

# **BC SNOWBOARD ASSOCIATION**

## **FINANCIAL STATEMENTS**

**March 31, 2023**

## CONTENTS

	<b><u>Page</u></b>
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flow	6
Notes to the Financial Statements	7-9

# CHILDS CHANTON

CHARTERED PROFESSIONAL ACCOUNTANTS\*

\* Denotes Professional Corporation

Jeremy J. Childs, CPA, CA  
Marie C. Chanton, CPA, CA

241 Columbia Avenue, Castlegar, BC V1N 1G3 Phone: (250) 365-7287 Fax: (250) 365-6066

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
BC Snowboard Association

### Opinion

We have audited the accompanying financial statements of the BC Snowboard Association, which comprise the statement of financial position as at March 31, 2023 and the statement of operations, statement of changes in net assets, and statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the BC Snowboard Association as at March 31, 2023 and the results of its operations, changes in net assets and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 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 opinion.

### 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 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.

### Auditor's responsibility 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

Subsequent to a number of years of audit engagements, the 2022 comparable period was presented under a compilation engagement by the predecessor accountants, KH Burch Heinz Inc. As such the comparative information has not been audited or reviewed.

#### **Report on other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements have been applied on a basis consistent with that of the preceding year.



Jeremy Childs, CPA CA

July 20, 2023

CHILDS CHANTON  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Castlegar, BC

**BC SNOWBOARD ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**As at March 31, 2023**

	2023	Unaudited 2022
<b>Assets</b>		
Current		
Cash	\$ 54,391	\$ 331,547
Accounts receivable	62,598	164,432
Short term investments	253,542	-
	370,531	495,979
Tangible capital assets (Note 4)	11,435	20,157
	<b>\$ 381,966</b>	<b>\$ 516,136</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Current		
Accounts payable	\$ 18,817	\$ 53,544
Employee deductions payable	7,373	7,855
	<b>26,190</b>	<b>61,399</b>
Deferred revenues (Note 5)	35,779	24,860
	<b>61,969</b>	<b>86,259</b>
<b>Net Assets</b>		
Internally restricted	59,000	100,000
Unrestricted	259,529	319,687
Invested in capital assets	1,468	10,190
	<b>319,997</b>	<b>429,877</b>
	<b>\$ 381,966</b>	<b>\$ 516,136</b>

APPROVED ON BEHALF OF THE BOARD:





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

**BC SNOWBOARD ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**For the Year Ended March 31, 2023**

	<b>2023</b>	<b>Unaudited 2022</b>
<b>Revenues</b>		
Funding, ViaSport and Canada Snowboard	\$ 230,423	\$ 277,734
Team, camp fees	208,227	256,368
Major events, Canada Snowboard	195,697	117,748
Events, fees	132,633	78,226
Team, team fees	108,195	109,329
Sponsorships	70,083	36,366
Membership fees and passes	56,286	37,174
BC Community gaming grant	48,835	36,800
Events funding, ViaSport and Canada Snowboard	-	110,950
Club development	14,727	8,600
Interest income	5,911	1,727
Fundraising and donations	852	891
Government assistance, wage subsidies	-	21,442
Goods and services tax rebate	-	13,555
	<b>1,071,869</b>	<b>1,106,910</b>
<b>Expenses</b>		
Advertising and promotion	14,627	12,243
Amortization of tangible assets	14,961	9,967
Athlete assistance	-	812
Athlete training expenses	10,370	23,015
Bad debts	3,992	-
Bank and credit card charges	3,447	1,432
Camp costs and athlete assistance	354,629	277,981
Club development	11,366	8,009
Employee benefits	26,275	23,391
Equipment and rentals	23,956	21,483
Event expenses (Note 3)	160,113	102,884
Insurance	500	2,990
Major event expenses (Note 3)	190,917	111,628
Meeting expenses	2,860	687
Memberships	34,633	24,529
Office and miscellaneous administration	7,139	5,137
Professional fees	9,000	4,989
Salaries and wages	259,165	229,733
Storage	925	3,911
Telephone	9,292	8,866
Travel and accomodation	43,582	38,643
	<b>1,181,749</b>	<b>912,330</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (109,880)</b>	<b>\$ 194,580</b>

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

**BC SNOWBOARD ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**For the Year Ended March 31, 2023**

	Invested in			Unaudited	
	Capital		Internally	Total	Total
	Assets	Unrestricted	Restricted	2023	2022
<b>NET ASSETS - OPENING</b>	\$ 10,190	\$ 319,687	\$ 100,000	\$ 429,877	\$ 235,297
Excess (deficiency) of revenues over expenses	-	(109,880)	-	(109,880)	194,580
Acquisition of capital assets	6,239	(6,239)	-	-	-
Amortization of capital assets	(14,961)	14,961	-	-	-
Interfund transfers	-	41,000	(41,000)	-	-
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 1,468</b>	<b>\$ 259,529</b>	<b>\$ 59,000</b>	<b>\$ 319,997</b>	<b>\$ 429,877</b>

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

**BC SNOWBOARD ASSOCIATION****STATEMENT OF CASH FLOW****For the Year Ended March 31, 2023**

	<b>2023</b>	<b>Unaudited 2022</b>
<b>Operating transactions</b>		
Cash receipts from grants and other contributions	\$ 1,184,622	\$ 1,033,618
Cash paid to suppliers	(916,077)	(620,142)
Cash paid to employees, including benefits	(285,920)	(256,181)
<b>Cash provided by operating transactions</b>	<b>(17,375)</b>	<b>157,295</b>
<b>Investing Transactions</b>		
Purchase of tangible capital assets	(6,239)	(543)
Purchase of short term investments	(253,542)	-
<b>Cash provided by investing transactions</b>	<b>(259,781)</b>	<b>(543)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(277,156)</b>	<b>156,752</b>
Cash and cash equivalents, beginning of year	331,547	174,795
<b>Cash and cash equivalents, end of year</b>	<b>\$ 54,391</b>	<b>\$ 331,547</b>
<b>Cash and cash equivalents consist of</b>		
Cash	\$ 54,391	\$ 331,547

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



**BC SNOWBOARD ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2023**

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**1. PURPOSE OF THE ASSOCIATION**

BC Snowboard Association (the Association) is a not-for-profit organization incorporated under the Societies Act of British Columbia.

The Association operates to foster and facilitate ongoing development of snowboarding athletes, coaches and officials from a grassroots level through to an elite level of competition; and to provide and promote opportunity and enjoyment in the sport of snowboarding for everyone involved.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

**Revenue recognition**

The Association follows the deferral method of accounting for contributions.

Unrestricted program and event funding and other grants are recognized as revenues in the year in which they are received.

Contributions for expenses for future periods is deferred and recognized as revenue in the same period or periods as the related expenses are recognized.

Membership, team and sanction fees are for a twelve month period. The fees are prorated and recorded in the appropriate fiscal period according to the twelve month period they relate to.

All other revenues and interest income are recognized when received or receivable if the amount can be reasonably determined and collection is reasonably assured.

**Donated goods and services**

Donated goods and services are recognized, when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association and would otherwise have been purchased. During the year there were \$70,082 (2022 unaudited - \$60,981) in goods and services donated, and included \$70,082 (2022 unaudited - \$32,180) in Sponsorships, and \$0 (2022 unaudited - \$28,801) in Major Events.

The operations of the organization depend on the contribution of time by volunteers. The fair value of these volunteer services cannot be reasonably determined and is therefore not reflected in these financial statements.

**Tangible capital assets**

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a straight-line basis at the following rates:

Event equipment	5 years
Equipment	5 years
Computer equipment	3 years

**BC SNOWBOARD ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2023**

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**Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenues and expenses during the period, including related disclosures. The main estimates related to the expected useful life of tangible capital assets, identification of doubtful accounts, the value of items donated as sponsorships and the recognition and allocation of revenues. Actual results may differ from estimates.

**Financial instruments policy**

Financial assets include cash and accounts receivable and are measured at amortized cost as presented on the balance sheet. Financial liabilities include accounts payable and are measured at amortized costs as presented on the balance sheet.

**Income Tax**

Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act. The association is not a registered charity or a qualifying non-profit organization, and therefore not eligible to claim a GST rebate.

**Cash and cash equivalents**

Cash and cash equivalents are made up of unrestricted cash, gift cards and term deposits with a maturity of less than 90 days.

**3. EVENT EXPENSES**

		<b>2023</b>	<b>Unaudited 2022</b>
Event expenses	\$	10,554	\$ 2,402
Officials & volunteers		66,002	37,139
Sanction fees		1,470	106
Lift tickets and venue costs		74,087	32,270
Para World Cup and Winter Games		190,917	111,628
Prizes and awards		8,000	12,700
	\$	<b>351,030</b>	<b>\$ 196,245</b>

**4. TANGIBLE CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2023 Net Book Value</b>	<b>2022</b>
Equipment	\$ 11,061	\$ 10,748	\$ 313	\$ 2,067
Event equipment	38,938	33,258	5,680	8,436
Computer equipment	15,321	9,879	5,442	9,654
	<b>\$ 65,320</b>	<b>\$ 53,885</b>	<b>\$ 11,435</b>	<b>\$ 20,157</b>

**BC SNOWBOARD ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2023**

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**5. DEFERRED REVENUE**

The deferred revenue consists of amounts received, for annual membership revenues, sanction fees and team fees, with terms that expire subsequent to the March 31st year end.

		Unaudited
	2023	2022
Opening balance	\$ 24,860	\$ 9,080
Expiration of 2022 prepaid fees	(24,860)	(9,080)
Fees paid for period subsequent to the year end	35,779	12,010
Sponsorships received for subsequent year	-	12,850
Ending balance	\$ 35,779	\$ 24,860

**6. INTERNALLY RESTRICTED NET ASSETS**

Internally restricted net assets represents the organization's net assets that are restricted for specific event and competition use.

**7. FINANCIAL INSTRUMENTS RISK**

The Association is exposed to various risks through its financial instruments. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2023.

**(a) Credit risk**

The Association is exposed to credit risk from its members and funders reimbursing expenditures made by the Association. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of members which minimizes concentration of credit risk. The risk has decreased from the prior period.

**(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to this risk mainly in respect of its receipt of funds from its funders, members and other related sources and payment of accounts payable. The risk has decreased from the prior period.