

ATHLETICS ONTARIO
(A corporation without share capital)

FINANCIAL STATEMENTS

March 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Athletics Ontario
(A corporation without share capital).

We have audited the accompanying financial statements of Athletics Ontario, which comprise the statement of financial position as at March 31, 2017, and the statements of income and expenditures, members' equity 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 generally accepted 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 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.

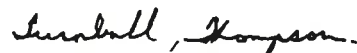
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 purposes of expressing an opinion on the effectiveness of the entity's internal controls. 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 Athletics Ontario as at March 31, 2017, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting standards for not-for-profit organizations.

Milton, Ontario,
September 12, 2017.



**CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS**

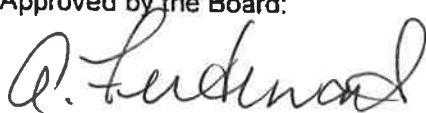
133 Main Street East, Milton, Ontario L9T 1N7

ATHLETICS ONTARIO
(A corporation without share capital)
STATEMENT OF FINANCIAL POSITION

March 31	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 805,053	\$ 127,295
Short-term investments	-	405,000
Accounts receivable	11,903	51,990
Inventory of awards, at cost	6,781	8,304
Prepaid expenses	26,148	3,427
	<u>\$ 849,885</u>	<u>\$ 596,016</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 162,683	\$ 3,904
Government sales taxes payable	32,312	-
Deferred revenue (note 3)	188,382	186,366
	<u>383,377</u>	<u>190,270</u>
MEMBERS' EQUITY	<u>466,508</u>	<u>405,746</u>
CONTINGENCIES (note 4)		
	<u>\$ 849,885</u>	<u>\$ 596,016</u>

See accompanying notes on pages 8 to 10.

Approved by the Board:



Lisa Ferdinand
President



Murray Haines
Treasurer

ATHLETICS ONTARIO
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STATEMENT OF MEMBERS' EQUITY

For the Year Ended March 31	2017	2016
MEMBERS' EQUITY , beginning of year	\$ 405,746	\$ 407,540
Excess (deficiency) of income over expenditures,	<u>60,762</u>	<u>(1,794)</u>
MEMBERS' EQUITY , end of year	\$ 466,508	\$ 405,746

See accompanying notes on pages 8 to 10.

ATHLETICS ONTARIO
(A corporation without share capital)
STATEMENT OF INCOME AND EXPENDITURES

For the Year Ended March 31	2017	2016
INCOME (Schedule)		
Membership related	\$ 363,377	\$ 336,086
Athletics Ontario generated	284,054	263,365
Grants	343,048	319,603
Interest	1,588	2,738
	<u>992,067</u>	<u>921,792</u>
EXPENDITURES (Schedule)		
Membership related	79,232	74,828
Program management	434,901	495,294
Athletics Ontario programs	210,701	170,438
Grant programs	206,471	183,026
	<u>931,305</u>	<u>923,586</u>
EXCESS (DEFICIENCY) OF INCOME OVER EXPENDITURES, for the year	\$ 60,762	\$ (1,794)

See accompanying notes on pages 8 to 10.

ATHLETICS ONTARIO
(A corporation without share capital)

STATEMENT OF CASH FLOWS

For the Year Ended March 31

2017

2016

CASH FLOWS FROM OPERATING ACTIVITIES

Excess (deficiency) of income over expenditures, for the year	\$ 60,762	\$ (1,794)
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Change in other non-cash operating accounts:

Accounts receivable	40,087	(21,442)
Deferred revenue	2,016	3,065
Inventory	1,523	1,431
Prepaid expenses	(22,721)	10,236
Accounts payable and accrued liabilities	158,779	(1,619)
Government sales taxes	32,312	-

	211,996	(8,329)
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	272,758	(10,123)
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CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in short-term investments	405,000	50,000
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INCREASE IN CASH, for the year	677,758	39,877
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CASH, beginning of year	127,295	87,418
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CASH, end of year	\$ 805,053	\$ 127,295
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See accompanying notes on pages 8 to 10.

ATHLETICS ONTARIO
(A corporation without share capital)

SCHEDULE OF INCOME

For the Year Ended March 31	2017	2016
MEMBERSHIP RELATED		
Registrations	\$ 336,119	\$ 311,021
Affiliations	23,281	23,100
Sanctions	3,977	1,965
	<u>\$ 363,377</u>	<u>\$ 336,086</u>
ATHLETICS ONTARIO GENERATED		
Equipment rental and sales	\$ 96	\$ 5,635
Medals	(1,743)	(8,966)
Special events	285,701	266,696
	<u>\$ 284,054</u>	<u>\$ 263,365</u>
GRANTS		
Ministry of Tourism, Culture and Sport	\$ 136,577	\$ 136,577
Athletics Canada	-	15,000
MTCS - Summer Games	55,516	55,556
Para Sport	4,493	12,000
CSI - Ontario	183,625	98,090
Less: Grant funding returned	(39,163)	-
Coaches Association of Ontario	2,000	2,380
	<u>\$ 343,048</u>	<u>\$ 319,603</u>
INTEREST	<u>\$ 1,588</u>	<u>\$ 2,738</u>

ATHLETICS ONTARIO
(A corporation without share capital)
SCHEDULE OF EXPENDITURES

For the Year Ended March 31

2017

2016

MEMBERSHIP RELATED

Athletics Canada	\$ 79,232	\$ 74,828
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PROGRAM MANAGEMENT

Equipment purchases	\$ -	\$ 4,290
General office	126,569	122,524
Governance	-	1,950
Salaries and benefits	308,332	366,530
	\$ 434,901	\$ 495,294

ATHLETICS ONTARIO PROGRAMS

Athletics Championship Travel	\$ -	\$ (500)
Championships and Other Meets	166,670	118,019
Officials and Coaching Development	21,584	12,440
Planning (AO and AC Boards)	5,977	6,675
Officials Meet Travel	10,090	12,412
Run Jump Throw Wheel	6,380	21,392
	\$ 210,701	\$ 170,438

TARGETED GRANT PROGRAMS

Athletics Canada	\$ -	\$ 15,000
MTCS - Summer Games	55,516	55,556
Para Sport	4,493	12,000
CSI - Ontario	144,462	98,090
Coaches Association of Ontario	2,000	2,380
	\$ 206,471	\$ 183,026

ATHLETICS ONTARIO
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NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

1. PURPOSE OF THE ORGANIZATION

Athletics Ontario (formerly known as The Ontario Track & Field Association) is an organization which promotes amateur athletics by assisting athletes to train for and compete in athletic competitions held throughout Ontario, Canada and the world in all track and field sports and to arrange courses of instruction in all aspects of track and field sports for athletes, officials and other interested persons.

For income tax purposes Athletics Ontario qualifies as a not-for-profit organization which is exempt from income tax under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue Recognition

The association follows the deferral method of accounting for grant revenue. Unrestricted grants are recognized as revenue when received or receivable. Externally restricted grants are recognized as revenue in the year in which the related expenses are incurred. Registration fees are prorated on a calendar year basis.

b) Capital Assets

Capital asset additions are charged against income at the time of acquisition.

c) Short-Term Investments

Short-term investments are measured at fair value and consist of redeemable guaranteed investment certificates maturing at various times over the next fiscal year.

d) Use of Estimates

The preparation of financial statements in accordance 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 reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

e) Financial Instruments

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate or credit risks arising from its financial instruments. The organization's financial instruments consist of cash, accounts receivable, inventory and accounts payable and accrued liabilities. As at March 31, 2017, the carrying value of the organization's financial instruments approximates their fair value.

ATHLETICS ONTARIO
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NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

3. DEFERRED REVENUE

	March 31 2016 Deferred	Grant Revenue	Grant Expenditure	March 31 2017 Deferred
GRANTS				
CSI - Ontario	\$ 125	\$ 183,500	\$ 144,462	\$ 39,163
Grant funding returned (see note below)	-	(39,163)	-	(39,163)
Coaches Association	-	9,000	2,000	7,000
MTCS - Summer Games	3,674	53,307	55,516	1,465
Para Sport	7,707	-	4,493	3,214
	<u>11,506</u>	<u>206,644</u>	<u>206,471</u>	<u>11,679</u>
OTHER	<u>6,710</u>	\$ -	\$ 6,710	-
	<u>18,216</u>			<u>11,679</u>

	March 31 2016 Deferred	Registration and Subscription Receipts	Registration and Subscription Income	March 31 2017 Deferred
REGISTRATION				
Beginning of year	\$ 168,150	\$ -	\$ 168,150	\$ -
April 1, 2016 to November 30, 2016	-	109,068	109,068	-
December 1, 2016 to March 31, 2017	-	235,604	58,901	176,703
	<u>168,150</u>	<u>\$ 344,672</u>	<u>\$ 336,119</u>	<u>176,703</u>
	<u>\$ 186,366</u>			<u>\$ 188,382</u>

Athletics Ontario was required to return some its Ontario High Performance Sport Initiative (OHPSI) funding to Canadian Sport Institute (CSI) - Ontario in 2016/2017. This was a result of the time it took to secure the necessary administrative support for the program and the lack of proper documentation provided by some of the targeted athletes that is need to reimburse their approved training costs. Athletics Ontario has taken the necessary steps to ensure that this will not happen again in future years.

ATHLETICS ONTARIO
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NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

4. CONTINGENCIES

The association is currently defending three claims, two of which are being handled by the association's insurer. When these claims are settled any expenses incurred on settlement will be charged to the appropriate expense in the statement of income and expenditures in that fiscal year.

5. FINANCIAL INSTRUMENTS - risk management

Interest rate risk

Interest rate risk is the risk of potential financial loss caused by fluctuations in fair value of future cash flow of financial instruments due to changes in market interest rates. The corporation is exposed to this risk through its interest bearing investments. The association manages this risk through investing in fixed-rate securities of short to medium term maturity and plans to hold the securities to maturity.

Credit risk

Credit risk is the potential for financial loss should a counter-party in a transaction fail to meet its obligations. The corporation places its operating and reserve cash and investments with high quality institutions and believes its exposure is not significant. The association's credit risk from accounts receivable is not significant.

Liquidity risk

Liquidity risk is the risk that the association will not be able to meet its obligations as they become due. The association manages this risk by establishing budgets and funding plans and by reviewing its membership fees annually to fund its operating expenses.

6. COMPARATIVE FIGURES

The comparative figures have been reclassified to conform with the current year's financial statement presentation.