

**ALBERTA CHAPTER, CANADIAN FOUNDATION FOR POLIOMYELITIS
AND REHABILITATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2015

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MANAGEMENT'S REPORT

To the members of
Alberta Chapter, Canadian Foundation For Poliomyelitis and Rehabilitation

Management has the responsibility for preparing the accompanying financial statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian generally accepted accounting principles..

In discharging its responsibility 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 proper records are maintained.

The Board of Directors is composed entirely of directors who are neither management or employees of the organization. The Board reviews the financial statements in detail with management prior to their approval of the financial statements for publication.

An external auditor is appointed by the members to the audit the financial statements and report directly to them; his report follows. The external auditor has full and free access to both management and the Board to discuss his audit findings.

Chris Strong - President

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Alberta Chapter, Canadian Foundation For Poliomyelitis and Rehabilitation

I have audited the accompanying financial statements of Alberta Chapter, Canadian Foundation For Poliomyelitis and Rehabilitation which comprise the statement of financial position at December 31, 2015, and the statements of operations, changes in net assets and 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 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.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2015 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.

Calgary, Alberta

February 29, 2016

Rustam R. Kassam
CHARTERED PROFESSIONAL ACCOUNTANT
CERTIFIED MANAGEMENT ACCOUNTANT

**ALBERTA CHAPTER, CANADIAN FOUNDATION FOR POLIOMYELITIS
AND REHABILITATION**

**STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015**

	ASSETS	
	2015	2014
	\$	\$
CURRENT		
Cash (Note 2,5)	\$ 111,546	74,352
Marketable securities (Note 1)	231,242	241,408
Prepaid expenses	2,499	2,496
	345,287	318,256
OTHER ASSETS (Note 1)	1	1
	345,288	318,257

LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 7)	\$ 3,252	3,251
Due to Alberta-NWT Command (Note 6)	-	17
Deferred contributions (Note 1)	73,110	44,255
	76,362	47,523

NET ASSETS		
NET ASSETS	268,926	270,734
	345,288	318,257

APPROVED ON BEHALF OF THE BOARD:

_____ President
 _____ Director

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**STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015	2014
	\$	\$
REVENUE		
Pull ticket contributions (Note 6)	30,322	32,137
Casino	46,487	45,000
Interest	2,222	7,461
Donations	4,002	4,648
	83,033	89,246
EXPENSES		
Administration fees	27,600	27,600
Casino expenses	2,232	-
Equipment purchases	24,728	49,822
Equipment repairs and maintenance	3,692	4,100
Medical	1,117	512
Office and general	1,869	510
Professional fees	2,750	3,250
Special assistance grants	20,853	20,365
	84,841	106,159
EXCESS OF REVENUES OVER EXPENSES	(1,808)	(16,913)

**ALBERTA CHAPTER, CANADIAN FOUNDATION FOR POLIOMYELITIS
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STATEMENT OF CHANGES IN NET ASSETS

DECEMBER 31, 2015

	2015	2014
	\$	\$
NET ASSETS, beginning of year	270,734	287,647
EXCESS OF REVENUES OVER EXPENSES	(1,808)	(16,913)
NET ASSETS, end of year	268,926	270,734
Comprised as follows:		
Unrestricted	268,926	270,734
	268,926	270,734

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STATEMENT OF CASH FLOWS

DECEMBER 31, 2015

	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(1,808)	(16,913)
	(1,808)	(16,913)
CHANGES IN NON-CASH WORKING CAPITAL:		
Increase in prepaid expenses	(3)	(951)
Decrease (increase) in deferred revenue	28,856	(44,999)
Decrease (increase) in accounts payable and accrued liabilities	(17)	498
Increase in interest receivable	(2,222)	(7,461)
	24,806	(69,826)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in investments	12,388	-
CASH FLOWS USED IN INVESTING ACTIVITIES	12,388	-
NET INCREASE (DECREASE) IN CASH	37,194	(69,826)
CASH , BEGINNING OF YEAR	74,352	144,178
CASH , END OF YEAR	111,546	74,352

ALBERTA CHAPTER, CANADIAN FOUNDATION FOR POLIOMYELITIS AND REHABILITATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

NATURE OF ORGANIZATION

Alberta Chapter, Canadian Foundation for Poliomyelitis and Rehabilitation provides specialized equipment, services and grants to victims of poliomyelitis. The Foundation is incorporated under the Canada Corporation Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not for profit organizations (ASNFPO). The organization's significant accounting policies are as follows:

(a) Cash and cash equivalents

Cash is defined as cash on hand, cash on deposit, and short term deposits with a maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date.

(b) Revenue Recognition

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 revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Deferred Contributions

Contributions received from the casino event are deferred to be utilised over a two year period.

(d) Mineral Rights

Mineral rights were donated by a member of the foundation. The rights were recorded at a nominal \$1.00.

(e) Income Taxes

The organization is a non - profit organization as defined under section 149(1) (l) of the income tax act, and accordingly it is not subject to income taxes.

(f) Marketable Securities.

Marketable securities are recorded at fair market value (cost plus accrued interest) at December 31, 2015.

(g) Continued operations

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of operations. The organizations ability to continue as a going concern is dependent on the continuity of receiving contributions and donations to cover its expenses and meet its commitments

ALBERTA CHAPTER, CANADIAN FOUNDATION FOR POLIOMYELITIS AND REHABILITATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for private enterprises, requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Amortization of capital assets is provided for based on the estimated useful lives of these assets. Accounts receivables are stated after evaluation as to their collectibility. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings/net assets in the period in which they become known.

2. CASH

	2015	2014
Cash on deposit	113,216	79,467
Cheques issued and outstanding	(1,670)	(5,115)
	111,546	74,352

3. ADMINISTRATION FEES

During the year the Foundation paid an administrative fee of \$24,000 (2014 - \$24,000) to Alberta - NWT Command, The Royal Canadian Legion Poppy Fund for the service bureau personnel to process polio related requests and enquiries.

4. RELATED PARTY TRANSACTIONS

Alberta-NWT Command, The Royal Canadian Legion ("Command") is related to the Foundation via common management.

Pull tickets contributions comprised of \$30,322 (2014 - \$32,137) from 2% of the charitable portion of pull tickets operations of various Royal Canadian Legion branches in Alberta and the NWT.

During the year the Foundation paid an administrative fee of \$3,600 (2014 - \$3,600) to Alberta - NWT Command for administrative costs incurred on behalf of the polio fund.

5. CASH RESTRICTIONS

Of the amount held in cash, \$73,110 (2014 - \$44,255) is set aside from revenues deferred to be used over the next two years of operations.

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

6. FINANCIAL RISKS AND CONCENTRATION OF RISK

Cash flow risk

The organization is exposed to cash flow risk resulting from the possibility that future cash flows associated with a monetary financial instrument will fluctuate in amount.

The exposure of the organization to cash flow risk arises from certain of its interest bearing assets.

The organization's cash includes amounts on deposit with financial institutions that earn interest at market rates.

The organization manages its exposure to the cash flow risk of its cash by maximizing the interest income earned on excess funds while maintaining the minimum liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the organization's results of operations.

Credit risk

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization does not hold directly any collateral as security for financial obligations.

Cash and investments: Credit risk associated with cash and Canadian fixed income investments is minimized substantially by ensuring that these assets are invested in financial obligations of major financial institutions.

Amounts receivable: Credit risk associated with amounts receivable is minimized by the organization's receivable being from a government agency and is confirmed and received..

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the organization not being able to liquidate its assets in a timely manner at a reasonable price.

The organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

Price risk

The organization is exposed to price risk in the form of currency risk, interest rate risk and market risk.

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

6. FINANCIAL RISKS AND CONCENTRATION OF RISK (Continued)

Currency risk

Currency risk refers to the risk that the fair value of financial instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The functional currency of the organization is the Canadian dollar, and all transactions and investments are made in Canadian dollars.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates.

The exposure of the organization to interest rate risk arises from certain of its interest bearing assets. The organization has no other interest bearing liabilities.

The primary objective of the organization with respect to its investments in fixed income investments is to ensure the security of principal amounts invested for a high degree of liquidity, while achieving a satisfactory investment return. Investments in equity securities are not exposed to significant interest rate risk.

Market risk

Market risk refers to the risk that the fair value of financial instruments will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The organization is not exposed to equity securities market risk because of the nature of its investments.

7. ACCOUNTS PAYABLE

There are no government remittances included in this amount
