

Registered Canadian Amateur Athletic Association Information Return

Identification

| | |
|---|------------------------|
| Name of association Canada Games Council | |
| Address 323 Coventry Rd | |
| City Ottawa | |
| Province or territory Ontario | Postal code K1K 3X6 |

| | | | | | | | |
|--|---|---|-------|--|---|-----|---|
| Return for fiscal period ending | | | | | | | |
| 2 | 0 | 2 | 2 | 0 | 3 | 3 | 1 |
| Year | | | Month | | | Day | |
| Is this the first return filed by this association? | | | | | | | |
| Yes <input type="checkbox"/> | | | | No <input checked="" type="checkbox"/> | | | |
| If "no," has the fiscal period changed from the last return filed? | | | | | | | |
| Yes <input type="checkbox"/> | | | | No <input checked="" type="checkbox"/> | | | |
| Is this the final return to be filed by this association? | | | | | | | |
| Yes <input checked="" type="checkbox"/> | | | | No <input checked="" type="checkbox"/> | | | |
| If "yes," please attach an explanation. | | | | | | | |
| File number Q | | | | | | | |
| BN/Registration number 131976052 RR 0001 | | | | | | | |

Is the address above the same mailing address as last year?

RECEIVED *Q* Yes No

If no, is the address above the new mailing address?

Q Yes No

Directors

Complete the Identification area.

Complete the boxes (above right) to indicate the end of the association's fiscal period.

Include FINANCIAL STATEMENTS for the fiscal period covered by this return. These should include a statement of revenue and expenditures for the fiscal period and a statement of assets and liabilities as of the end of the fiscal period. The statements should indicate the different sources of revenue in sufficient detail to show how funds were spent or invested.

Include a list of the names, addresses, and occupations or lines of business of the association's current directors.

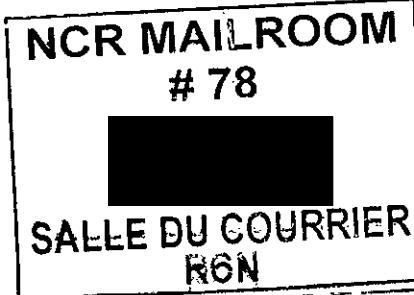
Include a list of the names and the official positions of the people who are authorized to issue official receipts for the association.

Include a note that fully explains what replacement procedure is followed in the event of lost or spoiled receipts.

Within six months from the end of the fiscal period of the association, mail or deliver a completed return and all required documents to:

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

Form authorized by the Minister of National Revenue.



Information required

| | | |
|---|---|--|
| 1. Have any changes not previously reported been made to the association's governing documents? If yes , please attach a certified copy of the changes. | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 2. Have complete books and records been kept (including duplicate copies of receipts) which fully substantiate all financial transactions during the fiscal period? If no , please attach an explanation. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. Please indicate the total amount for which the association issued official donation receipts in this fiscal period. | \$ <u>53.00</u> | |
| 4. Are the receipt forms used to acknowledge payments that are NOT gifts clearly distinguishable from official donation receipts which bear the BN/registration number? If no , please attach an explanation. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 5. Did the association issue official donation receipts showing a date in the previous calendar year for donations that were mailed or otherwise submitted after the end of the calendar year? If yes , please attach an explanation. | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 6. Have official donation receipts been issued to acknowledge donations in a form other than cash or cheque – e.g., goods, services rendered, etc.? If yes , please attach a list of these gifts and their value as shown on the official donation receipt. | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 7. Has any amount donated to the association been returned to the donor during the year? If yes , please attach an explanation (confidential). | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| 8 a. During the fiscal period, did the association accept any gifts with the express or implied condition that such gifts were to be used for the benefit of another person, club, society or association? If yes , please attach an explanation (confidential). | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| b. Did the association issue an official donation receipt to acknowledge such a gift? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

Certification

To be signed by two directors of the association.

1. I, Evan Johnston
Name of director whose signature appears below.

2. I, Fauna Kingdon
Name of director whose signature appears below.

HEREBY CERTIFY that the information given in this return and in all attachments is, to the best of my knowledge, correct, complete and current. (Note: It is a serious offense under the *Income Tax Act* to provide false or deceptive information.)

| | | |
|---|---|--|
| 1. Signature of director (confidential) |  | Position with the association |
| | | |
| Home telephone number (confidential) | Business telephone number | Date |
| | | |
| 2. Signature of director (confidential) |  | Position with the association Treasurer |
| | | |
| Home telephone number (confidential) | Business telephone number | Date |
| | | |

RCAAA:

Personal information is collected under the authority of the Income Tax Act and is used to establish and validate the identity and contact information of directors, trustees, officers and/or like officials and authorized representatives of the organization. This information will also be used as a basis for the indirect collection of additional personal information from other internal and external sources, which includes social insurance number (SIN), personal tax information, and relevant financial and biographical information, which may be used to assess the overall risk of registration with respect to the obligations of registration as outlined in the Act and the common law. The SIN is collected pursuant to subsection 237 of the Act and is used for identification purposes.

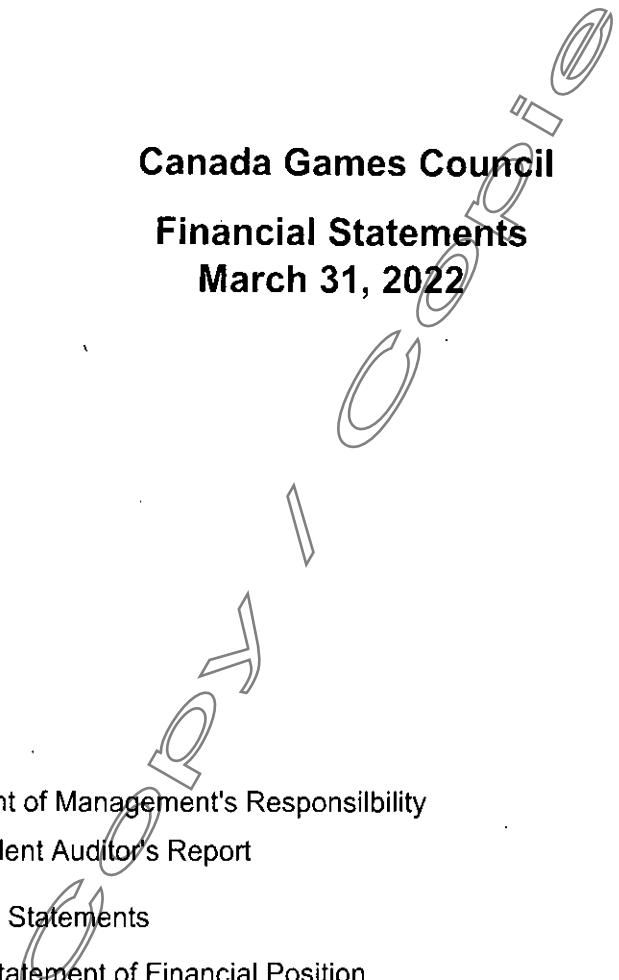
The Canada Revenue Agency (CRA) will make this form and all attachments available to the public upon request and/or on the Charities Directorate website, except for information or data identified as confidential. Personal information may also be disclosed to the organization in question and/or its authorized representatives and other third parties pursuant to the disclosure provisions under Section 241 of the Act. Personal information may also be shared with other government departments and agencies under information-sharing agreements in accordance with the disclosure provisions under Section 241 of the Act. Incomplete or inaccurate information may result in a range of actions including suspension of tax-receiving privileges, up to and including revocation of registered status.

Information is described in Charities Program CRA PPU 200 and is protected under the **Privacy Act**. Individuals have a right of protection, access to and correction or notation of their personal information. Please be advised that you are entitled to complain to the Privacy Commissioner of Canada regarding our handling of your information.

Notification to directors and like officials: The CRA strongly encourages the association to voluntarily inform directors and like officials that their personal information has been collected and disclosed to the CRA for the submission of its annual information return.

I confirm that I have read the Privacy statement above.

I confirm that I have read the Privacy statement above.



Canada Games Council
Financial Statements
March 31, 2022

Statement of Management's Responsibility

Independent Auditor's Report

Financial Statements

| | |
|------------------------------------|-------|
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| Statement of Revenues and Expenses | 2 |
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Independent Auditor's Report

To the Members of Canada Games Council:

Opinion

We have audited the financial statements of Canada Games Council (the "Organization"), which comprise the statement of financial position as at March 31, 2022, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Statement of Management's Responsibility

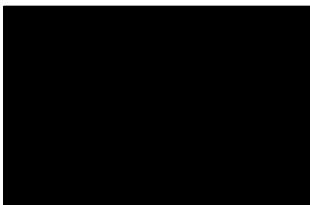
To the Members of Canada Games Council:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and the Finance and Audit Committee are composed primarily of Directors and volunteers who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Finance and Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.. The Finance and Audit Committee is also responsible for recommending the appointment of the Organization's external auditors.

[REDACTED] is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

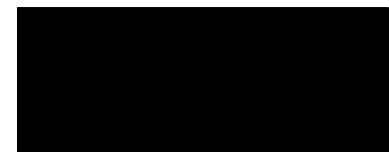
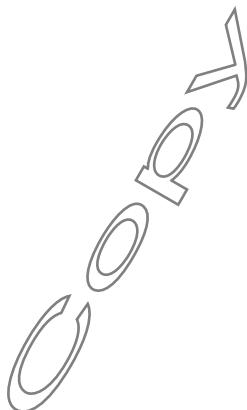


CEO

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Licensed Public Accountants



Canada Games Council

Statement of Financial Position

March 31, 2022

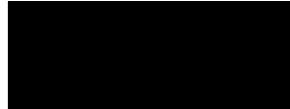
| | 2022 | 2021 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash | 1,581,929 | 1,284,187 |
| Term deposits | - | 257,399 |
| Accounts receivable (Notes 3 & 13) | 476,136 | 582,590 |
| Prepaid expenses | 733,496 | 162,440 |
| | <u>2,791,561</u> | <u>2,286,616</u> |
| Non-Current | | |
| Capital assets (Note 4) | 6,217 | 19,823 |
| Intangible assets (Note 5) | <u>20,422</u> | <u>33,320</u> |
| | <u>26,639</u> | <u>53,143</u> |
| | <u><u>2,818,200</u></u> | <u><u>2,339,759</u></u> |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | 121,588 | 279,428 |
| Deferred contributions (Note 6) | <u>774,602</u> | <u>560,757</u> |
| | <u>896,190</u> | <u>840,185</u> |
| Commitments (Note 7) | | |
| Contingent liabilities (Note 14) | | |
| NET ASSETS | | |
| Invested in capital and intangible assets | 26,639 | 53,143 |
| Unrestricted | <u>1,895,371</u> | <u>1,446,431</u> |
| | <u>1,922,010</u> | <u>1,499,574</u> |
| | <u><u>2,818,200</u></u> | <u><u>2,339,759</u></u> |

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the Members



Director



Director

Canada Games Council
Statement of Revenues and Expenses
For the year ended March 31, 2022

| | 2022 | 2021 |
|--|------------------|------------------|
| | \$ | \$ |
| Revenue | | |
| Sport Canada contributions | 1,406,760 | 1,288,765 |
| Games fees | 850,000 | 698,000 |
| Sponsorship | | |
| Value in-kind | 89,258 | 47,333 |
| Cash | 16,200 | 8,100 |
| Government assistance (Note 13) | 194,701 | 408,066 |
| Grants (Note 2) | 53,282 | 49,370 |
| Interest | 4,590 | 4,614 |
| Other revenues | 14,457 | 14,604 |
| | <u>2,629,248</u> | <u>2,518,852</u> |
| Expenses Before Games Revenue and Expenses | | |
| Administration | 236,885 | 192,307 |
| Administration - Value in-kind | 7,333 | 7,333 |
| Governance | 77,550 | 16,941 |
| Official languages | 41,446 | 19,939 |
| Operations and programming | 334,311 | 579,365 |
| Operations and programming - Value in-kind | 40,000 | 40,000 |
| Other Sport Canada priorities | 18,973 | 26,990 |
| Salaries and benefits | 1,440,522 | 1,143,161 |
| | <u>2,197,020</u> | <u>2,026,036</u> |
| Excess of Revenue Over Expenses Before Games Revenue and Expenses | <u>432,228</u> | <u>492,816</u> |
| Games Revenue and Expenses | | |
| Revenue | | |
| Sponsorship | | |
| Cash (Note 9) | 143,000 | 143,000 |
| Expenses | | |
| Sponsorship | | |
| Cash (Note 9) | 152,792 | 148,634 |
| Deficiency of Games Revenue Over Expenses | <u>(9,792)</u> | <u>(5,634)</u> |
| Excess of Revenue Over Expenses | <u>422,436</u> | <u>487,182</u> |

The accompanying notes are an integral part of the financial statements.

Canada Games Council
Statement of Changes in Net Assets

For the year ended March 31, 2022

| | Invested in capital and intangible assets | Unrestricted | 2022 | 2021 |
|--|--|---------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Net assets, beginning of year | 53,143 | 1,446,431 | 1,499,574 | 1,012,392 |
| Excess (deficiency) of revenue over expenses | (26,504) | 448,940 | 422,436 | 487,182 |
| Net assets, end of year | <u>26,639</u> | <u>1,895,371</u> | <u>1,922,010</u> | <u>1,499,574</u> |

The accompanying notes are an integral part of the financial statements.

Canada Games Council Statement of Cash Flows

For the year ended March 31, 2022

| | 2022 \$ | 2021 \$ |
|--|------------------|------------------|
| OPERATING ACTIVITIES | | |
| Excess of revenues over expenses | 422,436 | 487,182 |
| Non-cash adjustments | | |
| Amortization of capital assets | 13,606 | 13,234 |
| Amortization of intangible assets | 12,898 | 5,374 |
| Changes in working capital items | | |
| Accounts receivable | 106,454 | 38,229 |
| Prepaid expenses | (571,056) | (125,155) |
| Accounts payable and accrued liabilities | (157,840) | 198,158 |
| Deferred contributions | <u>213,845</u> | <u>519,650</u> |
| Cash flows from operating activities | <u>40,343</u> | <u>1,136,672</u> |
| INVESTING ACTIVITIES | | |
| Purchase of term deposits | - | (357,399) |
| Redemption of term deposits | <u>257,399</u> | <u>453,993</u> |
| Purchase of capital assets | - | (9,033) |
| Purchase of intangible assets | - | (38,694) |
| Cash flows from investing activities | <u>257,399</u> | <u>48,867</u> |
| Increase in cash resources | | |
| Cash resources, beginning of year | <u>297,742</u> | <u>1,185,539</u> |
| Cash resources, end of year | <u>1,284,187</u> | <u>98,648</u> |
| | <u>1,581,929</u> | <u>1,284,187</u> |

The accompanying notes are an integral part of the financial statements.

1 - INCORPORATION AND NATURE OF OPERATIONS

Canada Games Council (the "Organization" or "CGC") is incorporated under the Canada Corporations Act as a not-for-profit organization and is a Registered Canadian Amateur Athletic Association under the Income Tax Act and as such is exempt from income tax. In 2014, the Organization received a Certificate of Continuance under the Canada Not-for-Profit Corporations Act.

The Organization provides, among other related services, a focus for the growth and development of amateur sport at the provincial/territorial level, and a multi-sport competition known as the Canada Games.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

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

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses in the year the reversal occurs.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided at rates intended to amortize the cost of assets over their estimated useful lives.

| | Method | Period/Rate |
|------------------------|---------------|-----------------------------|
| Computer equipment | Straight-line | 3 years |
| Office equipment | Straight-line | 5 years |
| Signage | Straight-line | 5 years |
| Leasehold improvements | Straight-line | Remaining term of the lease |

Intangible assets

Purchased intangible assets are recorded at cost. Contributed intangible assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided at rates intended to amortize the cost of assets over their estimated useful lives.

| | Method | Period/Rate |
|---------------------|---------------|-------------|
| Website development | Straight-line | 3 years |

Impairment

Long-lived assets, which include capital assets and intangible assets, are tested for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. The carrying amount of all long-lived assets is not recoverable when it exceeds the sum of the undiscounted cash flows expected to result from their use and eventual disposal. In such a case, an impairment loss must be recognized and is equivalent to the excess of the carrying amount of a long-lived asset over its residual value.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

(i) Sponsorship revenue

The Organization 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions received from Sport Canada are subject to specific terms and conditions regarding the use of funds. The Organization's accounting records are subject to audit by Sport Canada. Adjustments to prior years' contributions are recorded in the year Sport Canada requests the adjustment.

(ii) Games fees

Hosting revenues are recognized as the services are provided in accordance with the Hosting agreements.

(iii) Value in-kind

The Organization records the value of donated goods and services (value in-kind) when a fair value can be reasonably estimated and when the materials and services would normally be purchased by the Organization.

(iv) Grants

Grant revenues include \$40,000 (\$45,000 as at March 31, 2021) received from the Canadian Olympic Foundation and \$13,282 (\$4,370 as at March 31, 2021) received from the Government of Canada as part of the Canada Summer Jobs granting program. Revenues from grants are recognized as the related expenses are incurred.

(v) Other revenue

Other revenue consists of donations, a provincial property tax rebate, and revenues from online merchandise sales. Donations are recognized when received, or, in the case of donations related to specific events, when the event takes place. Provincial property tax rebates are recognized when received or receivable, if the amount can be reasonably estimated and collection is assured. Revenues from online merchandise sales are recognized when the sale has incurred, if the amount can be reasonably estimated and collection is assured.

(vi) Interest revenue

Interest income is recognized as it is earned.

(vii) Government assistance

Government assistance is recognized when there is reasonable assurance that the Organization has complied and will continue to comply with all conditions of the assistance. Government assistance towards expenses is recognized as revenues as the related expenses are incurred.

Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires the Organization's management and directors to make estimates and assumptions that affect the reported amount of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known. The main estimates relate to the provision for bad debts, the value of in-kind contributions, amortization rates and useful lives of capital assets and intangible assets, and the amount of certain accrued liabilities.

3 - ACCOUNTS RECEIVABLE

| | 2022 | 2021 |
|----------------------------------|---------|---------|
| | \$ | \$ |
| Trade accounts receivable | 407,708 | 462,296 |
| Grants receivable | 40,000 | 45,000 |
| Government assistance receivable | - | 45,081 |
| Sales tax receivable | 28,428 | 30,213 |
| | <hr/> | <hr/> |
| | 476,136 | 582,590 |

4 - CAPITAL ASSETS

| | Accumulated | Net book | Net book | |
|------------------------|-------------|--------------|----------|--------|
| | Cost | amortization | value | |
| | \$ | \$ | \$ | \$ |
| Computer equipment | 9,033 | 4,411 | 4,622 | 7,633 |
| Office equipment | 46,422 | 46,422 | - | 5,141 |
| Signage | 3,344 | 3,344 | - | 669 |
| Leasehold improvements | 13,364 | 11,769 | 1,595 | 6,380 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 72,163 | 65,946 | 6,217 | 19,823 |

Cost and accumulated amortization at March 31, 2021 amounted to \$72,163 and \$52,340 respectively.

5 - INTANGIBLE ASSETS

| | Cost | Accumulated amortization | 2022 | 2021 |
|---------------------|------|--------------------------|----------------|----------------|
| | | | Net book value | Net book value |
| Website development | | | \$ 38,694 | \$ 18,272 |
| | | | 20,422 | 33,320 |

Cost and accumulated amortization at March 31, 2021 amounted to \$38,694 and \$5,374 respectively.

6 - DEFERRED CONTRIBUTIONS

| | 2022 | 2021 |
|---|----------------|----------------|
| Above Reference from Sport Canada (a) | | |
| Balance, beginning of year | 186,637 | |
| Add: amount received during the year from Sport Canada for programming | - | 222,000 |
| Less: amount recognized during the year from Sport Canada for programming | (146,497) | (35,363) |
| Balance, end of year | 40,140 | 186,637 |
| Recovery Funds from Sport Canada (b) | | |
| Balance, beginning of year | 137,620 | - |
| Add: amount received during the year from Sport Canada for programming | (125,470) | - |
| Less: amount recognized during the year from Sport Canada for programming | 12,150 | - |
| Sport Canada Level Reference Contribution (c) | | |
| Balance, beginning of year | 26,000 | - |
| Add: amount received during the year for Safety in Sport programming | (18,973) | - |
| Less: amount recognized during the year for Safety in Sport programming | 7,027 | - |
| Games Travel | | |
| Balance, beginning of year | 328,220 | - |
| Add: amount received during the year for travel relating to the Canada Games occurring in 2022 | 303,365 | 328,220 |
| Less: amount recognized during the year for travel relating to the Canada Games occurring in 2022 | - | - |
| Balance, end of year | 631,585 | 328,220 |
| Other | | |
| Balance, beginning of year | 45,900 | 41,107 |
| Add: amount received during the year for sponsorship for the Canada Games occurring in 2022 | 54,000 | 45,900 |
| Less: amount recognized as revenue during the year for COVID-19 relief | - | (1,107) |
| Less: amount recognized as sponsorship revenue during the year for the Canada Games occurring in 2022 | (16,200) | - |
| Less: amount recognized as revenue during the year for the Canada Games occurring in 2025 | - | (40,000) |
| Balance, end of year | 83,700 | 45,900 |
| Total deferred contributions | 774,602 | 560,757 |

(a) During the 2021 year end, the Organization received an additional \$222,000 in Above Reference funding from Sport Canada for additional program support, of which \$40,140 has been approved to be carried over to the 2023 year end. This \$40,140 must be spent prior to April 30, 2022 or it is subject to repayment. Subsequent to year end, the funds have been spent as required.

(b) During the year, the Organization received an additional \$137,620 in Recovery Funds from Sport Canada for additional program support, of which \$12,150 has been approved to be carried over to the 2023 year end. This \$12,150 must be spent prior to April 30, 2022 or it is subject to repayment. Subsequent to year end, the funds have been spent as required.

(c) During the year, as per the Sport Canada Reference Level Contribution Agreement, the Organization received \$26,000 for Safety in Sport programming, of which \$7,027 has been approved to be carried over to the 2023 year end. This \$7,027 must be spent by June 30th, 2022 or it is subject to repayment. As at the date of the financial statements, management believes all monies will be spent, and therefore no future repayments will be required.

7 - COMMITMENTS

The Organization has entered into an operating lease agreement for office premises until July 31, 2022 with estimated minimum annual payments for the next year as follows:

2023 21,267

8 - EMPLOYEE FUTURE BENEFITS

Total cash payments for employee defined contribution plans for 2022, consisting of cash contributed by the Organization to employees' RRSP plan, were \$125,485 (2021 - \$110,600).

9 - ADMINISTRATION AND COORDINATION OF NATIONAL SPONSOR / LICENSEE SOLICITATION AND AGREEMENTS FOR THE CANADA GAMES

The Organization, as the Franchise Holder for the Canada Games, has been involved with the administration and coordination of national sponsor / licensee solicitation and agreements for the organization of the Canada Games for the Host Societies. As administrator of these national agreements, the Organization has accepted the responsibility of collecting funds from a sponsor / licensee and in turn issuing and allocating a specified amount to Canada Games Host Societies. During the fiscal year 2022, the Organization, through established national agreements, collected \$143,000 (\$143,000 cash and \$Nil value-in-kind (VIK)) (2021 - \$143,000 (\$143,000 cash and \$Nil VIK)) on behalf of Host Societies.

10 - CAPITAL DISCLOSURE

The Organization defines its capital as its net assets, which are not subject to external requirements. Management's objective, when managing capital, is to safeguard the Organization's ability to continue as a going concern, so that it can continue to provide services in accordance with its mission.

There have been no changes to the Organization's capital requirements and its overall strategy for capital remains unchanged from the prior year.

11 - FINANCIAL INSTRUMENTS

It is management's opinion that the Organization is not exposed to significant interest, currency, credit or other price risks arising from financial instruments.

Credit risk

The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive.

Credit concentration

As at March 31, 2022, 2 funders accounted for 91% (2021 - 2 funders accounted for 82%) of accounts receivable. The Organization believes that there is no unusual exposure associated with the collection of these receivables. The Organization performs regular credit assessments of its receivables and provides allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. The Organization is exposed to liquidity risk with respect to the accounts payable and accrued liabilities recognized in the statement of financial position. This risk is reduced due to the considerable sum sitting in cash at year end, and due to the fact that many of the significant accounts payable are offset by a corresponding accounts receivable.

The total value of financial assets carried at amortized cost is \$2,029,637 as at March 31, 2022 (\$2,093,963 as at March 31, 2021).

12 - CANADA GAMES FUND

The Canadian Olympic Foundation, a registered charitable foundation, under an agreement with Canada Games Council and the former Foundation for Athletes and Sport Training has established an endowment fund called the *Canada Games Fund* for the benefit of the Canada Games Council, with a balance of \$1,322,522 as at March 31, 2022 (\$1,274,366 as at March 31, 2021). The Canadian Olympic Foundation invests and administers the *Canada Games Fund* within the parameters of the endowment agreement.

13 - GOVERNMENT ASSISTANCE

During the year, the Organization recognized \$194,701 (March 31, 2021 - \$408,066) in Canada Emergency Wage Subsidy ("CEWS"), Temporary Wage Subsidy ("TWS") and Canada Emergency Rent Subsidy (CERS) as revenue, of which \$Nil (March 31, 2021 - \$45,081) was accrued in trade and other receivables at year-end. CEWS, TWS and CERS, introduced in response to the COVID-19 (a.k.a. coronavirus) pandemic, provide eligible employers with a subsidy to cover a portion of wage costs paid to eligible employees and rental costs during prescribed claim periods. There are no unfulfilled conditions related to amounts recognized. However, amounts claimed under these programs are subject to validation and detailed verification by the Federal Government.

14 - CONTINGENT LIABILITIES

The Organization has entered into an agreement with a third party management group, whereby this group manages online sales of the Organization's merchandise. As the third party assumes all risks and purchases all inventories, no amount of inventory has been recognized in these financial statements. Should the Organization decide to terminate this agreement, the Organization could be required to purchase all remaining inventory held at that time. As at the date of these financial statements, management is of the belief that there is minimal risk that the Organization would terminate the agreement and also that should the agreement be terminated that the amount of inventory to be purchased would not be significant. As such, no adjustment has been made in these financial statements in relation to the inventory.

15 - SIGNIFICANT EVENTS

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Organization's operations were impacted by COVID-19 due to postponement of events, specifically the 2021 Canada Games, which have been postponed to the summer of 2022. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the full extent of the impact is unknown, the outbreak has resulted in additional costs relating to the postponement and COVID-19 countermeasures in staging the Games, which are expected to continue to negatively impact the Organization's financial condition.

The impact of COVID-19 has been partially offset by available Government programs for which the Organization was eligible. The Organization has received wage subsidies from March 2020 to October 2021 and rent subsidies from October 2020 to October 2021. Further details of these programs is described in Note 13, Government assistance.



RCAAA ANNUAL INFORMATION RETURN

Tax Receipt Process

#5: Persons authorized to issue official receipts for the Association:

1) Kelly-Ann Paul
President and CEO

2) Evan Johnston
Chair

#6: Replacement procedure when receipts are lost or spoiled:

a) The Council cancels its office (duplicate) copy of the original tax receipt

Note: On most occasions, the original tax receipt is returned by the donor who requests the issuance of a replacement.

b) Replacement tax receipt is issued with a reference indicating the number of the original receipt issued.

CGC BOARD OF DIRECTORS

| | Address | Telephone | Email |
|-------------------------------------|---------|-----------|-------|
| DIRECTORS | | | |
| Evan Johnston (Chair) | | | |
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| Fauna Kingdon (Treasurer) | | | |
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| Lynn Blouin | | | |
| Sue Boreskie | | | |
| Anthony Everett | | | |
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| Judy Joseph-Black | | | |
| Teddy Katz | | | |
| Blair McIntosh | | | |
| Rick Rambottom | | | |
| Malcolm Boyle | | | |