

Association of Ontario
Snowboarders
Financial Statements
For the Year Ended March 31, 2021
(Unaudited)

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(Unaudited)

Contents

Independent Practitioner's Review Engagement Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Change in Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
Schedules	9 - 9



Independent Practitioner's Review Engagement Report

To the Members of
Association of Ontario Snowboarders

We have reviewed the accompanying financial statements of Association of Ontario Snowboarders that comprise the statement of financial position as at March 31, 2021, and the statements of operations, change 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 internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Association of Ontario Snowboarders as at March 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.

Chartered Professional Accountants, Licensed Public Accountants

Guelph, Ontario
December 6, 2021

Association of Ontario Snowboarders
Statement of Financial Position
(Unaudited)

March 31	2021	2020
Assets		
Current		
Cash (Notes 2 and 4)	\$ 175,308	\$ 127,744
Accounts receivable	50,771	74,168
Inventories	4,000	4,000
Prepaid expenses	535	-
	230,614	205,912
Property, plant and equipment (Note 3)	11,001	16,274
	\$ 241,615	\$ 222,186
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 13,294	\$ 120,838
Deferred revenue	49,053	-
	62,347	120,838
Long-term debt (Note 5)	40,000	-
Deferred capital contributions	-	2
	102,347	120,840
Net Assets		
Externally restricted - Simon Duncan bursary (Note 4)	7,167	7,167
Unrestricted	132,101	94,179
	139,268	101,346
	\$ 241,615	\$ 222,186

On behalf of the Board:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

Association of Ontario Snowboarders
Statement of Change in Net Assets
(Unaudited)

For the year ended March 31	Unrestricted	Externally Restricted - Simon Duncan Bursary	2021	2020
Balance, beginning of the year	\$ 94,179	\$ 7,167	\$ 101,346	\$ 142,737
Excess (deficiency) of revenues over expenditures	37,922	-	37,922	(41,391)
Balance, end of the year	\$ 132,101	\$ 7,167	\$ 139,268	\$ 101,346

The accompanying notes are an integral part of these financial statements.

Association of Ontario Snowboarders
Statement of Operations
(Unaudited)

For the year ended March 31	2021	2020
Revenue		
Red Cross Funding	\$ 47,197	\$ -
CEWS (Note 6)	43,582	-
CEBA (Note 6)	20,000	-
Membership and event fees (Schedule 1)	16,985	198,318
Other Funding	9,200	-
Donations	310	-
Quest for Gold	-	1,452
Sponsorships	-	46,500
Government grants		
Ministry of Health Base Funding	103,011	103,011
COVID-19 Funding	64,935	-
OSRC Funding	-	46,228
World Cup	-	161,642
	<u>305,220</u>	<u>557,151</u>
Expenses		
Administrative (Schedule 2)	96,810	100,332
Sport development (Schedule 6)	75,761	27,825
Red Cross	47,322	-
Sport priority funding (Schedule 3)	22,458	30,778
Bad debts	10,438	-
Non-recoverable HST	6,462	4,862
Event (Schedule 4)	2,776	199,321
Quest for Gold coaching	-	3,382
Membership (Schedule 5)	-	2,424
Training	-	25
World Cup	-	164,672
OSRC funding	-	59,648
	<u>262,027</u>	<u>593,269</u>
Excess (deficiency) of revenues over expenditures before amortization	43,193	(36,118)
Amortization of deferred capital contributions	2	2
Amortization of property, plant and equipment	<u>(5,273)</u>	<u>(5,275)</u>
Excess (deficiency) of revenues over expenditures for the year	<u>\$ 37,922</u>	<u>\$ (41,391)</u>

The accompanying notes are an integral part of these financial statements.

Association of Ontario Snowboarders
Statement of Cash Flows
(Unaudited)

For the year ended March 31	2021	2020
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ 37,922	\$ (41,391)
Items not affecting cash:		
Amortization of property, plant and equipment	5,273	5,275
Amortization of deferred capital contributions	(2)	(2)
	43,193	(36,118)
Changes in non-cash working capital:		
Accounts receivable	23,397	4,440
Inventories	-	(4,000)
Prepaid expenses	(535)	-
Accounts payable and accrued liabilities	(107,544)	84,326
Deferred revenue	49,053	-
	7,564	48,648
Cash flows from financing activities		
Advance of CEBA loan	40,000	-
Net increase in cash	47,564	48,648
Cash, beginning of the year	127,744	79,096
Cash, end of the year	\$ 175,308	\$ 127,744

The accompanying notes are an integral part of these financial statements.

Association of Ontario Snowboarders
Notes to Financial Statements
(Unaudited)

March 31, 2021

1. Significant Accounting Policies

Nature of Operations Association of Ontario Snowboarders (the "Association") was incorporated in Ontario on April 2, 1998 as a not-for-profit organization. Their mission is to govern the sport of competitive snowboarding in Ontario through development of snowboard athletes, coaches, officials and volunteers from the grassroots level to the elite level of competition. The Association is incorporated without share capital and is not subject to income taxes under the Income Tax Act.

Basis of Accounting The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Property, Plant and Equipment Property, plant and equipment are stated at cost less accumulated amortization. Amortization is provided using the following methods and annual rates:

	Method	Rate
Equipment	Straight line	5 years
Computers	Declining balance	55%

In the year of acquisition, one-half the normal rate is used.

Revenue Recognition The Association 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. Restricted contributions relating to property, plant and equipment are deferred on the statement of financial position and recognized as revenue on the same basis on which the related property, plant and equipment is amortized.

Membership and event fees and sponsorships are recognized in the period in which they are earned if collection is reasonably assured.

Government Assistance The Association makes periodic applications for financial assistance under government incentive programs.

Government assistance received during the year for current expenses is included in the determination of net income for the year.

Contributed Services Volunteers contribute many hours per year to assist the Association in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Association of Ontario Snowboarders
Notes to Financial Statements
(Unaudited)

March 31, 2021

2. Cash

The Association's bank account is held at one chartered bank.

3. Property, Plant and Equipment

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 69,881	\$ 58,880	\$ 69,881	\$ 53,612
Computers	3,825	3,825	3,825	3,820
	<u>73,706</u>	<u>62,705</u>	<u>73,706</u>	<u>57,432</u>
		<u>\$ 11,001</u>		<u>\$ 16,274</u>

4. Externally Restricted - Simon Duncan Bursary

The Simon Duncan Bursary Fund has been segregated to assist underprivileged athletes. The funds are held in the Association's bank account.

5. Long-term Debt

Canada Emergency Business Account loan, repayable by December 31, 2022 with an interest rate of 0%. Beginning January 1, 2023 interest will accrue on the balance of the loan at 5% per annum, with monthly repayments.

6. Government Assistance

During the year, the company received approximately \$63,582 (2020 - \$NIL) in financial assistance from various Covid-19 related government incentive programs. Total assistance received has been recorded in revenue.

Association of Ontario Snowboarders
Notes to Financial Statements
(Unaudited)

March 31, 2021

7. Financial Instruments

Credit risk

The Association's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The Association works to mitigate credit risk by evaluating the credit of members before accepting them into the Association. This risk has increased due to the impact of the COVID-19 pandemic, which could lead to potential losses.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Association is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and long-term debt. This risk has increased since the previous year due to the impact of the COVID-19 pandemic, which could lead to increased difficulty in meeting the Association's obligations as they come due.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its long-term debt. This risk has increased since the previous year, as the Association did not previously hold long-term debt.

8. Material Uncertainty

On March 11 2020, the World Health Organization characterized the outbreak of COVID-19 as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The Association has been able to continue modified operations during this time period and has postponed a number of its essential fundraising events. However, the duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Association in future periods.

Association of Ontario Snowboarders
(Unaudited)

For the year ended March 31	2021	2020
Schedule 1 - Membership and Event Fees		
Membership fees	\$ 16,985	\$ 53,352
Event revenue	-	144,905
Sport development	-	61
	<u>\$ 16,985</u>	<u>\$ 198,318</u>
Schedule 2 - Administrative Expenses		
Wages and benefits	\$ 72,088	\$ 70,236
Professional fees	8,363	5,381
Telephone	5,664	5,689
Office	4,385	6,465
Website	3,834	6,765
Rent	1,606	2,401
Insurance	442	442
Bank charges	428	430
Travel	-	2,201
Training and development	-	322
	<u>\$ 96,810</u>	<u>\$ 100,332</u>

Association of Ontario Snowboarders
(Unaudited)

For the year ended March 31	2021	2020
Schedule 3 - Sport Priority Funding Expenses		
Wages	\$ 21,239	\$ 21,239
Fitness testing and other	1,219	9,539
	\$ 22,458	\$ 30,778
Schedule 4 - Event Expenses		
Staff travel and administration	\$ 1,349	\$ 804
Equipment repair	1,226	2,369
Event execution	201	103,315
Prizes and medals	-	6,314
Technical delegate (TD) fees	-	6,121
Advertising	-	4,436
Noram event	-	66,764
Provincials	-	9,198
	\$ 2,776	\$ 199,321
Schedule 5 - Membership Expenses		
Promotion	\$ -	\$ 2,424
Schedule 6 - Sport Development Expenses		
COVID-19	\$ 68,286	\$ -
Canada Snowboard Coaching Program	7,475	7,597
Riglet in school	-	20,228
	\$ 75,761	\$ 27,825