

**Association of Ontario
Snowboarders
Financial Statements
For the Year Ended March 31, 2022
(Unaudited)**

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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, 2022, 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, 2022, 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 9, 2022

Association of Ontario Snowboarders
Statement of Financial Position
(Unaudited)

March 31	2022	2021
Assets		
Current		
Cash (Notes 2 and 4)	\$ 385,738	\$ 175,308
Accounts receivable	128,104	50,771
Inventories	4,000	4,000
Prepaid expenses	535	535
	518,377	230,614
Property, plant and equipment (Note 3)	5,733	11,001
	\$ 524,110	\$ 241,615
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 83,165	\$ 13,294
Deferred revenue	266,709	49,053
	349,874	62,347
Long-term debt (Note 5)	40,000	40,000
	389,874	102,347
Net Assets		
Externally restricted - Simon Duncan bursary (Note 4)	7,167	7,167
Unrestricted	127,069	132,101
	134,236	139,268
	\$ 524,110	\$ 241,615

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	Externally Restricted - Simon Duncan Bursary		2022	2021
	Unrestricted			
Balance, beginning of the year	\$ 132,101	\$ 7,167	\$ 139,268	\$ 101,346
Excess (deficiency) of revenues over expenditures	(5,032)	-	(5,032)	37,922
Balance, end of the year	\$ 127,069	\$ 7,167	\$ 134,236	\$ 139,268

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	2022	2021
Revenue		
CEBA (Note 6)	\$ -	\$ 20,000
CEWS (Note 6)	14,677	43,582
Donations	-	310
Government grants		
COVID-19 funding	63,633	64,935
Ministry of Health base funding	103,011	103,011
Sport Priority funding	163,697	-
Membership and event fees (Schedule 1)	178,220	16,985
Other funding	14,560	9,200
Red Cross funding	-	47,197
Sponsorships	28,536	-
	<u>566,334</u>	<u>305,220</u>
Expenses		
Administrative (Schedule 2)	121,524	96,810
Bad debts	2,880	10,438
Event (Schedule 4)	289,733	2,776
Non-recoverable HST	24,245	6,462
Red Cross	-	47,322
Sport development (Schedule 5)	61,166	75,761
Sport priority (Schedule 3)	66,551	22,458
	<u>566,099</u>	<u>262,027</u>
Excess of revenues over expenditures before amortization	235	43,193
Amortization of deferred capital contributions	-	2
Amortization of property, plant and equipment	<u>(5,267)</u>	<u>(5,273)</u>
Excess (deficiency) of revenues over expenditures for the year	\$ (5,032)	\$ 37,922

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	2022	2021
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ (5,032)	\$ 37,922
Items not affecting cash:		
Amortization of property, plant and equipment	5,267	5,273
Amortization of deferred capital contributions	-	(2)
	<u>235</u>	<u>43,193</u>
Changes in non-cash working capital:		
Accounts receivable	(77,334)	23,397
Prepaid expenses	-	(535)
Accounts payable and accrued liabilities	69,873	(107,544)
Deferred revenue	<u>217,656</u>	<u>49,053</u>
	<u>210,430</u>	<u>7,564</u>
Cash flows from financing activities		
Advance of CEBA loan	-	40,000
	<u>-</u>	<u>40,000</u>
Net increase in cash	210,430	47,564
Cash, beginning of the year	<u>175,308</u>	<u>127,744</u>
Cash, end of the year	<u>\$ 385,738</u>	<u>\$ 175,308</u>

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

Association of Ontario Snowboarders

Notes to Financial Statements

(Unaudited)

March 31, 2022

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, 2022

2. Cash

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

3. Property, Plant and Equipment

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 69,881	\$ 64,148	\$ 69,881	\$ 58,880
Computers	3,825	3,825	3,825	3,825
	73,706	67,973	73,706	62,705
		\$ 5,733		\$ 11,001

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

In the prior year, the Association received \$60,000 in financial assistance from the Canada Emergency Business Account (CEBA) loan program. Of the \$60,000 loan received, \$20,000 of this amount is forgivable if the remaining \$40,000 is repaid prior to December 31, 2023. The forgivable portion of the loan was included in revenue in the prior year. If the Association does not repay the \$40,000 by December 31, 2023, the \$20,000 forgivable portion will be repayable and accounted for as a financial liability.

If any part of the balance is not paid by December 31, 2023, the remaining balance will be converted to a 3-year term loan at 5% annual interest, paid monthly, effective January 1, 2024. The full balance must be repaid by no later than December 31, 2025.

6. Government Assistance

During the year, the company received approximately \$14,677 (2021 - \$63,582) 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, 2022

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 is impacted by COVID-19, which could lead to potential losses. There have not been any changes in the risk from the prior year.

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 is impacted by COVID-19, which could lead to increased difficulty in meeting the Association's obligations as they come due. There have not been any changes in the risk from the prior year.

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. There have not been any changes in the risk from the prior year.

8. COVID-19 Pandemic

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. 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
Schedules
(Unaudited)**

For the year ended March 31	2022	2021
Schedule 1 - Membership and Event Fees		
Event revenue	\$ 128,672	\$ -
Membership fees	42,529	16,985
Sport development	7,019	-
	\$ 178,220	\$ 16,985
 Schedule 2 - Administrative Expenses		
Bank charges	\$ 755	\$ 428
Equipment manager	801	-
Insurance	221	442
Office	23,920	4,385
Professional fees	8,607	8,363
Rent	2,935	1,606
Telephone	6,903	5,664
Travel	1,881	-
Wages and benefits	71,995	72,088
Website	3,506	3,834
	\$ 121,524	\$ 96,810
 Schedule 3 - Sport Priority Expenses		
Fitness testing and other	\$ 44,974	\$ 1,219
Wages	21,577	21,239
	\$ 66,551	\$ 22,458
 Schedule 4 - Event Expenses		
Equipment repair	\$ 2,548	\$ 1,226
Event execution	51,496	201
NorAm event	235,211	-
Staff travel and administration	478	1,349
	\$ 289,733	\$ 2,776
 Schedule 5 - Sport Development Expenses		
Canada Snowboard Coaching Program	\$ 9,404	\$ 7,475
COVID-19	51,762	68,286
	\$ 61,166	\$ 75,761