

ASSOCIATION OF ONTARIO SNOWBOARDERS
Financial Statements
Year Ended March 31, 2024

ASSOCIATION OF ONTARIO SNOWBOARDERS
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Year Ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Association of Ontario Snowboarders

Opinion

We have audited the financial statements of Association of Ontario Snowboarders (the Association), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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 the Association in accordance with 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 opinion.

Other Matter

The financial statements for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on February 21, 2024.

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 ASNPO, 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 the Association'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 the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

(continues)

Jeremy A. Giles CPA, CA Lissa Savage CPA, CA, CPA (Illinois)

Mark Snyders CPA, CA Dillon O'Henly CPA, CA

James B. MacNeill FCPA, FCA, CFP (Counsel) Robert F. Edmundson CPA, CA (Retired)

INDEPENDENT AUDITOR'S REPORT (continued)

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 the Association'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 the Association'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 the Association 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.

London, Ontario
May 13, 2025

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

ASSOCIATION OF ONTARIO SNOWBOARDERS
Statement of Financial Position
March 31, 2024

	2024	2023 <i>(Restated)</i>
ASSETS		
CURRENT		
Cash	\$ 145,660	\$ 188,169
Grants receivable	91,858	181,632
Receivable from Freestyle Ontario	36,298	-
Harmonized sales tax recoverable	19,207	27,568
	293,023	397,369
CAPITAL ASSETS <i>(Note 2)</i>	246,016	177,268
	\$ 539,039	\$ 574,637
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 177,787	\$ 225,146
Employee deductions payable	14,668	-
Deferred income	242,704	242,704
	435,159	467,850
LONG TERM DEBT <i>(Note 3)</i>	-	40,000
	435,159	507,850
NET ASSETS		
General fund	96,713	59,620
Restricted fund	7,167	7,167
	103,880	66,787
	\$ 539,039	\$ 574,637

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

ASSOCIATION OF ONTARIO SNOWBOARDERS
Statement of Changes in Net Assets
Year Ended March 31, 2024

	General Fund	Restricted Fund	2024	2023 <i>(Restated)</i>
NET ASSETS - BEGINNING OF YEAR	\$ 59,620	\$ 7,167	\$ 66,787	\$ 104,703
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURE	37,093	-	37,093	(37,916)
NET ASSETS - END OF YEAR	\$ 96,713	\$ 7,167	\$ 103,880	\$ 66,787

ASSOCIATION OF ONTARIO SNOWBOARDERS
Statement of Revenues and Expenditures
Year Ended March 31, 2024

	2024	2023
REVENUES		
Sport hosting funding	\$ 398,412	\$ 391,826
Government grants	215,403	189,408
Events	116,341	176,661
Memberships fees	53,739	30,686
Sport development	36,101	7,080
Sponsorship income	33,299	31,991
	<u>853,295</u>	<u>827,652</u>
ADMINISTRATIVE EXPENSES <i>(Schedule 1)</i>	<u>212,251</u>	<u>142,635</u>
OTHER EXPENSES		
Sport hosting and event expenses	336,716	347,535
World cup expenses	154,076	263,624
High performance program	75,614	33,430
Non-recoverable HST	37,545	78,344
	<u>603,951</u>	<u>722,933</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 37,093</u>	<u>\$ (37,916)</u>

ASSOCIATION OF ONTARIO SNOWBOARDERS
Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over administrative expenses	\$ 37,093	\$ (37,916)
Item not affecting cash:		
Amortization of capital assets	2,275	3,458
	<u>39,368</u>	<u>(34,458)</u>
Changes in non-cash working capital:		
Grants receivable	89,774	(81,615)
Receivable from Freestyle Ontario	(36,298)	-
Inventory	-	4,000
Accounts payable and accrued liabilities	(47,359)	112,446
Deferred income	-	(24,005)
Prepaid expenses	-	535
Harmonized sales tax payable	8,361	521
Employee deductions payable	14,668	-
	<u>29,146</u>	<u>11,882</u>
Cash flow from (used by) operating activities	<u>68,514</u>	<u>(22,576)</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(71,023)</u>	<u>(174,993)</u>
FINANCING ACTIVITY		
Repayment of long term debt	<u>(40,000)</u>	<u>-</u>
DECREASE IN CASH FLOW	(42,509)	(197,569)
Cash - beginning of year	<u>188,169</u>	<u>385,738</u>
CASH - END OF YEAR	\$ 145,660	\$ 188,169

ASSOCIATION OF ONTARIO SNOWBOARDERS
Notes to Financial Statements
Year Ended March 31, 2024

1. SUMMARY OF 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 presentation

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

Capital assets

Capital assets are stated at cost. Annual amortization is provided on the following basis utilizing rates as follows:

Computer equipment	55%	declining balance method
Furniture and fixtures	5 years	straight-line method

The Association regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use. In the year of addition, half the annual rate is used.

Revenue recognition

The Association follows the deferral method of accounting for contributions:

- (1) Externally restricted contributions

Externally restricted contributions including special purpose grants are recognized as revenue in the year in which the related expenses are incurred. Accordingly, deferred contributions represent unspent resources from externally restricted funding.

- (2) Unrestricted contributions

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.

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ASSOCIATION OF ONTARIO SNOWBOARDERS
Notes to Financial Statements
Year Ended March 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Contributed services

Volunteers contribute many hours per year to enable the organization to carry out its objectives. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

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 amounts reported in the financial statements and accompanying notes. In the opinion of management, these financial statements reflect, within reasonable limits of materiality, all adjustments necessary to present fairly the results for the years presented. Actual results could differ from these estimates. Assumptions are used in estimating the collectability of accounts receivable, accrued liabilities and deferred revenue. Amortization of capital assets is provided based on the Association's estimate of useful lives of those assets.

2. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Capital project in progress	\$ 246,016	\$ -	\$ 246,016	\$ 174,993
Computer equipment	3,825	3,825	-	-
Furniture and equipment	69,881	69,881	-	2,275
	\$ 319,722	\$ 73,706	\$ 246,016	\$ 177,268

3. LONG-TERM DEBT

In a previous year, the Association received \$60,000 in financial assistance from the Canada Emergency Business Account loan program. \$20,000 of the amount is forgivable if repaid by January 18, 2024 and was included in revenue in a prior year. The remaining \$40,000 was repaid during the year.

ASSOCIATION OF ONTARIO SNOWBOARDERS
Notes to Financial Statements
Year Ended March 31, 2024

4. EXTERNALLY RESTRICTED NET ASSETS- 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. ECONOMIC DEPENDENCE

The continued operations of the Association depend to a large extent upon the funding that it receives from the Provincial Government. Any significant reduction in this source would significantly curtail the Association's ability to offer a complete range of program

6. COMMITMENTS

The Association working in conjunction with Freestyle Skiing Ontario Inc. ("FO") to open an airbag training facility at Horseshoe Resort in Barrie, Ontario to accommodate training for both snowboard and freestyle ski athletes. A draft lease agreement exists between the two parties and Horseshoe Resort, but the terms have not yet been finalized.

The facility is currently under construction and is expected to open in June 2025. As such, any capital costs incurred by the Association thus far have been recorded as capital projects in process (Note 3).

A service agreement was signed between the two parties on April 23, 2024 outlining their responsibilities and the allocation of revenues, expenses, and capital costs. The intent is to split these evenly between the two parties. A receivable from FO has been recorded for capital costs incurred by the Association in excess of its share.

In March 2022, the Ministry issued a grant of \$266,709 to the Association to support member community sports clubs. The Ministry agreed that the disbursement of the grant to these clubs could be via the distribution of day passes for the airbag training facility. \$242,704 of this funding is unspent and will be recognized in revenue in the year when passes are used.

ASSOCIATION OF ONTARIO SNOWBOARDERS
Notes to Financial Statements
Year Ended March 31, 2024

7. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework in place to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration. There have been no significant change to the nature or concentration of these risks from the prior year, unless otherwise noted.

In the opinion of management, the company is not exposed to significant market, currency or other price risks arising from its financial instruments.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from members. In order to reduce its credit risk, the Association reviews a new member's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources, long-term debt, and accounts payable.

The company mitigates this risk through projecting its cash flow needs on a short term and long term basis.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through its normal operating and financing activities. The Association is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

ASSOCIATION OF ONTARIO SNOWBOARDERS
Notes to Financial Statements
Year Ended March 31, 2024

9. PRIOR PERIOD RESTATEMENT

During the year, it was discovered that there was \$29,534 in expenses relating to the 2022 fiscal year not recorded.

As a result, for the year ended March 31, 2022, sport hosting expenses increased by \$29,534, and excess of revenues over expenditures decreased by \$29,534. As at March 31, 2022, accounts payable increased by \$29,534, and net assets decreased by \$29,534.

As at March 31, 2023, net assets decreased by \$29,534 and accounts payable increased by \$29,534

ASSOCIATION OF ONTARIO SNOWBOARDERS

**Administrative expenses
Year Ended March 31, 2024**

(Schedule 1)

	2024	2023
ADMINISTRATIVE EXPENSES		
Salaries and wages	\$ 95,381	\$ 73,501
Professional fees	56,719	13,720
Sport development	12,649	4,071
Rental	8,987	11,872
Travel	8,483	2,376
Website	7,506	5,375
Telephone	7,128	10,871
Office	6,224	6,284
Interest and bank charges	5,826	4,826
Amortization	2,275	3,458
Insurance	885	1,543
Membership costs	188	4,738
	\$ 212,251	\$ 142,635