

ALBERTA TRIATHLON ASSOCIATION

Financial Statements

Year Ended March 31, 2016

(Unaudited)

Draft for discussion purposes only

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, 2016 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 10, 2016

CHARTERED ACCOUNTANTS

ALBERTA TRIATHLON ASSOCIATION
Statement of Financial Position
March 31, 2016
(Unaudited)

	2016	2015
ASSETS		
CURRENT		
Cash <i>(Note 3)</i>	\$ 113,393	\$ 134,810
Short term investments <i>(Note 4)</i>		20,000
Accounts receivable	4,081	11,667
Prepaid expenses	27,718	5,000
	<u>145,192</u>	<u>171,477</u>
CAPITAL ASSETS <i>(Note 5)</i>	12,269	16,025
LONG TERM INVESTMENTS <i>(Note 6)</i>	<u>60,922</u>	<u>60,000</u>
	<u>\$ 218,383</u>	<u>\$ 247,502</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 28,887	\$ 10,512
Employee deductions payable	3,665	-
Deferred revenue <i>(Note 7)</i>	<u>63,666</u>	<u>76,137</u>
	<u>96,218</u>	<u>86,649</u>
NET ASSETS		
General fund	109,896	144,828
Net assets invested in capital assets	<u>12,269</u>	<u>16,025</u>
	<u>122,165</u>	<u>160,853</u>
	<u>\$ 218,383</u>	<u>\$ 247,502</u>

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

ALBERTA TRIATHLON ASSOCIATION
Statement of Revenues and Expenditures
For the Year Ended March 31, 2016
(Unaudited)

	2016	2015
REVENUE		
Membership fees	\$ 161,535	\$ 183,448
Casino	85,102	41,371
Grants <i>(Note 8)</i>	82,750	82,713
Race fees	46,939	90,731
Other	31,544	13,545
Athlete development	14,491	47,117
	<u>422,361</u>	<u>458,925</u>
EXPENSES		
Wages and employee benefits	134,987	144,106
Athlete development	95,246	77,231
Advertising and promotion	53,995	35,698
Race and technical	48,779	47,562
Insurance	35,967	35,896
Meetings	23,008	28,980
Professional fees	16,781	20,164
Office	14,988	13,341
Coaching	13,427	7,878
Membership fees	9,872	11,146
Telephone and internet	3,786	5,926
Amortization	3,757	5,851
Casino	2,953	2,184
Bank charges	2,276	1,455
Committees	852	7,162
Professional development	375	518
	<u>461,049</u>	<u>445,098</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	(38,688)	13,827
OTHER INCOME	-	400
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (38,688)</u>	<u>\$ 14,227</u>

See notes to financial statements

ALBERTA TRIATHLON ASSOCIATION
Statement of Changes in Net Assets
Year Ended March 31, 2016
(Unaudited)

	General Fund	Net assets invested in capital assets	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 144,828	\$ 16,025	\$ 160,853	\$ 146,625
Deficiency of revenue over expenses	(34,932)	(3,756)	(38,688)	14,227
NET ASSETS - END OF YEAR	\$ 109,896	\$ 12,269	\$ 122,165	\$ 160,852

Draft for discussion purposes only

ALBERTA TRIATHLON ASSOCIATION
Statement of Cash Flow
Year Ended March 31, 2016
(Unaudited)

	2016	2015
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (38,688)	\$ 14,227
Items not affecting cash:		
Amortization of capital assets	3,757	5,851
Gain on disposal of capital assets	-	(400)
	<u>(34,931)</u>	<u>19,678</u>
Changes in non-cash working capital:		
Accounts receivable	7,586	22,613
Accounts payable and accrued liabilities	18,374	4,036
Deferred revenue	(12,471)	(28,232)
Prepaid expenses	(22,718)	15,740
Employee deductions payable	3,665	-
	<u>(5,564)</u>	<u>14,157</u>
Cash flow from (used by) operating activities	<u>(40,495)</u>	<u>33,835</u>
INVESTING ACTIVITIES		
Purchase of capital assets	-	(14,169)
Proceeds on disposal of capital assets	-	400
Redemption (purchase) of investments	19,078	(46,483)
Cash flow from (used by) investing activities	<u>19,078</u>	<u>(60,252)</u>
DECREASE IN CASH FLOW	(21,417)	(26,417)
Cash - beginning of year	<u>134,810</u>	<u>161,227</u>
CASH - END OF YEAR <i>(Note 3)</i>	\$ 113,393	\$ 134,810

See notes to financial statements

ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2016
(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.

(continues)

ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2016
(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 acquisition 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, 2016
(Unaudited)

3. CASH

	2016	2015
General account	\$ 115,032	\$ 124,145
Casino account	(1,639)	10,665
	\$ 113,393	\$ 134,810

4. SHORT TERM INVESTMENTS

Short term investments includes a guaranteed investment certificate which matured on March 9, 2016.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Race equipment	\$ 20,600	\$ 12,741	\$ 7,859	\$ 9,823
Website	14,597	12,392	2,205	2,835
Furniture and fixtures	6,045	4,526	1,519	1,898
Computer equipment	18,333	17,647	686	1,469
Computer software	7,543	7,543	-	-
	\$ 67,118	\$ 54,849	\$ 12,269	\$ 16,025

6. LONG TERM INVESTMENTS

	2016	2015
Guaranteed investment certificate which matures on September 14, 2017 and earns interest at a rate of 0.80% per annum.	\$ 40,525	\$ 40,000
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.	20,397	20,000
	\$ 60,922	\$ 60,000

ALBERTA TRIATHLON ASSOCIATION
Schedule to Financial Statements
Year Ended March 31, 2016
(Unaudited)

7. DEFERRED REVENUE

	2016	2015
Balance, beginning of year	\$ 76,137	\$ 104,369
Add: Membership fees	37,133	36,797
Casino revenue	-	10,665
Grant revenue	11,533	28,675
Subtotal	124,803	180,506
Less: amount recognized as revenue	(61,137)	(104,369)
Balance, end of year	\$ 63,666	\$ 76,137
Final deferred revenue balance is comprised of:		
Membership fees	\$ 37,133	\$ 36,797
Grant revenue	26,533	28,675
Casino revenue	-	10,665
	\$ 63,666	\$ 76,137

8. GRANTS

	2016	2015
Alberta Sport, Recreation, Parks & Wildlife Foundation:		
Association development	\$ 55,838	\$ 55,838
Western Canada Summer Games	13,000	-
High performance coaching	8,875	8,875
Canada Summer games	3,000	-
Coach and official development initiatives	-	4,800
Zone development	-	4,000
	80,713	73,513
Other grants	2,037	9,200
	\$ 82,750	\$ 82,713

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.