

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Financial Statements

Year Ended March 31, 2019

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

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Year Ended March 31, 2019

(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Aboriginal Sport and Recreation New Brunswick Inc.

We have reviewed the accompanying financial statements of Aboriginal Sport and Recreation New Brunswick Inc. which comprise the statement of financial position as at March 31, 2019 and the statements of changes in net assets, revenues and expenditures and cash flow 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 for the Financial Statements

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 these financial statements do not present fairly, in all material respects, the financial position of Aboriginal Sport and Recreation New Brunswick Inc. as at March 31, 2019, 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.

Teed Saunders Doyle

Fredericton, New Brunswick
October 18, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Statement of Financial Position

March 31, 2019

(Unaudited)

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 64,169	\$ -
Accounts receivable	<u>17,965</u>	<u>12,960</u>
	<u>\$ 82,134</u>	<u>\$ 12,960</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 5,867	\$ 4,253
Bank indebtedness	-	3,079
Deferred revenue <i>(Note 4)</i>	<u>55,000</u>	<u>-</u>
	<u>60,867</u>	<u>7,332</u>
NET ASSETS	<u>21,267</u>	<u>5,628</u>
	<u>\$ 82,134</u>	<u>\$ 12,960</u>

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Statement of Changes in Net Assets

Year Ended March 31, 2019

(Unaudited)

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 5,628	\$ 20,233
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>15,639</u>	<u>(14,605)</u>
NET ASSETS - END OF YEAR	<u>\$ 21,267</u>	<u>\$ 5,628</u>

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Statement of Revenues and Expenditures

Year Ended March 31, 2019

(Unaudited)

	2019	2018
REVENUE		
Grants - North American Indigenous Games	\$ 3,750	\$ 313,654
Fundraising (ASRNB Tickets)	52,374	10,810
National Aboriginal Hockey Championships	100,660	8,220
Aboriginal Sport Circle	28,145	75,990
Province of New Brunswick	117,400	118,000
Rugby clinics	14,250	10,432
	<u>316,579</u>	<u>537,106</u>
EXPENSES		
Administration	-	6,284
Business taxes, licenses and memberships	1,468	2,351
Fundraising	27,027	-
Insurance	228	-
Interest and bank charges	327	484
Miscellaneous	54	1,008
NB Indian Summer Games	31,153	5,114
National Aboriginal Hockey Championships	107,529	2,605
North American Indigenous Games	10,517	306,222
Professional fees	3,381	2,250
Repayment of unexpended funds to ISC <i>(Note 5)</i>	40,000	-
Rugby clinic	14,953	140,348
Salaries and wages	27,350	49,464
Telephone	953	1,754
Travel	36,000	33,827
	<u>300,940</u>	<u>551,711</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 15,639</u>	<u>\$ (14,605)</u>

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Statement of Cash Flow

Year Ended March 31, 2019

(Unaudited)

	2019	2018
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 15,639	\$ (14,605)
Changes in non-cash working capital:		
Accounts receivable	(5,005)	(10,906)
Accounts payable	1,614	1,372
Deferred revenue	55,000	(79,190)
Prepaid expenses	-	78,190
	<u>51,609</u>	<u>(10,534)</u>
INCREASE (DECREASE) IN CASH	67,248	(25,139)
CASH (DEFICIENCY) - BEGINNING OF YEAR	(3,079)	22,060
CASH (DEFICIENCY) - END OF YEAR	\$ 64,169	\$ (3,079)
CASH (DEFICIENCY) CONSISTS OF:		
Cash	\$ 64,169	\$ -
Bank indebtedness	-	(3,079)
	<u>\$ 64,169</u>	<u>\$ (3,079)</u>

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Notes to Financial Statements

Year Ended March 31, 2019

(Unaudited)

1. PURPOSE OF THE ORGANIZATION

Aboriginal Sport and Recreation New Brunswick Inc. (the "organization") is a not-for-profit organization incorporated under the Societies Act of New Brunswick. As a not-for-profit organization the organization is exempt from income taxes under Section 149(1) of the Income Tax Act.

The organization is committed to guide, mobilize and promote a healthy, active lifestyle through developing sport and recreation opportunities for aboriginal people in New Brunswick, with a focus on youth.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

The organization considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be financing activities.

Financial instruments policy

The organization considers any contracts a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

1. Cash and cash equivalents
2. Trade and other receivables
3. Payables and accruals

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

The organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the organization is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The organization subsequently measures its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment.

The organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

(continues)

ABORIGINAL SPORT AND RECREATION NEW BRUNSWICK INC.

Notes to Financial Statements

Year Ended March 31, 2019

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Government grants are recognized as revenue in the year in which the related expenses are incurred. Revenue from registration fees are recognized when products and services are delivered to the customer and ultimate collection is reasonably assured.

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 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.

3. FINANCIAL INSTRUMENTS

Fair value

The company's carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximates its fair value due to the immediate or short term maturity of these instruments. It is management's opinion that the organization is not exposed to significant interest, price, liquidity or credit risks arising from these financial instruments.

4. DEFERRED REVENUE

	<u>2019</u>	<u>2018</u>
Province of New Brunswick - Operational Funding	\$ 55,000	\$ -

5. REPAYMENT OF UNEXPENDED FUNDS TO ISC

Repayment of unexpended funds to Indigenous Services Canada (ISC) includes \$40,000 (2018 - \$nil) in relation to funding received from the Aboriginal Sport Circle in the prior year and intended for the purchase of equipment.