

**ALBERTA AMPUTEE SPORTS AND RECREATION ASSOCIATION**

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE YEAR ENDED DECEMBER 31, 2020

AND

REVIEW ENGAGEMENT REPORT

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Shareholders of **Alberta Amputee Sport & Recreation Association**:

We have reviewed the statement of financial position of **Alberta Amputee Sport & Recreation Association** as at December 31, 2020, and the statements of operations and net assets and of 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **Alberta Amputee Sport & Recreation Association** as at December 31, 2020, 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.

### **Other Matter**

We draw attention to Note 5 to the financial statements, concerning the worldwide spread of a novel coronavirus known as COVID-19 and its effect on the global economy. Our conclusion is not modified in respect of this matter.

Edmonton, Alberta  
March 18, 2021

*Yaremchuk & Annicchiarico* LLP  
Chartered Professional Accountants

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020**


	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash (Note 3) .....	\$189,841	\$230,712
Accounts receivable .....	12,136	13,485
Prepaid expenses .....	<u>408</u>	<u>461</u>
Total current assets .....	202,385	244,658
COMPUTER EQUIPMENT - net of accumulated amortization of \$4,865 (2019 - \$4,587) .....	<u>649</u>	<u>927</u>
TOTAL .....	<u>\$203,034</u>	<u>\$245,585</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued liabilities .....	\$ 4,767	\$ 3,000
Deferred revenue (Note 3) .....	<u>118,852</u>	<u>181,383</u>
Total current liabilities .....	<u>123,619</u>	<u>184,383</u>
NET ASSETS:		
Invested in equipment .....	649	927
Unrestricted .....	<u>78,766</u>	<u>60,275</u>
Total net assets .....	<u>79,415</u>	<u>61,202</u>
TOTAL .....	<u>\$203,034</u>	<u>\$245,585</u>

Approved by the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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	<u>Invested in Equipment</u>	<u>Unrestricted</u>	<u>Total</u>	
			<b><u>2020</u></b>	<b><u>2019</u></b>
Balance at beginning of the year .....	\$ 927	\$60,275	<b>\$61,202</b>	\$54,223
Excess of revenue for the year .....	<u>(278)</u>	<u>18,491</u>	<b><u>18,213</u></b>	<u>6,979</u>
Balance at end of the year .....	<b><u>\$ 649</u></b>	<b><u>\$78,766</u></b>	<b><u>\$79,415</u></b>	<b><u>\$61,202</u></b>

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>UNRESTRICTED REVENUE:</b>		
Alberta Sport Connection .....	<b>\$24,273</b>	\$25,737
Donations and other .....	<b>2,618</b>	6,261
Memberships .....	<b><u>300</u></b>	<u>1,150</u>
	<b>27,191</b>	33,148
<b>RESTRICTED REVENUE - casino (Note 3).....</b>	<b><u>63,504</u></b>	<u>47,064</u>
Total revenue.....	<b><u>90,695</u></b>	<u>80,212</u>
<b>EXPENSES:</b>		
Advertising and promotion .....	<b>6,133</b>	3,238
Amortization.....	<b>278</b>	397
Automotive and travel.....	-	965
Bank charges.....	<b>265</b>	513
Computer support.....	<b>5,052</b>	5,306
Donations .....	<b>45,000</b>	-
Fundraising.....	-	5,260
Insurance.....	<b>2,234</b>	2,099
Internet .....	<b>859</b>	1,077
Meetings and AGM.....	-	1,287
Newsletters and postage .....	-	94
Office .....	<b>314</b>	526
Professional fees .....	<b>3,780</b>	7,954
Programs - athletic assistance .....	<b>8,567</b>	38,383
- golf tournament.....	<b><u>-</u></b>	<u>6,134</u>
Total expenses .....	<b><u>72,482</u></b>	<u>73,233</u>
<b>EXCESS OF REVENUE FOR THE YEAR .....</b>	<b><u>\$18,213</u></b>	<u>\$ 6,979</u>

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>OPERATING ACTIVITIES:</b>		
Excess of revenue for the year.....	\$ 18,213	\$ 6,979
Item not involving cash for operations - amortization.....	<u>278</u>	<u>397</u>
	<b>18,491</b>	<b>7,376</b>
Increase (decrease) in non-cash working capital balances related to operations:		
Accounts receivable .....	<b>1,349</b>	-
Prepaid expenses .....	<b>53</b>	1,856
Accounts payable and accrued liabilities .....	<b>1,767</b>	(2,643)
Deferred revenue.....	<u><b>(62,531)</b></u>	<u>22,934</u>
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES AND INCREASE (DECREASE) IN CASH DURING THE YEAR.....</b>	<b>(40,871)</b>	<b>29,523</b>
<b>CASH AT BEGINNING OF THE YEAR .....</b>	<b><u>230,712</u></b>	<b><u>201,189</u></b>
<b>CASH AT END OF THE YEAR.....</b>	<b><u>\$189,841</u></b>	<b><u>\$230,712</u></b>

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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1. PURPOSE OF THE ASSOCIATION:

The Alberta Amputee Sport & Recreation Association is a provincial organization. The purpose of the Association is to further the rehabilitation of amputees by organizing and encouraging personal involvement in social and recreational activities.

The Association is incorporated in the province of Alberta as a not-for-profit organization and is a registered charitable organization within the meaning of the Income Tax Act and is exempt from income taxes.

2. ACCOUNTING POLICIES:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies are as follows:

*Revenue recognition:*

Casino proceeds, grants and donations are included in revenue in the year in which they are received or become receivable, with the exception that amounts received to fund specific expenditures are included in revenue in the year the funds are expended.

Revenue from all other sources is included in revenue in the year in which it is received or becomes receivable.

*Donations of services:*

The work of the Association is dependent on the voluntary service of many individuals. Since these services are not normally purchased by the Association and because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

*Donations of goods:*

The Association receives many donations of goods such as supplies from individuals and organizations. Since these items are not normally purchased by the Association and because of the difficulty in determining their fair value, donated goods are not recognized in these financial statements.

*Financial instruments:*

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

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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2. ACCOUNTING POLICIES (continued):

*Financial instruments (continued):*

The Association's financial instruments measured at amortized cost consist of cash, accounts receivable and accounts payable and accrued liabilities.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount of impairment recognized previously. The amount of the reversal is recognized in net income.

*Cash and cash equivalents:*

Cash and cash equivalents consist of balances with banks and short-term investments that can be readily converted to cash.

*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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed annually and adjustments are made to income as appropriate in the year they become known.

3. DEFERRED REVENUE:

Deferred revenue represents amounts received for which the specific expenditures have not been incurred. The amounts will be recognized as revenue when the specific expenditures are incurred.

Deferred revenue consists of the following:

	<u>2020</u>	<u>2019</u>
Casino proceeds:		
Balance at beginning of the year .....	\$181,383	\$158,449
Interest received .....	973	1,665
Casino proceeds .....	<u>-</u>	<u>68,333</u>
	<b>182,356</b>	<b>228,447</b>
Revenue recognized .....	<u>(63,504)</u>	<u>(47,064)</u>
Balance at end of the year.....	<b><u>\$118,852</u></b>	<b><u>\$181,383</u></b>



**ALBERTA AMPUTEE SPORT & RECREATION ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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4. FINANCIAL INSTRUMENTS:

It is management's opinion that the Association is not exposed to significant credit risk, market risk (which consists of currency risk, interest rate risk and other price risk) or liquidity risk arising from the Association's financial instruments.

5. OTHER MATTER:

On March 11, 2020, the World Health Organization declared a global pandemic due to a novel coronavirus identified as "COVID-19". In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Alberta Amputee Sport & Recreation Association and its operations in future periods.