

Mission Statement

Special Olympics PEI exists so that the lives of Islanders with an intellectual disability will be enriched through sport.

Special Olympics
Prince Edward Island

**Athletes Oath**

"Let me win, But if I cannot win, Let me be brave in the attempt"

Land Acknowledgement

We would like to begin by acknowledging that the land upon which we gather is in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People. We pay our respects to the Indigenous Mi'kmaq People, in this modern district of Epekwitk, who have occupied this Island for over 12,000 years. This territory is covered by the "Treaties of Peace and Friendship". The Treaties did not deal with the surrender of lands and resources but in fact recognized Mi'kmaq title and established the rules for an ongoing relationship between nations. Today we honour that Treaty relationship. We are all Treaty People.

Annual General Meeting

Tuesday, October 26th, 2021, 7:30pm

Florence Simmons Performance Hall, Holland College

AGENDA

	Agenda Item	Objective	Presenter	Request/Comments
1	Welcome & Land Acknowledgment		Jamie	
2	Call to Order		Jamie	
3	Approval of Agenda		Jamie	
4	Review Mission Statement and Athlete's Oath		Jamie Arsenault and Heidi Mallett	
5	Approval of Meeting Minutes	Approval of the 2020 AGM Minutes	Jamie Arsenault	October 26 th , 2020, AGM Minutes
6	Business Arising from Minutes			
7	Athlete Leadership Presentation	Athlete Leadership Academy member, Lisa Bernard Supported by mentor, Judy Gallant	Lisa Bernard	
8	President's Report		Jamie Arsenault	2021 President's Report

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9	Athlete Representative Report		Heidi Mallett	2021 Athlete Representative Report
10	Treasurer's Report	A. Presentation of Financial Highlights B. Appointment of Auditors for 2021-2022 Fiscal Year	Robert Horne	Treasurer's Report, Draft SOPEI Financial Statements
11	Election of Officers and Directors		Craig Watson	2021 Nomination Report
12	Year in Review Video	Voice over by athlete, Tommy MacGuigan Supported by mentor, Dave Morrow		
13	Next Board Meeting	Tuesday, October 25 th , 2022 – AGM and Awards	Jamie Arsenault	Florence Simmons Performance Hall, Holland College
14	Adjournment		Jamie Arsenault	



Annual General Meeting

Tuesday, October 27th, 2020
Virtually Via Zoom
6:00pm

ATTENDEES

Chaired by: Jamie Arsenault, SOPEI President

Directors Present: Craig Watson, Cecil Villard, Jamie Arsenault, Donna Campbell, Robert Horne, Heidi Mallett, Bevan Woodacre, Clifford Lee, Laurie McNally, Kevin Stonefield.

Guests: SOPEI Members, Award Nominees and families, Provincial Partners, Government Officials, General Public, Tommy MacGuigan, Dave Morrow, Ellen MacNearney, Melanie McKenna

SOPEI Staff: Charity Sheehan, Matthew McNally, Sarah Profitt, Genna Phelan, Ellen Murphy, Margie Villard, Kristen MacDonald

Recorded by: Donna Campbell

Transposed by: Charity Sheehan

1. Welcome – Call to Order

- Jamie welcomed everyone to our first ever virtual AGM.
- Jamie began with a Land Acknowledgment.
- This year we have recognized all our nominees and award winners all month on SOPEI social media channels. We have 43 participants tonight and Jamie acknowledged them.

2. Reading of the Mission Statement and Athlete's Oath

- Jamie read the Mission Statement and Heidi read the Athlete's Oath.

3. Approval of Agenda for October 27th, 2020, AGM

- Presented as circulated.

*Motion to approve agenda by: Donna Campbell
Second by: Heidi Mallett
Motion carried*

3. Approval of the Minutes from the 2019 AGM Minutes

- Presented as circulated.

*Motion to approve minutes by: Robert Horne
Second by: Bevan Woodacre
Motion carried*

4. Business Arising from the Minutes

- There was no business arising from the minutes

5. Athlete Leadership Presentation – Tommy MacGuigan, Athlete Leadership Academy Member.

- Tommy gave a wonderful speech on his experience with SO and Athlete Leadership Training. Dave Morrow is his mentor.
- Some of the highlights from Tommy's speech were: He has been involved for 37 years, SO is about teamwork and competition, he has made many friends across Canada.
- He also shared his National and World Games experiences. He mentioned the thrill of going to Toronto to the SO Gala and receiving a national award.
- Training at home during Covid but very thankful to be back into programs now. He completed a 5-week training on Athlete Leadership in Public Speaking and tonight was his first speech.
- He ended by thanking family, friends, and supporters.

6. Presidents Report

- Jamie presented the President's Report as displayed on screen.
- He acknowledged the uncertainty of Covid and the added stress it has added but took a moment to brag about how we were one of the first SO Chapters to "Return to Play".
- Jamie thanked the staff for all they do and their willingness to work and be effective during the pandemic. This year has shown how awesome our staff and volunteers are.

*Motion to approve the President's Report by: Cecil Villard
Second by: Heidi Mallett
Motion carried*

7. Athlete Representative Report

- Heidi presented her report as displayed on screen.
- Heidi thanked Tommy for his excellent speech and congratulated all the nominees and winners of this year's awards.

- Heidi is in her 2nd year as the SOPEI Athlete Representative on the SOPEI board and on the Canadian Athlete Leadership Council.
- She thanked the Board and the Staff.

7. **Treasurer's Report**

- Treasurer, Robert Horne presented the 2019-2020 Financial Statements.
- He recommended the appointment of Grant Thornton LLP as Auditors for the 2020-2021 fiscal year.
- As a group we viewed the Auditors Report, the Financial Statements, and the organization's financial position. We are a very healthy organization in a good financial position.

Motion to approve Treasure's Report and Financial Statements as presented by: Heidi Mallett

Second by: Clifford lee

Motion carried

Motion to approve Grant Thornton as Auditors for the 2020-2021 Fiscal Year: Heidi Mallett

Second by: Clifford Lee

Motion carried

8. **Election of Officers and Directors for the 2020-2021 Fiscal Year**

- Nomination report was presented as circulated.
- Jamie thanked retiring board member Charity Hogan.
- Jamie presented the following slate of Directors and Officers for 2020-2021. (Nomination report is attached)

Past President	vacant
President	Jamie Arsenault
Vice President	Craig Watson
Treasurer	Robert Horne
Secretary	Donna Campbell

Directors at Large:

Cecil Villard	Paul Smith	Kevin Stonefield
Charity Hogan	Laurie McNally	Clifford Lee
Bevan Woodacre	Melanie McKenna	

Athlete Representative:

Heidi Mallett

- He then called for nominations from the floor (three calls).
- There were no further nominations from the floor. Robert closed the nominations from the floor.

*Motion to approve the election of Officers and Directors for the 2020-2021
Fiscal year by: Cecil Villard
Second by: Robert Horne
Motion carried*

8. Date for the 2020-2021 Annual General Meeting

- October 26th, 2021

9. Adjournment

Motion to adjourn: Heidi Mallett

Respectfully submitted:

Donna Campbell, SOPEI Secretary

Special Olympics PEI 2020 AGM Nomination Report

We would like to start by thanking our retiring board members.

To Charity Hogan, Director at Large, for her time and talents over the past four years. Charity's background in law helped SOPEI strengthen its policies and procedures enabling SOPEI to create more holistic and individualized approaches to registration, discipline and complaints and mitigating risks adhered to a sport organization. Our sincere thank you to Charity. Tonight, the following position is up for election:

- One Director at Large position.

All other positions are not up for election or renewal currently.

We have had the following people letting their name stand for a director at large position. They are:

- 1) **Melanie McKenna** – Melanie is a lawyer with Cox and Palmer where she practices in a variety of areas including general and civil litigation, insurance litigation, family law, municipal law, corporate and commercial law, estate planning and real estate law.

We will also take nominations from the floor for this position.

- 1) Are there any further nominations?
- 2) Are there any further nominations?
- 3) Are there any further nominations?

Could I have someone close the nominations from the floor.

Thank you, nominations are now closed.

.....
The slate of directors and officers for the 2020-2021 year are as follows:

Past-President:	Remains Vacant	
President:	Jamie Arsenault	
Vice-President:	Craig Watson	
Secretary:	Donna Campbell	
Treasurer:	Robert Horne	
Athlete Rep:	Heidi Mallet	
Directors at Large:	Kevin Stonefield	Paul Smith
	Cecil Villard	Laurie McNally
	Bevan Woodacre	Clifford Lee
	Melanie McKenna	

At this time each year we reflect on the past 12 months. 2020/21 has been our first full fiscal year during the Covid-19 era. This has presented the organization with a new set of challenges from operations to fundraising. The Provincial Return to Sport plan has been set in motion and continues to adapt as the public landscape on PEI continues to adapt to living with Covid-19.

During this past year our staff and volunteers have worked tirelessly to ensure our athletes continue to feel connected with the organization and their fellow peers. This hard work has shown the strength of the Special Olympics community here on PEI.

On a National level PEI continues to be well represented as we all anxiously await the return to National and World Games. Our athletes, coaches and mission staff continue their preparations to when these games will return.

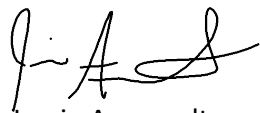
Through the global pandemic SOPEI continues to maintain financial stability. The pandemic has really caused stress on charitable organizations as there has been a decrease in available donations throughout the world. The generosity and support of Islanders, however, continues to be as strong as ever. Corporate and individual financial support continues to flow into SOPEI. The return of the annual gala was a huge success. With an adjusted format to meet the provincial health requirements the event went off without issue. This is thanks to all the staff and volunteers that worked tirelessly to ensure we were able to return to this event while staying safe.

The organization would not be the success that it is without the tireless efforts of its staff. Charity, Matthew, Sarah, Genna, Ellen, and Margie all show their passion for Special Olympics everyday they come to work. I would like to take this time to thank all our staff for their continued hard work.

SOPEI's Board of Directors are a dynamic, hard-working group that contribute a great deal of time to help the organization achieve its mission:

"Special Olympics PEI exists so that the lives of individuals with intellectual disabilities will be enriched through sport."

I am very proud to member of the SOPEI Board of Directors and the SOPEI family. I want to thank everyone who makes this a great organization.



Jamie Arsenault,
President



Athlete Representative Report

Hi, my name is Heidi Mallett, and I am happy to be presenting my third Annual report as your SOPEI Athlete representative. I have been an SOPEI athlete for 15 years. I enjoy participating in bowling, bocce, golf, and snowshoe. I am honored and blessed to serve on the SOPEI Board of Directors and the Canadian Athlete Leadership Council as the PEI's Athlete representative. I am also on the Global Athlete Leadership Council as North America region Athlete representative.

Despite the challenges of the pandemic our Athletes have been able to participate in their local programs. This year SOPEI was very excited to host sport fun days for our Athletes and volunteers.

Every three months I meet with the SOPEI staff to review new applications and reports for the Athlete Leadership Academy that members can apply to, build their skills, and learn about the leadership opportunities. I would like to congratulate the 11 Athletes and their mentors who completed the courses. There will be more opportunities for athletes to take courses in the future.

Canadian Athlete Leadership Council

I would like to share a few highlights from the CALC over the past year. The CALC is in the process of updating the terms of reference and preparing a handbook and a video for new Athlete reps and their mentors.

We also helped with the selection process for the SOC Athlete of year awards.

Global Athlete Leadership Council

Last fall I was honored to be selected to the Global Athlete Leadership Council as the North American Region Athlete representative. There are a total of seven Athletes on the council, one from each region. This past June the GALC elected me to be their chair. This is a huge opportunity and I have always wanted to do work internationally with an organization and it is a dream come true to do it with Special Olympics. Some of the topics the GALC discussed this past year are world games, Athlete Leadership, and planning for the next Athlete Congress. I also get to work with the Athlete regional councils in Canada, the United States, and the Caribbean.

I would like to congratulate the two PEI Athletes who will be representing Team Canada at the 2023 World Winter Games in Kazan, Russia Christi-Joe Synders-Couchman in snowshoeing and Jordan Koughan in speed skating. Also, congratulations to board member Craig Watson who is going as a mission staff and SOPEI Executive Director Charity Sheehan who is the Chef de Mission.

In closing, I am grateful and blessed we were able to gather in person at this year's AGM & Awards this evening to celebrate the accomplishments of our Athletes, coaches, volunteers, and supporters. I also would like to thank the SOPEI staff and the Board of directors for their guidance and support over the past year. Thank you.

Heidi Mallett,

Athlete Representative

Fiscal Year Ended July 31, 2021

Greetings & Overview

Once again, it is my honor, to present the Treasurer's report for Special Olympics Prince Edward Island for the year ended July 31, 2021. It is with great pride that I can say that this AGM concludes my sixth full year as a treasurer of Special Olympics Prince Edward Island. The treasurer's report for Special Olympics Prince Edward Island for the year ended July 31, 2021 is presented below.

2021 Financials

Arsenault Best Cameron Ellis were engaged to conduct the annual financial statements audit. I have attached a copy of their draft audited statements to this report.

2021 seen some return to normalcy, albeit not fully and not without some stops and starts. We were able to re-open the office, return to programming and hold our major fundraiser, being the Enriching Lives Gala. With a limited and local guest list, the event was amazingly able to contribute revenues over expenditures of \$164,731. The importance of this event continues to be crucial to the current and future viability of the organization, as the organization continues to grow and expand their programs. Other events that were successful in raising funds include the LETR Polar plunge and a new event, being a 5k run, which was spearheaded by long-time supporter, Elisha Phaneuf.

There were no games this year and as a result, national competition costs decreased. In addition, local and regional competition costs were down due to the restrictions on travelling and large group gatherings. The organization continues to receive grants from its many partners, including provincial and municipal governments and Special Olympics Canada. In addition, SOPEI continues to be a leader in the Healthy Communities Program and received some additional grants to offset these costs. SOPEI was also fortunate to receive approximately \$114,000 in subsidies and support payments related to Covid-19.

The organization continues to balance providing high quality sporting experiences as well as ensuring fiscal responsibility. In addition to keeping registration fees minimal, providing barrier-free school programs and assisting with local and national competitions, the organization also has several months of operations available in cash to mitigate risk against future funding uncertainty. SOPEI also continues to be proactive in budgeting and planning for the future as investments, which are balanced among short and long term have grown to approximately \$395,000. There was no additional investment in this period as the organization chose to hold any investments until the uncertainty of Covid-19 passed.

Overall, 2021 was another challenging year, but once again showed the organization's ability to adapt in many areas, including fundraising and keeping athletes active. Past and current fiscal management have positioned the organization to adapt to these uncertain times and there will be a continued focus in offering high quality programming and maintaining a fiscal responsibility.

Respectfully submitted,



Robert Horne, CPA, CA
Treasurer

Special Olympics Prince Edward Island Inc.

Financial Statements
July 31, 2021

Draft

Independent Auditor's Report

To the Directors of Special Olympics Prince Edward Island Inc.

Qualified Opinion

We have audited the financial statements of Special Olympics Prince Edward Island Inc., which comprise the statement of financial position as at July 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Special Olympics Prince Edward Island Inc. as at July 31, 2021, 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.

Basis of Qualified Opinion

In common with many not-for-profit organizations, Special Olympics Prince Edward Island Inc. 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 Special Olympics Prince Edward Island Inc.. 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 years ended July 31, 2021 and July 31, 2020, current assets as at July 31, 2021 and July 31, 2020, and net assets as at August 1 and July 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended July 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Special Olympics Prince Edward Island Inc. 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Other Matter

The financial statements for the year ended July 31, 2020 were audited by another auditor who expressed an unqualified opinion on these financial statements on December 21, 2020.

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 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.

In preparing the financial statements, management is responsible for assessing Special Olympics Prince Edward Island Inc.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Special Olympics Prince Edward Island Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Special Olympics Prince Edward Island Inc.'s financial reporting process.

Auditor's 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 auditor's 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. 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 Special Olympics Prince Edward Island Inc.'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 Special Olympics Prince Edward Island Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause Special Olympics Prince Edward Island Inc. 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.

Chartered Professional Accountants

Special Olympics Prince Edward Island Inc.

Statement of Financial Position

As at July 31, 2021

	2021 \$	2020 \$
Assets		
Current assets		
Cash	518,880	188,150
Short-term investments	319,228	269,979
Accounts receivable (note 3)	125,906	130,114
Prepaid expenses	1,236	10,555
	<u>965,250</u>	<u>598,798</u>
Long-term investments	76,293	122,856
Capital assets (note 4)	<u>8,647</u>	<u>11,120</u>
	<u>1,050,190</u>	<u>732,774</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (notes 5 and 9)	26,186	15,556
Deferred revenue	31,423	28,666
	<u>57,609</u>	<u>44,222</u>
Unrestricted net assets	<u>992,581</u>	<u>688,552</u>
	<u>1,050,190</u>	<u>732,774</u>

Approved by the Board of Directors

_____ Director

_____ Director

Special Olympics Prince Edward Island Inc.

Statement of Change in Net Assets

For the year ended July 31, 2021

	2021 \$	2020 \$
Unrestricted net assets - Beginning of year	646,805	605,670
Prior period adjustment (note 10)	41,747	-
Balance as restated	688,552	605,670
Excess revenue for the year (note 10)	304,029	82,882
Unrestricted net assets - End of year	992,581	688,552

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Special Olympics Prince Edward Island Inc.

Statement of Earnings

For the year ended July 31, 2021

	2021	2020
	\$	\$
Revenue		
Grants	355,976	322,708
Team P.E.I.	1,020	68,983
Province of Prince Edward Island, Department of Health and Wellness	28,000	29,000
Donations	42,125	24,363
Donations in kind (note 7)	7,100	-
Sponsorships	22,500	20,000
Fundraising	5,434	8,064
Interest and miscellaneous	2,687	7,566
Registration fees	40	7,128
P.E.I. ADA Campaign	30,000	-
Events		
Enriching Lives Gala and Summerside Luncheon (Schedule 1)	154,697	45,490
Law Enforcement Torch Relay	31,581	31,942
Bowling Provincials	4,590	924
	<u>685,750</u>	<u>566,168</u>
Expenses		
Advertising and promotion	16,528	5,455
Conferences and meetings	645	10,991
Fundraising	7,221	8,172
Insurance	3,076	3,459
Office and miscellaneous	36,506	28,228
Professional fees	25,216	18,346
Rent (note 7)	6,471	6,471
Sports Canada	105,293	104,698
Sports Programs (Schedule 2)	193,017	260,999
Telephone	2,664	2,662
Wages and benefits	96,607	82,075
Amortization	2,473	2,804
	<u>495,717</u>	<u>534,360</u>
Operating earnings	190,033	31,808
Other income		
Government assistance (note 10)	113,996	51,074
Excess revenue for the year	<u>304,029</u>	<u>82,882</u>

Special Olympics Prince Edward Island Inc.

Statement of Cash Flows

For the year ended July 31, 2021

	2021	2020
	\$	\$
Cash provided by (used in)		
Operating activities		
Excess revenue for the year	304,029	82,882
Item not affecting cash		
Amortization	2,473	2,804
Government assistance	(20,000)	-
	<u>286,502</u>	<u>85,686</u>
Net change in non-cash working capital items		
Increase in short-term investments	(49,249)	(72,310)
Decrease (increase) in accounts receivable	4,208	(11,856)
Decrease (increase) in prepaid expenses	9,319	(8,335)
Increase (decrease) in accounts payable and accrued liabilities	10,630	(23,609)
Increase (decrease) in deferred revenue	2,757	(24,880)
	<u>264,167</u>	<u>(55,304)</u>
Financing activities		
Increase in long-term debt	60,000	-
Payments on long-term debt	(40,000)	-
	<u>20,000</u>	<u>-</u>
Investing activities		
Decrease (increase) in long-term investments	46,563	(12,812)
Purchase of capital assets	-	(1,966)
	<u>46,563</u>	<u>(14,778)</u>
Increase (decrease) in cash	<u>330,730</u>	<u>(70,082)</u>
Cash - Beginning of year	<u>188,150</u>	<u>258,232</u>
Cash - End of year	<u>518,880</u>	<u>188,150</u>

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

1 Status and purpose of organization

The objective and purpose of Special Olympics Prince Edward Island Inc. is to provide sport training and competitive experiences for individuals with intellectual disabilities in the Province of Prince Edward Island.

The company is a registered charity and is therefore tax exempt under Section 149(1) of the *Income Tax Act*.

2 Summary of significant accounting policies

Basis of accounting

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

Cash

Cash consists of bank balances.

Investments

Short-term investments consist of investments with a maturity within twelve months. Long-term investments consist of investments with a maturity greater than twelve months from year end.

Capital assets

Each class of capital assets is carried at cost less, where applicable, any accumulated amortization and impairment losses.

The amortization rates used for each class of capital assets are:

Office equipment	30%	Declining balance
Leasehold improvements	20%	Declining balance

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 collectibility is reasonably assured.

Interest revenue is recognized in the period in which it is earned.

Amounts that have been recorded in advance of services being rendered are recorded as deferred revenue until the Organization discharges the obligations that led to the collection of funds.

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

The Organization only recognizes contributed materials and services when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

Contributed services

Volunteers contribute a significant amount of time each year to assist the Organization in carrying out its programs and services. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

Contributions of assets, supplies and services that would otherwise have been purchased, are recorded at fair value at the date of contribution, provided that fair value can be reasonably determined.

Government assistance

Government assistance relating to operations are recorded as revenue in the year it is received or receivable.

Use of estimates

The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Significant items subject to such estimates and assumptions include the valuation of accounts receivable and the estimated useful life of capital assets. Actual results could differ from those estimates.

Since January 31, 2020, the outbreak of COVID-19 (coronavirus) has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown, and global equity markets have experienced significant volatility. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the outcome of government and central bank interventions.

In management's estimation, these events have not had a material impact on the carrying value of assets and liabilities reported in these financial statements as at July 31, 2021. The duration and impact of the COVID-19 pandemic remains unclear at this time. Therefore, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

Financial instruments

(a) Measurement of financial instruments

Special Olympics Prince Edward Island Inc.'s financial instruments consist of cash, short-term investments, accounts receivable, long-investments and accounts payable and accrued liabilities.

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. This fair value amount is then deemed to be the amortized cost of the financial instrument.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

(b) Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess revenue for the year. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess revenue for the year.

(c) Risks

Transacting in financial instruments exposes the Organization to certain financial risks and uncertainties. These risks include:

- i) Credit risk: The Organization is exposed to credit risk in connection with the collection of its accounts receivable. The Organization mitigates this risk by performing continuous evaluation of its accounts and loans receivables.
- ii) Liquidity risk: The Organization's exposure to liquidity risk is dependent on the collection of accounts receivable or raising of funds to meet commitments and sustain operations. The Organization controls liquidity risk by management of working capital, cash flows and availability of borrowing facilities.

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

3 Accounts receivable

	2021	2020
	\$	\$
Trade	39,438	19,770
Government contributions (note 10)	52,731	86,278
HST	33,737	24,066
	<u>125,906</u>	<u>130,114</u>

4 Property and equipment

	2021		2020	
	Cost	Accumulated amortization	Net	Net
	\$	\$	\$	\$
Office equipment	18,180	16,437	1,743	2,491
Leasehold improvements	28,634	21,730	6,904	8,629
	<u>46,814</u>	<u>38,167</u>	<u>8,647</u>	<u>11,120</u>

5 Accounts payable and accrued liabilities

	2021	2020
	\$	\$
Trade payables and accrued liabilities (note 9)	16,553	8,139
Source deductions payable	5,633	7,417
	<u>22,186</u>	<u>15,556</u>

6 Long-term debt

	2021	2020
	\$	\$
0% loan, due in full December 2022, after such time the loan will automatically be converted to a 5% term loan, due December 31, 2025, with interest payments due monthly, unsecured.	20,000	-
Less: Government assistance portion	<u>20,000</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

7 Non-monetary transactions

The Organization received a reduction in rent from Sport PEI throughout the year of \$657 (2020 - nil) in donations in-kind which has been recognized in the Statement of Operations.

The Organization received a reduction in bowling fees from Murphy's Community Centre throughout the year of \$6,443 (2020 - nil) in donations in-kind which has been recognized in the Statement of Operations.

The Organization held various sponsorship agreements, whereby goods and services were received in consideration for event invitations and advertising opportunities. These transactions are accounted for at the market value of the goods and services received. Donations in kind of \$13,912 (2020 - \$142) are recognized in Enriching Lives Gala and Summerside Luncheon in the Statement of Operations.

8 Commitments

The minimum annual lease payments over the next five years under an operating lease expiring in 2026 are as follows:

	\$
Year ending July 31, 2022	5,975
2023	6,048
2024	6,091
2025	6,177
2026	4118

9 Related party transactions

During the year, the Organization received funding of \$305,540 (2020 - \$188,401) for various activities and paid accreditation fees of \$2,750 (2020 - \$3,410) to Special Olympics Canada.

Included in accounts payable and accrued liabilities is \$5,466 (2020 - nil) dues to Special Olympics Canada.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

Special Olympics Prince Edward Island Inc.

Notes to Financial Statements

July 31, 2021

10 Prior period adjustment

During the current audit, it was noted that amounts received for the Canadian Emergency Wage Subsidy in prior periods had been included in revenue during the year in which the funding was received.

As a result, a prior period adjustment has been made which resulted in the following changes:

- Accounts receivable at July 31, 2020 has increased by \$41,747;
- Excess revenue at July 31, 2020 has increased by \$41,747;
- Unrestricted net assets at July 31, 2020 has increased by \$41,747; and
- Government assistance - wage subsidies at July 31, 2020 has increased by \$41,747.

11 Comparative figures

Certain figures for 2020 have been reclassified to conform to the presentation adopted in 2021

Special Olympics Prince Edward Island Inc.
Schedule of Enriching Lives Gala and Summerside Luncheon
For the year ended July 31, 2021

Schedule 1

	2021	2020
	\$	\$
Donations in-kind (note 7)	13,912	142
Receipts	190,588	50,244
Disbursements	(49,803)	(4,896)
	<hr/>	<hr/>
	154,697	45,490
	<hr/>	<hr/>

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Special Olympics Prince Edward Island Inc.

Schedule of Sports Programs

For the year ended July 31, 2021

Schedule 2

	2021	2020
	\$	\$
Canada Games Training Team	900	-
Competitions		
Local	7,772	18,378
National	642	87,381
Equipment	22,033	9,010
Program development (note 7)	109,285	95,303
Volunteer recognition	1,763	2,235
Wages	50,622	48,692
	<u>193,017</u>	<u>260,999</u>

Special Olympics PEI 2021 AGM Nomination Report

We would like to start by thanking our retiring board members.

To Paul Smith, Director at Large, for his time and talents over the past twelve years. Paul's background in law enforcement helped SOPEI strengthen its policies and procedures enabling SOPEI to create more holistic and individualized approaches to registration, discipline and complaints and mitigating risks adhered to a sport organization. Our sincere thank you to Paul.

Since October 7th, we have made ongoing recruitment efforts to fill a vacant Director at Large position. All other positions are not up for election or renewal at this time.

The slate of directors and officers for the 2021-2022 year are as follows:

Past-President:	Remains Vacant	
President:	Jamie Arsenault	
Vice-President:	Craig Watson	
Secretary:	Donna Campbell	
Treasurer:	Robert Horne	
Athlete Rep:	Heidi Mallet	
Directors at Large:	Kevin Stonefield	Cecil Villard
	Laurie McNally	Bevan Woodacre
	Clifford Lee	Melanie McKenna

Can I please have a motion to approve the Election of Officers and Directors for the 2021-2022 year?