

**GOODLIFE KIDS FOUNDATION**  
**Financial Statements**  
**Year Ended December 31, 2016**

**GOODLIFE KIDS FOUNDATION**  
**Index to Financial Statements**  
**Year Ended December 31, 2016**

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of GoodLife Kids Foundation

We have audited the accompanying financial statements of GoodLife Kids Foundation, which comprise the statement of financial position as at December 31, 2016 and the statements of revenues and expenses, changes in net assets 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.

**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 qualified audit opinion.

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, GoodLife Kids Foundation derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of GoodLife Kids Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2016, current assets and net assets as at January 1, 2016 and December 31, 2016.

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*James B. MacNeill CPA, CA    Jeremy A. Giles CPA, CA    Lissa Savage CPA, CA*  
*Robert F. Edmundson CPA, CA (Retired)*

MACNEILL EDMUNDSON  
PROFESSIONAL CORPORATION

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INDEPENDENT AUDITOR'S REPORT (continued)

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Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of GoodLife Kids Foundation as at December 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

London, Ontario  
May 25, 2017

*MacNeill Edmundson*  
PROFESSIONAL CORPORATION  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Authorized to practise public accounting by  
the Chartered Professional Accountants of  
Ontario

*James B. MacNeill CPA, CA    Jeremy A. Giles CPA, CA    Lissa Savage CPA, CA*  
*Robert F. Edmundson CPA, CA (Retired)*

GOODLIFE KIDS FOUNDATION

Statement of Financial Position

December 31, 2016

	2016	2015
<b>ASSETS</b>		
CURRENT		
Cash	\$ 36,314	\$ 466,952
Marketable securities (Note 3)	1,475,942	967,303
Accounts receivable	70,700	86,305
Harmonized sales tax recoverable	16,454	28,328
Prepaid expenses	6,499	19,778
	<u>\$ 1,605,909</u>	<u>\$ 1,568,666</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT		
Accounts payable and accrued liabilities (Note 4)	\$ 11,539	\$ 23,259
Grants payable	10,735	127,084
Deferred contributions (Note 5)	74,946	98,926
	<u>97,220</u>	<u>249,269</u>
NET ASSETS	<u>1,508,689</u>	<u>1,319,397</u>
	<u>\$ 1,605,909</u>	<u>\$ 1,568,666</u>

ON BEHALF OF THE BOARD

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**GOODLIFE KIDS FOUNDATION**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2016**

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	<b>2016</b>	2015
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 1,319,397</b>	\$ 984,782
Excess of revenues over expenses	<u>189,292</u>	<u>334,615</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 1,508,689</u></b>	<b><u>\$ 1,319,397</u></b>

**GOODLIFE KIDS FOUNDATION**  
**Statement of Revenues and Expenses**  
**Year Ended December 31, 2016**

	2016	%	2015	%
<b>REVENUES</b>				
Donations	\$ 1,213,586	99.26	\$ 1,107,408	99.41
Investment income	9,092	0.74	6,617	0.59
	<b>1,222,678</b>	<b>100.00</b>	1,114,025	100.00
<b>EXPENSES (Note 7)</b>				
Sponsorships and donations (Note 8)	563,437	46.08	459,129	41.21
Salaries, wages and benefits	324,612	26.55	170,863	15.34
Education, promotion and events	128,057	10.47	134,670	12.09
Meetings and conventions	7,301	0.60	2,264	0.20
Travel	5,595	0.46	1,729	0.16
Interest and bank charges	2,973	0.24	1,114	0.10
Office	1,411	0.12	9,407	0.84
Professional fees	-	-	234	0.02
	<b>1,033,386</b>	<b>84.52</b>	779,410	69.96
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 189,292</b>	<b>15.48</b>	<b>\$ 334,615</b>	<b>30.04</b>

**GOODLIFE KIDS FOUNDATION****Statement of Cash Flow****Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	<b>\$ 189,292</b>	<b>\$ 334,615</b>
Changes in non-cash working capital:		
Accounts receivable	<b>15,605</b>	(56,037)
Harmonized sales tax payable	<b>11,874</b>	4,914
Prepaid expenses	<b>13,279</b>	21,229
Accounts payable and accrued liabilities	<b>(11,720)</b>	(1,531)
Grants payable	<b>(116,349)</b>	102,314
Deferred contributions	<b>(23,980)</b>	34,143
	<b>(111,291)</b>	105,032
Cash flow from operating activities	<b>78,001</b>	439,647
<b>INVESTING ACTIVITY</b>		
Increase in marketable securities	<b>(508,639)</b>	(255,565)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(430,638)</b>	184,082
Cash - beginning of year	<b>466,952</b>	282,870
<b>CASH - END OF YEAR</b>	<b>\$ 36,314</b>	<b>\$ 466,952</b>



# GOODLIFE KIDS FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2016

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### NATURE OF THE FOUNDATION

The GoodLife Kids Foundation (the "Foundation") was organized as a community foundation to provide support to a broad range of charitable and educational activities for the benefit of children to promote fitness and enhance self-esteem.

The Foundation was incorporated under *Articles of Incorporation* under the *Corporations Act of Ontario* as a non-profit charitable Foundation without share capital.

Effective January 21, 2000, the Foundation received notification of registration as a registered charity under Section 149.1(l) of the *Income Tax Act (Canada)*. On January 1, 2010 the Foundation was designated a Private Foundation.

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### 1. ACCOUNTING POLICIES

#### Basis of presentation

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

The significant accounting policies used are as follows:

#### Revenue Recognition

The Foundation uses the deferral method of accounting for contributions. Restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses were incurred. Unless restricted in any way, all donations are recorded as revenue only as received, or receivable if the amount to be received can be reasonably assured.

#### Measurement uncertainty

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 receipts and disbursements during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in operations in the period in which they become known. Actual results could differ from these estimates.

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### 2. FINANCIAL INSTRUMENTS

The Foundation's financial instruments consist of cash, marketable securities, accounts receivable, accounts payable and accrued liabilities, and grants payable. Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

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**GOODLIFE KIDS FOUNDATION**

**Notes to Financial Statements**

**Year Ended December 31, 2016**

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3. MARKETABLE SECURITIES

These investments are carried at their market value.

	<u>2016</u>		<u>2015</u>
RBC Premium Money Market Account	\$ 213,789	\$	212,588
RBC Premium Investment Account	1,262,153		754,715
	<u>\$ 1,475,942</u>	\$	<u>967,303</u>

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4. GOVERNMENT REMITTANCES

Accounts payable and accrued liabilities includes \$236 (2015 - \$10,527) in government remittances outstanding.

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5. DEFERRED CONTRIBUTIONS

Deferred contributions consists of amounts received for the Spin4Kids event which is held in March of the following fiscal year.

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6. FUNDRAISING

The Foundation receives a significant portion of its donations from its annual Spin4Kids event. As well as facilitating the Spin4Kids event, GoodLife Fitness Clubs has entered into agreements with some of its vendors where contributions are made to the Foundation.

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7. RECOVERY OF EXPENSES

GoodLife Fitness Club directly reimburses the Foundation for all administrative and operating costs to an annual maximum of \$250,000. Additional expenditures may also be reimbursed upon approval.

During the current year a total of \$220,145 (2015 - \$192,126) in expenses were recovered, which consisted of the following: Education, promotion and events (\$34,004), insurance (\$1,980), professional fees (\$4,282), office (\$10,992), salaries, wages and benefits (\$168,447) and travel (\$440). As at December 31, 2016 the Foundation is still owed \$70,693 (2015 - \$84,777) relating to these expense recoveries which is included in accounts receivable.

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**GOODLIFE KIDS FOUNDATION****Notes to Financial Statements****Year Ended December 31, 2016****8. SPONSORSHIPS AND DONATIONS**

	<b>2016</b>	<b>2015</b>
Regina Roman Catholic Separate School Division No. 81 of Saskatchewan (St. Jerome School)	\$ <b>25,000</b>	\$ -
Health Sciences North Children's Treatment Centre	<b>23,780</b>	-
University of Alberta (The Steadward Centre)	<b>22,900</b>	-
Easter Seals Newfoundland and Labrador	<b>12,000</b>	35,000
Municipality of Cormack	<b>12,000</b>	-
Recreation Outreach Centre	<b>12,000</b>	-
Toronto District School Board (Yorkview Public School)	<b>12,000</b>	-
Lead Foundation	<b>11,451</b>	-
KidsAbility Centre for Child Development	<b>10,000</b>	10,001
City of St. John's	<b>10,000</b>	10,000
Easter Seals Nova Scotia	<b>10,000</b>	10,000
Geneva Centre for Autism Foundation	<b>10,000</b>	10,000
Investing in Children	<b>10,000</b>	10,000
Family Respite Services Windsor Essex	<b>10,000</b>	9,794
South Asian Autism Awareness Centre	<b>10,000</b>	4,000
Blind Sports Nova Scotia	<b>10,000</b>	-
Cerebral Palsy Kids and Families	<b>10,000</b>	-
Autism Edmonton	<b>10,000</b>	-
Halton Down Syndrome Association	<b>10,000</b>	-
Holland Bloorview Kids Rehabilitation Hospital Foundation	<b>10,000</b>	-
Hope's Home Inc.	<b>10,000</b>	-
Newfoundland & Labrador Education Foundation Inc. (St. Peter's Primary)	<b>10,000</b>	-
Power To Be Adventure Therapy Society	<b>10,000</b>	-
Reach for the Rainbow	<b>10,000</b>	-
Society of Manitobans with Disabilities Foundation Inc. (Easter Seals)	<b>10,000</b>	-
The Safehaven Project for Community Living	<b>10,000</b>	-
Town of Pasadena	<b>10,000</b>	-
University of Victoria (CanAssist)	<b>10,000</b>	-
Zareinu Education Centre	<b>10,000</b>	-
Calgary Board of Education (William Aberhart S.S.)	<b>9,900</b>	-
Vancouver Adapted Snow Sports	<b>9,775</b>	-
Ontario Track 3 Ski Association	<b>8,600</b>	5,000
North Hastings Community Integration Association	<b>8,258</b>	-
Big Brothers Big Sisters Ajax-Pickering	<b>8,000</b>	-
Heartland Forest Nature Experience	<b>8,000</b>	-
Canada Scores Vancouver	<b>8,000</b>	-
Children's Treatment Centre Foundation of Chatham-Kent	<b>7,500</b>	10,000
Centre for Autism Services Alberta	<b>7,500</b>	4,619
Newfoundland & Labrador Education Foundation Inc. (St. Matthew's School)	<b>7,340</b>	-
Grandview Children's Foundation	<b>7,200</b>	-
Saskatoon Public Schools Foundation Corp. (Hugh Cairns V.C. School)	<b>6,330</b>	-

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**GOODLIFE KIDS FOUNDATION****Notes to Financial Statements****Year Ended December 31, 2016**

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8. SPONSORSHIPS AND DONATIONS <i>(continued)</i>	<b>2016</b>	<b>2015</b>
Autism Ontario - Niagara Chapter	<b>6,080</b>	6,330
Lansdown Children's Centre	<b>6,000</b>	-
Board of Education of School District No. 69 (Ballenas Secondary School)	<b>5,500</b>	-
Halifax Regional School Board (Bainsview Drive Community School)	<b>5,435</b>	-
Saskatoon Public School Division	<b>5,000</b>	8,730
Family and Children's Services of Frontenac, Lennox, and Addington	<b>5,000</b>	5,525
HUB Cycling	<b>5,000</b>	-
Autism Services Incorporated of Windsor and Essex County	<b>5,000</b>	-
Aspire Special Needs Resource Centre	<b>5,000</b>	-
Paralympic Sports Association	<b>5,000</b>	-
Anglophone East School Board, Moncton, New Brunswick (Caledonia Middle School)	<b>5,000</b>	-
Richmond Centre for Disability	<b>5,000</b>	-
Easter Seals Ontario	<b>5,000</b>	-
Special Olympics British Columbia Society	<b>5,000</b>	-
Spence Neighbourhood Association	<b>5,000</b>	-
Camp Awakening	<b>5,000</b>	-
BC Wheelchair Sports Association	<b>5,000</b>	-
Ausome Canada	<b>4,483</b>	-
Town of Channel Port aux Basques Recreation Department	<b>4,367</b>	-
Variety Village	<b>4,320</b>	-
George Jeffrey Children's Centre	<b>4,200</b>	3,370
Strait Regional School Board (Tamarac Education Centre)	<b>2,800</b>	-
Cerebral Palsy Association of BC	<b>2,600</b>	2,500
Cape Breton Regional Municipality	<b>2,500</b>	-
Town of Whitechurch-Stouffville	<b>2,414</b>	-
Delta Life Skills Society	<b>2,400</b>	-
Newfoundland & Labrador Education Foundation Inc. (Bishop Field Elementary)	<b>2,112</b>	-
Halton Learning Foundation	<b>1,482</b>	-
PALS Autism Society	<b>1,200</b>	-
Rocky Mountain Adaptive Sports Centre	<b>1,200</b>	-
Newfoundland & Labrador Education Foundation Inc. (St. Francis of Assisi School)	<b>760</b>	-
Toronto Catholic District School Board (Holy Child Catholic School)	<b>750</b>	-
Regina Roman Catholic Separate School Division No. 81 of Saskatchewan (St. Marguerite School)	<b>300</b>	-
Autism Society, Newfoundland and Labrador	-	17,280
Ottawa Carlton District School Board (Crystal Bay Centre for Special Education)	-	12,000
Algoma District School Board	-	12,000
London Youth for Christ	-	12,000
Niagara Support Services	-	10,188

*(continues)*

**GOODLIFE KIDS FOUNDATION****Notes to Financial Statements****Year Ended December 31, 2016****8. SPONSORSHIPS AND DONATIONS (continued)**

	<b>2016</b>	<b>2015</b>
Precious Minds Support Services	-	10,000
Project AIM Programs	-	10,000
BC Wheelchair Basketball Society	-	10,000
Children's Rehabilitation Foundation Inc	-	10,000
Ontario Cerebral Palsy Sport Association	-	10,000
Ottawa Children's Treatment Centre Foundation	-	10,000
Municipality of the District of Lunenburg	-	10,000
Manitoba Wheelchair Sport Association	-	10,000
Vancouver Adaptive Snow Sports	-	10,000
MukiBaum Accessibility Foundation	-	10,000
Toronto Catholic District School Board (St. Dominic Savio Catholic School)	-	9,980
Autism Society Ontario - Peel Chapter	-	9,616
St. Francis Xavier University	-	8,865
Pathways Health Centre for Children	-	8,500
Big Brothers Big Sisters Woodstock & District	-	8,000
Bridgeway Academy	-	8,000
Adaptive Sports at Sun Peaks Society	-	8,000
Immigrant & Refugee Community Organization of Manitoba	-	8,000
Saskatchewan Literacy Network Inc.	-	7,200
Thames Valley District School Board (Woodstock Collegiate Institute)	-	6,500
Annapolis Valley Chapter of Autism Nova Scotia	-	5,545
Calgary Cerebral Palsy Association	-	5,000
Civitan International Foundation of Canada	-	5,000
Calgary Sledge Hockey Association	-	5,000
Toronto Foundation for Student Success	-	5,000
School District No. 36 (Surrey)	-	5,000
Hamilton Wentworth District School Board Foundation	-	5,000
University of Guelph	-	5,000
Autism Services of Saskatoon	-	5,000
Children's Health Foundation of Vancouver Island	-	5,000
Near North District School Board (West Ferris Intermediate Secondary School)	-	5,000
Down Syndrome Association of Peterborough	-	4,000
Kerry's Place Autism Services	-	2,746
BC Lions Society for Children with Disabilities	-	2,500
Strait Regional School Board (Antigonish Education Centre)	-	2,500
Windsor Essex Catholic District School Board (St. Rose Elementary School)	-	840
	<b>\$ 563,437</b>	<b>\$ 459,129</b>