Financial statements of

Canadian Sport Institute Pacific Society

March 31, 2016
Canadian Sport Institute Pacific Society
March 31, 2016

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Independent Auditor’s Report

To the Members of
Canadian Sport Institute Pacific Society

We have audited the accompanying financial statements of Canadian Sport Institute Pacific Society, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and changes in fund balances 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 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Sport Institute Pacific Society as at March 31, 2016 and the results of its operations, changes in its fund balances and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, these financial statements are presented on a basis consistent with that of the previous year.

Deloitte LLP

Chartered Professional Accountants
June 23, 2016
Vancouver, British Columbia
Canadian Sport Institute Pacific Society  
Statement of financial position  
as at March 31, 2016

<table>
<thead>
<tr>
<th>Assets</th>
<th>Operating</th>
<th>Operating reserve</th>
<th>Invested in property and equipment</th>
<th>Restricted for specified fund use</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>Invested</td>
<td></td>
<td>Canadian Sport for Life</td>
<td>Coach Services</td>
<td>Donations (Note 5)</td>
<td>Specific Projects</td>
</tr>
<tr>
<td></td>
<td>in property and equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>154,358</td>
<td>500,000</td>
<td>3,073</td>
<td>30,640</td>
<td>77,494</td>
<td>18,003</td>
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<tr>
<td>Accounts receivable</td>
<td>388,814</td>
<td>-</td>
<td>-</td>
<td>5,000</td>
<td>39,028</td>
<td>-</td>
</tr>
<tr>
<td>Tuitions receivable</td>
<td>(Private Career Training Institute)</td>
<td>-</td>
<td>-</td>
<td>500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>43,678</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,000</td>
</tr>
<tr>
<td>Total assets</td>
<td>586,850</td>
<td>500,000</td>
<td>3,073</td>
<td>35,640</td>
<td>117,022</td>
<td>18,003</td>
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</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Operating</th>
<th>Operating reserve</th>
<th>Invested in property and equipment</th>
<th>Restricted for specified fund use</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>Invested</td>
<td></td>
<td>Canadian Sport for Life</td>
<td>Coach Services</td>
<td>Donations (Note 5)</td>
<td>Specific Projects</td>
</tr>
<tr>
<td></td>
<td>in property and equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities (Note 4)</td>
<td>300,877</td>
<td>-</td>
<td>3,073</td>
<td>35,640</td>
<td>759</td>
<td>-</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td>Unearned tuition (Private Career Training Institute)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>300,877</td>
<td>-</td>
<td>3,073</td>
<td>35,640</td>
<td>1,759</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commitments (Note 6)</th>
<th>Economic dependence (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in property and equipment</td>
<td>-</td>
</tr>
<tr>
<td>Restricted for specified fund use</td>
<td>-</td>
</tr>
<tr>
<td>Internally restricted for operations</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>285,973</td>
</tr>
<tr>
<td>Total</td>
<td>285,973</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of this financial statement.
## Canadian Sport Institute Pacific Society

### Statement of operations and changes in fund balances

**Year ended March 31, 2016**

<table>
<thead>
<tr>
<th>Operating Reserve</th>
<th>Invested in property and equipment</th>
<th>Canadian Sport for Life</th>
<th>Coach Services</th>
<th>Donations (Note 5)</th>
<th>Specific Projects</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Sport Canada (Schedule)</td>
<td>3,972,470</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>132,500</td>
<td>4,104,970</td>
</tr>
<tr>
<td>viaSport</td>
<td>1,910,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,910,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Contributions</td>
<td>534,126</td>
<td>-</td>
<td>12,262</td>
<td>13,028</td>
<td>326,893</td>
<td>866,309</td>
<td>871,098</td>
</tr>
<tr>
<td>Canadian Olympic Committee Foundation</td>
<td>410,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>410,000</td>
<td>240,000</td>
</tr>
<tr>
<td>Fee for service</td>
<td>130,416</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>130,416</td>
<td>85,754</td>
</tr>
<tr>
<td>BC Gaining grants</td>
<td>50,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>65,000</td>
</tr>
<tr>
<td>Tuitions (Other)</td>
<td>-</td>
<td>-</td>
<td>9,840</td>
<td>-</td>
<td>48,448</td>
<td>58,288</td>
<td>49,165</td>
</tr>
<tr>
<td>Other revenue</td>
<td>45,245</td>
<td>-</td>
<td>3,969</td>
<td>3,300</td>
<td>-</td>
<td>52,679</td>
<td>35,907</td>
</tr>
<tr>
<td>Coaching Association of Canada</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Tuitions (Private Career Training Institute)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Events and sponsorships</td>
<td>10,317</td>
<td>-</td>
<td>5,000</td>
<td>5,000</td>
<td>-</td>
<td>20,317</td>
<td>128,251</td>
</tr>
<tr>
<td>Interest income</td>
<td>13,201</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,615</td>
</tr>
<tr>
<td>Donations</td>
<td>-</td>
<td>-</td>
<td>8,526</td>
<td>-</td>
<td>-</td>
<td>8,526</td>
<td>15,325</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,075,775</td>
<td>-</td>
<td>17,427</td>
<td>94,317</td>
<td>8,526</td>
<td>511,141</td>
<td>7,707,186</td>
</tr>
</tbody>
</table>

### Expenditures

#### Performance services

**Performance preparation**

- Human resources: 1,779,259
- Operations: 847,086
- Integrated Support Team operations: 59,177

**Performance analysis**

- Human resources: 230,983
- Operations: 37,351

**Performance readiness**

- Human resources: 588,416
- Operations: 69,538

**Total**: 3,811,810

#### Talent development

**Talent development**

- Human resources: 643,455
- Operations: 148,569
- NextGen programs: 289,848
- Operations: 905,609

**Total**: 1,987,481

#### Business operations and administration

**Communications**

- Human resources: 154,937
- Operations: 79,992

**Finance and operations**

- Human resources: 584,727
- Operations: 470,633

**Total**: 1,290,289

#### System development

**Canadian Sport for Life**

- Human resources: -
- Operations: -
- Team BC Initiatives: -

**Total**: 6,889,580

(Deficiency) excess of revenues over expenditures

- 186,195
- 562,220
- (462,442)

**Fund balances, beginning of year**

- 251,134
- 677,112
- 19,384

**Fund transfers, beginning of year**

- 194,762
- 175,000

**Fund balances, end of year**

- 285,973
- 620,740
- 115,263

The accompanying notes to the financial statements are an integral part of this financial statement.
## Canadian Sport Institute Pacific Society

**Statement of cash flows**  
year ended March 31, 2016

<table>
<thead>
<tr>
<th>Operating Reserve</th>
<th>Operating Reserve</th>
<th>Invested in property and equipment</th>
<th>Canadian Sport for Life</th>
<th>Coach Services</th>
<th>Donations</th>
<th>Specific Projects</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### Operating activities

*(Deficiency) excess of revenue over expenditures*

- 186,195
- (251,134)
- 1,957
- (220,684)
- 4,996
- (186,447)
- (469,031)
- 255,833

*Amortization of property and equipment*

- 251,134
- -
- -
- -
- -
- 251,134
- 210,801

*Interfund transfers*

- (472,442)
- -
- 194,762
- -
- 175,000
- -
- 102,680
- -
- -
- (286,247)
- -
- 194,762
- -
- (1,957)
- (45,684)
- 4,996
- (83,767)
- (217,897)
- 466,634

### Changes in non-cash items

- Accounts and tuitions receivable
  - (26,296)
  - -
  - -
  - -
  - -
  - -
  - -
  - 285,258

- Prepaid expenses
  - (33,171)
  - -
  - -
  - -
  - -
  - -
  - -
  - (29,434)

- Accounts payable and accrued liabilities
  - 47,665
  - -
  - 3,073
  - -
  - 11,883
  - (1,708)
  - -
  - 41,686
  - 102,599

- Deferred revenue
  - -
  - -
  - -
  - -
  - -
  - 250
  - -
  - 20,800
  - 21,050
  - (2,250)

*Changes in non-cash items continuing*

- (298,049)
- -
- 197,835
- 47,644
- (84,545)
- 4,996
- 2,613
- (129,506)
- 693,767

### Investing activity

- Acquisition of property and equipment
  - -
  - -
  - (194,762)
  - -
  - -
  - -
  - -
  - (194,762)
  - (182,091)

*Increase in cash*

- (298,049)
- -
- 3,073
- 47,644
- (84,545)
- 4,996
- 2,613
- (324,268)
- 511,676

*Cash, beginning of year*

- 442,407
- 500,000
- -
- (17,004)
- 162,039
- 13,007
- 331,999
- 1,432,448
- 920,772

*Cash, end of year*

- 144,358
- 500,000
- 3,073
- 30,640
- 77,494
- 18,003
- 334,612
- 1,108,180
- 1,432,448

The accompanying notes to the financial statements are an integral part of this financial statement.
1. **Purpose of the organization and economic dependence**

The Canadian Sport Institute Pacific Society (the “Society”) was incorporated on September 12, 2000 and operates under authority of the Society Act of British Columbia. The Society is a Registered Canadian Amateur Athletic Association under the Income Tax Act (Canada) and is exempt from income taxes. The Society began operations as the Canadian Sport Centre Pacific Society and legally changed its name to Canadian Sport Institute Pacific Society on March 4, 2013. The Society is dedicated to providing programs and services to high performance Canadian athletes and coaches enabling them to compete at the international level.

During the current year, $1,910,000 (2015 - $2,000,000) of the Society's revenues were derived from viaSport BC Society while $4,104,970 (2015 - $4,579,009) were derived from Sport Canada. Without these funding sources, it is unlikely that the Society would remain a going concern.

2. **Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

(a) **Fund accounting**

- The Society follows the restricted fund method of accounting for contributions.
- The Operating fund reports the assets, liabilities, revenues and expenditures related to the Society's operating activities. Funding from all sources, including viaSport BC Society and Sport Canada, intended for general operations are included in this fund.
- The Operating Reserve is to be used to safeguard the Society from interruptions to its operations due to the irregularity of payment schedules associated with its funding partners.
- Invested in property and equipment reports the assets, liabilities, revenues and expenditures related to the Society's property and equipment activities.
- Canadian Sport for Life reports the assets, liabilities, revenues and expenditures related to contributions derived from Sport Canada and other third parties designated to support this program.
- Coach Services reports the assets, liabilities, revenues and expenditures related to funds received from third parties, and contributions derived from viaSport BC Society and Sport Canada designated to support this program.
- Donations reports the assets, liabilities, revenues and expenditures relating to contributions received from individual donors for specified purposes.
- Specific Projects reports the assets, liabilities, revenues and expenditures related to funding received from third parties designated to be spent on specific projects. Specific projects include Canadian Sport School, Game Plan, Podium Fuel, and other projects for which restricted funding is received.
2. Significant accounting policies (continued)

(b) Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value when the Society becomes a party to the contractual provisions of a financial instrument. Subsequently, investments in equity instruments quoted in an active market are measured at fair value and all other financial instruments are measured at amortized cost.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations as interest income or expense.

With respect to financial assets measured at amortized cost, the Society recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in the statement of operations in the period the reversal occurs.

(c) Property and equipment

Property and equipment are valued at cost less accumulated amortization. Amortization is provided on a declining balance basis over their estimated useful lives with one-half of the rates taken in the year of acquisition on the following basis:

- Sport equipment: 15% and 30%
- Computers: 30%
- Software: 20%
- Vehicles: 30%
- Furniture and equipment: 20%

Amortization of leasehold improvements is provided on a straight-line basis over the term of the leases with one-half of the amount taken in the year of acquisition.

The Society reviews for the impairment of property and equipment whenever events or changes in circumstances indicate that the asset no longer has any long-term service potential to the Society or no longer contributes to the Society’s ability to provide services. The amount of the impairment, if any, is determined as the excess of the carrying value of the asset over its estimated residual value. No impairment losses have been identified by the Society for the year ended March 31, 2016.

(d) Revenue recognition

Revenue is recognized when contributions or sponsorships are received or receivable. If the contributions or sponsorships received relate to operations of a future fiscal period, they are recorded as deferred revenue until the related expenses are incurred. Restricted contributions received for which a separate fund is not established are recognized in the period the related expenditures are incurred.

Funding received, and transferred to other organizations, for programs for which the Society does not have primary responsibility are not recognized in the statement of operations.
2. Significant accounting policies (continued)

(d) Revenue recognition (continued)

The Society makes use of volunteers in the delivery of certain programs and administration services. Because of the difficulty determining their fair value, contributed services of volunteers are not recognized in the financial statements.

(e) Allocation of expenses

Expenditures are recorded on an accrual basis and are charged to programs according to the activity that they benefit.

The Society also incurs general expenses that are common to the administration of the Society and its programs. The Society allocates its general expenses by identifying the appropriate basis of each component expense and applies that basis consistently each year.

General expenses relate to rent and certain management compensation and have been allocated based on actual usage and cost. The basis of allocation is reviewed annually during budget preparation and may be revised according to changing requirements.

Additional disclosures are included in Note 8.

(f) Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency have been translated into Canadian dollars at the period end exchange rate. Revenues and expenses denominated in a foreign currency have been translated at the rate of exchange prevailing at the transaction date. Exchange gains or losses arising on these transactions are included in the statement of operations and changes in fund balances in the period incurred.

(g) 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 revenues and expenses during the reported period. Actual results could differ from those estimates.

3. Property and equipment

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated amortization</th>
<th>Net book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sport equipment</td>
<td>2,087,470</td>
<td>1,746,184</td>
<td>341,286</td>
</tr>
<tr>
<td>Computers</td>
<td>433,366</td>
<td>354,581</td>
<td>78,785</td>
</tr>
<tr>
<td>Software</td>
<td>215,177</td>
<td>162,908</td>
<td>52,269</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>94,940</td>
<td>26,297</td>
<td>68,643</td>
</tr>
<tr>
<td>Vehicles</td>
<td>129,032</td>
<td>108,213</td>
<td>20,819</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>188,806</td>
<td>129,868</td>
<td>58,938</td>
</tr>
<tr>
<td></td>
<td>3,148,791</td>
<td>2,528,051</td>
<td>620,740</td>
</tr>
</tbody>
</table>
3. Property and equipment (continued)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated</td>
<td>Net book</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>amortization</td>
<td>value</td>
</tr>
<tr>
<td>Sport equipment</td>
<td>1,957,412</td>
<td>1,599,641</td>
<td>357,771</td>
</tr>
<tr>
<td>Computers</td>
<td>406,625</td>
<td>326,547</td>
<td>80,078</td>
</tr>
<tr>
<td>Software</td>
<td>215,177</td>
<td>149,841</td>
<td>65,336</td>
</tr>
<tr>
<td>Leasehold</td>
<td>189,966</td>
<td>112,506</td>
<td>77,460</td>
</tr>
<tr>
<td>improvements</td>
<td>129,032</td>
<td>99,290</td>
<td>29,742</td>
</tr>
<tr>
<td>Vehicle</td>
<td>182,020</td>
<td>115,295</td>
<td>66,725</td>
</tr>
<tr>
<td>Furniture</td>
<td>3,080,232</td>
<td>2,403,120</td>
<td>677,112</td>
</tr>
</tbody>
</table>

4. Ancillary facility

The Society has an authorized ancillary facility with TD Canada Trust (“TD”). TD has made available TD Visa Business cards with an aggregate limit of $135,000 of which $31,572 is included in accounts payable at year end (2015 - $113,183).

5. Donations

During the year, the Society received and disbursed the following externally restricted contributions:

<table>
<thead>
<tr>
<th></th>
<th>Olympians Pacific Sport</th>
<th>Home Team Advantage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Canada</td>
<td>Rising Star</td>
<td>Advantage</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance, March 31, 2015</td>
<td>1,031</td>
<td>3,092</td>
<td>8,884</td>
</tr>
<tr>
<td>Additions</td>
<td>1,258</td>
<td>2,368</td>
<td>4,900</td>
</tr>
<tr>
<td>Disbursements</td>
<td>-</td>
<td>-(3,530)</td>
<td>-</td>
</tr>
<tr>
<td>Balance, March 31, 2016</td>
<td>2,289</td>
<td>1,930</td>
<td>13,784</td>
</tr>
</tbody>
</table>

6. Commitments

(a) The Society has a sublease for the premises of its facilities at the Whistler Athlete Centre in Whistler, B.C. until August 31, 2019. Estimated minimum lease obligations are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>172,762</td>
</tr>
<tr>
<td>2018</td>
<td>172,762</td>
</tr>
<tr>
<td>2019</td>
<td>172,762</td>
</tr>
<tr>
<td>2020</td>
<td>71,984</td>
</tr>
<tr>
<td></td>
<td>590,270</td>
</tr>
</tbody>
</table>
6. Commitments (continued)

(b) The Society has a lease for premises at the Richmond Olympic Oval in Richmond, B.C. until June 30, 2019. Estimated minimum lease obligations are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>84,874</td>
</tr>
<tr>
<td>2018</td>
<td>84,874</td>
</tr>
<tr>
<td>2019</td>
<td>84,874</td>
</tr>
<tr>
<td>2020</td>
<td>21,219</td>
</tr>
</tbody>
</table>

Total: 275,841

(c) The Society has a lease for premises at the Pacific Institute for Sport Excellence in Victoria, B.C. until March 31, 2019. Estimated minimum lease obligations are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>254,144</td>
</tr>
<tr>
<td>2018</td>
<td>261,446</td>
</tr>
<tr>
<td>2019</td>
<td>268,369</td>
</tr>
</tbody>
</table>

Total: 783,959

7. Financial instruments

The Society's financial instruments are comprised of cash and cash equivalents, short-term investments, accounts and tuitions receivable, and accounts payable. Unless otherwise noted, it is management’s opinion that the Society is not exposed to significant interest, currency, market, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values due to their short-term maturity.

8. Allocation of expenses

Rent and human resources expenses of $598,176 (2015 - $510,545) have been allocated to Performance Services and Talent Development.

9. Defined contribution plan

The Society provides a defined contribution plan in the form of an RRSP contribution of 3% of gross salary for eligible employees. During the ended March 31, 2016, RRSP expenses related to this plan were $97,562 (2015 - $93,065).

10. Other reporting requirements

Schedule 1 to the financial statements relates to specific reporting requirements of Sport Canada. The Society is required to provide a schedule of Sport Canada revenues and total expenditures incurred based on the categories of the Sport Canada contribution agreement. Sport Canada requires that flow-through funding for the long-term athlete development project provided to the Society for the Sport for Life Society be presented as revenues and expenses in Schedule 1.
## Canadian Sport Institute Pacific Society
### Schedule of Sport Canada revenue and total expenditures
#### Year ended March 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>Core Contribution</th>
<th>Above Core Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Administration</td>
<td>Governance</td>
</tr>
<tr>
<td>Revenue</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Sport Canada</td>
<td>460,872</td>
<td>40,000</td>
</tr>
</tbody>
</table>

### Expenditures

#### Performance services

<table>
<thead>
<tr>
<th></th>
<th>Performance preparation</th>
<th>Operations</th>
<th>Human resources</th>
<th>-</th>
<th>-</th>
<th>1,860,727</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>1,860,727</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Human resources</td>
<td>-</td>
<td>-</td>
<td>230,983</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>230,983</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Operations</td>
<td>-</td>
<td>-</td>
<td>37,351</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>37,351</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Performance readiness</td>
<td>Human resources</td>
<td>-</td>
<td>-</td>
<td>588,416</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>84,884</td>
<td>673,300</td>
</tr>
<tr>
<td></td>
<td>Operations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>69,538</td>
<td>-</td>
<td>179,848</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>2,680,126</td>
<td>-</td>
<td>1,487,711</td>
<td>-</td>
<td>264,732</td>
<td>4,432,569</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Talent development

|                                | Human resources | - | - | 799,930 | - | - | - | - | 799,930 |
|                                | Operations      | - | - | - | - | - | - | - | 228,816 |

#### Business operations and administration

|                                | Human resources | - | - | 154,937 | - | - | - | - | 228,816 |
|                                | Operations      | - | - | - | - | - | - | - | 6,113 |

#### Finance and operations

|                                | Human resources | - | 13,645 | 571,082 | - | - | - | - | 599,727 |
|                                | Operations      | 479,390 | 28,913 | - | - | - | - | 508,303 |
|                                |                 | 553,269 | 42,558 | 726,019 | 6,113 | - | - | 15,000 | 1,342,359 |

#### System development

|                                | Canadian Sport for Life | Operations | - | - | - | - | - | 611,184 | - | 611,184 |
|                                |                        | 553,269 | 42,558 | 4,495,923 | 12,384 | 2,787,967 | 626,184 | 264,732 | 6,783,017 |

### Deficiency of revenue over expenditures

|                                | (92,397) | (2,558) | (1,881,862) | (884) | (1,929,430) | (19,384) | (144,732) | (4,071,247) |

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