u>	<u>\$ 131,599</u>
Expenses		
Boccia Bratz (OSRCF)	\$ 103,481	\$ 46,738
Athletics training camp	51,434	55,120
Staff	22,800	27,900
Canadian Tire Jumpstart	19,585	-
Boccia Blast	6,099	6,580
Association meetings	4,328	5,357
Boccia training camp	3,916	-
Regional Boccia Qualifiers	3,575	1,384
Community outreach and club development	2,585	4,182
CCPSA Provincial Development Program	1,564	3,994
Boccia equipment sales	1,336	34,478
Website	540	2,511
MTCS - Revitalization Project	-	26,410
Big Boccia Blowout (ParaSport Strong Fund)	<u>-</u>	<u>25,625</u>
	<u>\$ 221,243</u>	<u>\$ 240,279</u>