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THE SAINT JOHN JEUX CANADA
GAMES FOUNDATION INC
206 KING STREET WEST
SAINT JOHN NB E2M 1S6

REGISTERED CANADIAN AMATEUR
ATHLETIC ASSOCIATION INFORMATION

RETURN

000001

Return for Fiscal Period Ending

210118 112 311

Year Month Day

Is this the first return filed by this association?

Yes No

If "No", has the fiscal period changed from the last return filed?

Yes No

Is this the final return to be filed by this association?

Yes No

If "Yes", please attach an explanation.



15 13244 9513 RR 0001 2018-12-31 0496323

If the name or address shown above is incorrect or a more permanent address can be provided, print the necessary corrections below:

Corrected name

Corrected address (Number, Street, Apt. No., P.O. Box or R.R. No.)

City

Province or territory

Postal code

NOTE:

To minimize the possibility of the annual mailing of the personalized Registered Canadian Amateur Athletic Association Information Return going astray, it is important that, where possible, a permanent mailing address be provided (i.e., address of the actual, physical location of the association or permanent P.O. Box number).

Instructions

1. Ensure that the name and address are correct. To correct pre-printed information on this form, please use the provided. Any changes (except to the contact information above) must be explained in an attachment to this return. ✓

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

3. 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. ✓

4. a list of the names, addresses, and occupations or lines of business of the association's current members. ✓

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

6. a note that fully explains what replacement procedure is followed in the event of lost or spoiled receipts. ✓
7. six months from the end of the fiscal period of the association, mail or deliver a completed return with required documents to:

Charities Directorate
Canada Revenue Agency
Ottawa ON K1A 0L5

6000003861214

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 No
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 No
3. Please indicate the total amount for which the association issued official donation receipts in this fiscal period.
\$ Nil
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. NA
Yes No
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 No
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 No
7. Has any amount donated to the association been returned to the donor during the year? If yes, please attach an explanation.
Yes No
- 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.
Yes No
- b. Did the association issue an official donation receipt to acknowledge such a gift?
Yes No

Certification

To be signed by two directors of the association

1. I, Jeff white of _____
Name of director whose signature appears below. (Print)2. I, David Roberts of _____
Name of director whose signature appears below. (Print) Address

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	Position with the association
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Home telephone number	Business telephone number	Date
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2. Signature of director	Position with the association
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Home telephone number	Business telephone number	Date
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THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.
LIST OF GOVERNORS AND OFFICERS 2018

OFFICERS

TERM EXPIRES

Jeff White	Chairman			March 3, 2020
Sean Darrah	Vice Chairman			March 6, 2020 +3
Mr. David Roberts	Treasurer			December 23, 2020

GOVERNORS

Kelly Manning	Governor			March 3, 2020
William Kean	Governor			June 4, 2021
Jill Horgan	Governor			February 26, 2021
Clare Northcott	Governor			July 8, 2020 +3
Chris Daigle	Governor			August 4, 2021 +3
Shirley McAlary	Governor			

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

(Incorporated under the laws of New Brunswick)

FINANCIAL STATEMENTS

DECEMBER 31, 2018



THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

DECEMBER 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Members of The Saint John Jeux Canada Games Foundation, Inc.

Opinion

We have audited the financial statements of The Saint John Jeux Canada Games Foundation, Inc. (the Foundation), which comprise the statement of financial position as at December 31, 2018, and the statements of changes in net financial assets, operations 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 Foundation as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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 those 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 public sector accounting standards, 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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

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

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Independent Auditors' Report to the Members of The Saint John Jeux Canada Games Foundation, Inc.
(continued)

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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.

Saint John, New Brunswick

CHARTERED PROFESSIONAL ACCOUNTANTS

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
FINANCIAL ASSETS		
Cash	\$ 4,449	\$ 3,605
Accounts receivable	52,541	12,180
Investments (Note 4)	<u>6,869.070</u>	<u>7,369.602</u>
	<u>\$ 6,926,060</u>	<u>\$ 7,385,387</u>
LIABILITIES		
Accounts payable and accrued liabilities	<u>\$ 12,732</u>	<u>\$ 13,388</u>
NET FINANCIAL ASSETS	<u>6,913,328</u>	<u>7,371,999</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	<u>2,698</u>	<u>2,698</u>
ACCUMULATED SURPLUS (Note 5)	<u>\$ 6,916,026</u>	<u>\$ 7,374,697</u>

APPROVED ON BEHALF OF THE BOARD:

[REDACTED] Director
[REDACTED] Director

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
ANNUAL SURPLUS (DEFICIT) FOR THE YEAR	\$ (458,671)	\$ 51,947
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	<u>7,371,999</u>	<u>7,320,052</u>
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 6,913,328</u>	<u>\$ 7,371,999</u>

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Gain on disposal of investments	\$ 463,614	\$ 135,129
Interest and other investment income	116,510	104,673
Dividends	79,700	87,333
Management and custodial fees	<u>(53,737)</u>	<u>(53,395)</u>
	<u>606,087</u>	<u>273,740</u>
EXPENDITURE		
Grants	342,500	319,000
Administration fees	32,810	29,611
Professional fees	4,623	4,569
Consultant fees	4,047	4,047
Advertising	2,977	2,870
Office	1,275	1,736
Insurance	834	939
Miscellaneous	<u>568</u>	<u>701</u>
	<u>389,634</u>	<u>363,473</u>
ANNUAL SURPLUS (DEFICIT) BEFORE NET UNREALIZED GAINS (LOSS)	216,453	(89,733)
NET UNREALIZED GAINS (LOSS)	<u>(675,124)</u>	<u>141,680</u>
ANNUAL SURPLUS (DEFICIT) FOR THE YEAR	<u>(458,671)</u>	51,947
ACCUMULATED SURPLUS - BEGINNING OF YEAR	<u>7,374,697</u>	<u>7,322,750</u>
ACCUMULATED SURPLUS - END OF YEAR	<u>\$ 6,916,026</u>	<u>\$ 7,374,697</u>

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
INCREASE (DECREASE) IN CASH		
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ (458,671)	\$ 51,947
Gain on disposal of investments	(463,614)	(135,129)
Net unrealized loss (gains)	675,124	(141,680)
Accounts receivable	(40,361)	(50)
Accounts payable and accrued liabilities	<u>(656)</u>	<u>309</u>
	<u>(288,178)</u>	<u>(224,603)</u>
INVESTING TRANSACTION		
Proceeds net of purchases of investments	<u>289,022</u>	<u>219,701</u>
INCREASE (DECREASE) IN CASH	844	(4,902)
CASH AT BEGINNING OF YEAR	<u>3,605</u>	<u>8,507</u>
CASH AT END OF YEAR	<u>\$ 4,449</u>	<u>\$ 3,605</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Dividends received	\$ 75,751	\$ 87,188
Interest received	115,887	105,245

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. PURPOSE OF THE ORGANIZATION

The Saint John Jeux Canada Games Foundation, Inc. (the "Foundation") is incorporated under the laws of New Brunswick as a non-profit organization and is registered as a Canadian amateur athletic association under the provisions of the Canadian Income Tax Act and as such, is tax exempt. Its purpose is to fund training and development of amateur athletes in Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards ("PSAS").

Cash and Cash Equivalents

Cash includes cash and cash equivalents which consists of cash in the bank account.

Investments

The investments of the Foundation are held in the custody of [REDACTED] and [REDACTED]. The Foundation's investment strategy is to hold high quality corporate or government bonds and liquid equity investments which bear no unusual credit or interest rate risk.

Fair values of investments in fixed income securities and equities are determined using year end quoted market prices.

Capital Assets

The Foundation capitalizes all expenditures for items having an estimated useful life expectancy greater than one year and at a cost greater than \$500.

Revenue Recognition

Investment income is recognized on an accrual basis.

Contributed Services

Volunteers contribute an indeterminable number of hours per year. Because of the difficulty of 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 unrealized gains and losses reported in annual surplus (deficit). 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.

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Measurement Uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards 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 amount of revenues and expenditures during the reporting 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. An example of a significant estimate includes the recoverability of investments.

3. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of December 31, 2018.

Currency Risk

Currency risk is the risk to the Foundation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation is exposed to foreign currency risk on its U.S. investments.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Foundation is currently exposed to interest rate risk through the fixed income component of its investment portfolio.

Other Price Risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The company is exposed to other price risk through its investment in quoted shares.

THE SAINT JOHN JEUX CANADA GAMES FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

4. INVESTMENTS

	Cost <u>2018</u>	Market Value <u>2018</u>	Cost <u>2017</u>	Market Value <u>2017</u>
Cash	\$ 89,859	\$ 89,859	\$ 28,304	\$ 28,304
Equities				
Canadian	1,410,383	1,753,272	1,355,301	2,036,966
Foreign	1,622,536	2,230,919	1,537,905	2,454,650
Total equities	3,032,919	3,984,191	2,893,206	4,491,616
Bonds and debentures	2,690,599	2,658,356	2,713,028	2,708,387
Short term investments	136,329	136,664	140,576	141,295
Total investments	\$ 5,949,706	\$ 6,869,070	\$ 5,775,114	\$ 7,369,602
Allocated to:				
Unrestricted		\$ 1,869,070		\$ 2,369,602
Restricted (Note 5)		5,000,000		5,000,000
		\$ 6,869,070		\$ 7,369,602

5. ACCUMULATED SURPLUS

	2018	2017
Unrestricted	\$ 1,916,026	\$ 2,374,697
Restricted	5,000,000	5,000,000
	\$ 6,916,026	\$ 7,374,697

The restricted accumulated surplus represents the surplus funds of \$2,125,797 of The Saint John 1985 Canada Summer Games Society, Inc. - La Societe Des Jeux D'Ete 1985 De Saint John, Inc. transferred to The Saint John Jeux Canada Games Foundation, Inc. on December 1, 1986. Under the Letters Patent incorporating the Foundation, the capital of these surplus funds was not to be spent for a period of ten years. Since the expiration of this ten-year period in 1996, the Board of Directors have continued the restriction on the use of the capital, and have subsequently raised the limit to \$5,000,000.