

ALBERTA TRIATHLON ASSOCIATION

Financial Statements

Year Ended March 31, 2017

(Unaudited)

REVIEW ENGAGEMENT REPORT

To the Members of Alberta Triathlon Association

We have reviewed the statement of financial position of Alberta Triathlon Association as at March 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Alberta
June 27, 2017

Douward & Company LLP

CHARTERED ACCOUNTANTS

ALBERTA TRIATHLON ASSOCIATION
Statement of Financial Position
March 31, 2017
(Unaudited)

	2017	2016
ASSETS		
CURRENT		
Cash <i>(Note 3)</i>	\$ 25,662	\$ 113,393
Accounts receivable	-	4,081
Interest receivable	992	-
Prepaid expenses	4,154	27,718
	30,808	145,192
CAPITAL ASSETS <i>(Note 4)</i>	9,399	12,269
LONG TERM INVESTMENTS <i>(Note 5)</i>	60,518	60,922
	\$ 100,725	\$ 218,383
 LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,111	\$ 28,888
Deposits received	15,000	-
Employee deductions payable	3,072	3,665
Deferred revenue <i>(Note 6)</i>	65,392	63,666
	88,575	96,219
 NET ASSETS		
General fund	2,751	109,896
Net assets invested in capital assets	9,399	12,268
	12,150	122,164
	\$ 100,725	\$ 218,383

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

ALBERTA TRIATHLON ASSOCIATION
Statement of Revenues and Expenditures
For the Year Ended March 31, 2017
(Unaudited)

	2017	2016
REVENUE		
Membership fees	\$ 127,653	\$ 161,535
Grants <i>(Note 7)</i>	108,759	82,750
Race fees	69,485	46,939
Other	33,625	31,544
Athlete development	3,724	14,491
Casino	-	85,102
	<u>343,246</u>	<u>422,361</u>
EXPENSES		
Wages and employee benefits	150,384	134,987
Athlete development	52,918	95,246
Race and technical	42,405	48,779
Insurance	39,558	35,967
Meetings	38,601	23,008
Office	33,375	14,988
Advertising and promotion	26,901	53,995
Coaching	20,295	13,427
Professional fees	16,752	16,781
Membership fees	15,346	9,872
Bank charges	5,139	2,276
Committees	4,409	852
Telephone and internet	3,248	3,786
Amortization	2,869	3,757
Casino	637	2,953
Professional development	423	375
	<u>453,260</u>	<u>461,049</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (110,014)</u>	<u>\$ (38,688)</u>

ALBERTA TRIATHLON ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2017

(Unaudited)

	General	Net assets		
	Fund	invested in	2017	2016
		capital assets		
NET ASSETS - BEGINNING OF				
YEAR	\$ 109,896	\$ 12,268	\$ 122,164	\$ 160,853
Deficiency of revenue over expenses	(107,145)	(2,869)	(110,014)	(38,688)
NET ASSETS - END OF YEAR	<u>\$ 2,751</u>	<u>\$ 9,399</u>	<u>\$ 12,150</u>	<u>\$ 122,165</u>

ALBERTA TRIATHLON ASSOCIATION
Statement of Cash Flow
Year Ended March 31, 2017
(Unaudited)

	2017	2016
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (110,014)	\$ (38,688)
Item not affecting cash:		
Amortization of capital assets	2,869	3,757
	<u>(107,145)</u>	<u>(34,931)</u>
Changes in non-cash working capital:		
Accounts receivable	4,081	7,586
Interest receivable	(992)	-
Accounts payable and accrued liabilities	(23,776)	18,374
Deferred revenue	1,726	(12,471)
Prepaid expenses	23,564	(22,718)
Employee deductions payable	(593)	3,665
Deposits received	15,000	-
	<u>19,010</u>	<u>(5,564)</u>
Cash flow used by operating activities	<u>(88,135)</u>	<u>(40,495)</u>
INVESTING ACTIVITY		
Redemption (purchase) of investments	404	19,078
DECREASE IN CASH FLOW	(87,731)	(21,417)
Cash - beginning of year	<u>113,393</u>	<u>134,810</u>
CASH - END OF YEAR (Note 3)	\$ 25,662	\$ 113,393

ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2017
(Unaudited)

1. NATURE OF OPERATIONS

The Alberta Triathlon Association ("association") represents the triathletes of Alberta to the Triathlon Canada organization and works to increase general interest in triathlon and cultural exchange within the country and internationally through events and instructional clinics.

The association was established to provide technical, financial and organizational leadership for clubs, coaching staff and all levels of individual triathletes within Alberta.

The association was incorporated under the Societies Act of Alberta on February 22, 1984.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealised gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2017
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Race equipment	20%	declining balance method
Website	5 years	straight-line method
Furniture and fixtures	20%	declining balance method
Computer equipment	45% & 55%	declining balance method
Computer software	100%	declining balance method

The association regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Half year amortization is taken in the year of aquisition and no amortization is taken in the year of disposition. Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Long term investments

Long term investments include a guaranteed investment certificate. Long term investments are designated as held for trading and are recorded at fair value. Fair value is determined at quoted market prices. Sales and purchases of investments are recorded at the settlement date. Transaction costs related to the acquisition of investments are expensed.

Revenue recognition

Alberta Triathlon Association follows the deferral method of accounting for contributions.

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.

Restricted casino income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Seminar & course fees are recognized as revenue when the seminars are held.

ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2017
(Unaudited)

3. CASH		2017		2016
General account	\$	25,662	\$	115,032
Casino account		-		(1,639)
		25,662		113,393

4. CAPITAL ASSETS			2017		2016
	Cost	Accumulated amortization	Net book value		Net book value
Race equipment	\$ 20,600	\$ 14,313	\$ 6,287	\$	7,859
Website	14,597	13,022	1,575		2,205
Furniture and fixtures	6,045	4,830	1,215		1,519
Computer equipment	18,333	18,011	322		686
Computer software	7,543	7,543	-		-
	\$ 67,118	\$ 57,719	\$ 9,399	\$	12,269

5. LONG TERM INVESTMENTS		2017		2016
Guaranteed investment certificate which matures on September 11, 2017 and earns interest at a rate of 0.80% per annum.	\$	40,025	\$	40,525
Guaranteed investment certificate which matures on August 14, 2017 and earns interest at a rate of 1.15% in year one, 1.30% in year two and 1.35% in year three.		20,493		20,397
		60,518		60,922

The association intends to reinvest the GICs, when they mature, into similar instruments. Therefore, they remain classified as long term even though their maturity dates are within one year.

6. DEFERRED REVENUE		2017		2016
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ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2017
(Unaudited)

6. DEFERRED REVENUE <i>(continued)</i>			
Balance, beginning of year	\$ 63,666	\$ 76,137	
Add: Membership fees	50,149	37,133	
Grant revenue	8,875	11,533	
Para-triathlon Development Fund	3,564	-	
Youth development	146	-	
	126,400	124,803	
Subtotal	126,400	124,803	
Less: amount recognized as revenue	(61,008)	(61,137)	
	\$ 65,392	\$ 63,666	
Balance, end of year			
Final deferred revenue balance is comprised of:			
Membership fees	\$ 50,149	\$ 37,133	
Grant revenue	15,097	26,533	
Other	146	-	
	\$ 65,392	\$ 63,666	

7. GRANTS			
	2017	2016	
Alberta Sport Connection:			
Association development	\$ 55,838	\$ 55,838	
Canada Summer Games	21,000	3,000	
High performance coaching	8,875	8,875	
Alberta Summer Games	4,500	-	
Donation Fund Program	3,546	-	
Western Canada Summer Games	-	13,000	
	93,759	80,713	
Other grants	15,000	2,037	
	\$ 108,759	\$ 82,750	
