

ATHLETESCAN - ATHLETES' ASSOCIATION OF CANADA

FINANCIAL STATEMENTS

MARCH 31, 2014



INDEPENDENT AUDITORS' REPORT

To the Members,
AthletesCAN - Athletes' Association of Canada:

We have audited the accompanying financial statements of AthletesCAN - Athletes' Association of Canada, which comprise the balance sheet as at March 31, 2014 and the statements of revenue and expenditure 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 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 AthletesCAN - Athletes' Association of Canada as at March 31, 2014, 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.

OHCD LLP

OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants
Ottawa, Ontario
September 23, 2014

ATHLETESCAN - ATHLETES' ASSOCIATION OF CANADA

BALANCE SHEET
AS AT MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash	\$ 238,954	\$ 39,930
Investments (note 4)	99,957	99,714
Accounts receivable	165,968	45,874
Prepaid expenses	<u>4,306</u>	<u>4,208</u>
	<u>\$ 509,185</u>	<u>\$ 189,726</u>
 CURRENT LIABILITIES		
Accounts payable	\$ 9,212	\$ 20,536
Government remittances payable	2,936	2,076
Funds held for disbursement (note 5)	<u>267,500</u>	<u>-</u>
	<u>279,648</u>	<u>22,612</u>
 UNRESTRICTED NET ASSETS		
Balance - beginning of year	167,114	232,747
Net revenue (expenditure) for the year	<u>62,423</u>	<u>(65,633)</u>
Balance - end of year	<u>229,537</u>	<u>167,114</u>
	<u>\$ 509,185</u>	<u>\$ 189,726</u>

Approved on behalf of the Board:

Director

Director

ATHLETESCAN - ATHLETES' ASSOCIATION OF CANADA

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
REVENUE		
Sport Canada	\$ 253,200	\$ 253,200
Forum - Registration and sponsorship	4,704	10,032
Sponsorship		
Administration fees	175,000	75,000
Funds for disbursement	167,500	-
Programs	120,000	-
Other	6,154	8,698
	<u>726,558</u>	<u>346,930</u>
EXPENDITURE		
Administration	209,154	213,782
Leadership programs		
Forum and KidsCAN	119,316	143,899
Leadership program	9,526	15,226
Leadership representation	5,626	-
Sport Solution	20,303	21,263
Sponsorship		
Programs and services	136,043	18,393
Disbursements	164,167	-
	<u>664,135</u>	<u>412,563</u>
NET REVENUE (EXPENDITURE) FOR THE YEAR	<u>\$ 62,423</u>	<u>\$ (65,633)</u>

ATHLETESCAN - ATHLETES' ASSOCIATION OF CANADA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Net revenue (expenditure) for the year	\$ 62,423	\$ (65,633)
Net change in non-cash working capital items		
Accounts receivable	(120,094)	(23,305)
Prepaid expenses	(98)	(3,783)
Accounts payable	(11,324)	6,690
Government remittances payable	860	2,076
Funds held for disbursement	<u>267,500</u>	<u>(50,000)</u>
	199,267	(133,955)
INVESTING ACTIVITIES		
Sale (purchase) of investments	<u>(243)</u>	<u>59,063</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	199,024	(74,892)
Cash - beginning of year	<u>39,930</u>	<u>114,822</u>
CASH - END OF YEAR	<u>\$ 238,954</u>	<u>\$ 39,930</u>

ATHLETESCAN - ATHLETES' ASSOCIATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2014

1. PURPOSE OF THE ORGANIZATION

As the collective voice of Canadian national team athletes, AthletesCAN ensures an athlete centered sport system by developing athlete leaders who influence sport policy and, as role models, inspire a strong sport culture.

The organization is incorporated under the Canada Corporations Act as a not-for-profit organization, and is not subject to income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Actual results may differ from those estimates.

b) Financial instruments

Investments in instruments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

c) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized in the year in which the related expenditures are incurred. Unrestricted contributions are recognized when they are received or become receivable. Other revenue is recognized in the year in which the event is held or the revenue is earned.

d) Contributions

Contributions received from Sport Canada are subject to specific terms and conditions regarding the expenditure of the funds. The organization'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 requests the adjustment.

3. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, investments, accounts receivable, accounts payable and government remittances payable.

Unless otherwise noted, it is management's opinion that the organization 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.

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4. INVESTMENTS

The organization has bank money market funds.

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

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from currency risk or interest rate risks, whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investments.

5. FUNDS HELD FOR DISBURSEMENT

Funds held for disbursement represents amounts received that relate to a subsequent year and sponsorships that are externally restricted until due based on established program criteria and athlete contracts.

	<u>2014</u>	<u>2013</u>
CIBC bursary sponsorship	\$ 167,500	\$ -
Investor Group bursary sponsorship	<u>100,000</u>	<u>-</u>
	<u>\$ 267,500</u>	<u>\$ -</u>