

BOWLS CANADA BOULINGRIN

FINANCIAL STATEMENTS

MARCH 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members,
Bowls Canada Boulingrin:

We have audited the accompanying financial statements of Bowls Canada Boulingrin, which comprise the statement of financial position as at March 31, 2018, and the statements of changes in net assets, operations 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.

Auditor's responsibility


Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bowls Canada Boulingrin as at March 31, 2018, 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.



OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants

Ottawa, Ontario

July 25, 2018

BOWLS CANADA BOULINGRIN

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash	\$ 93,603	\$ 336,365
Investments (note 4)		
- endowment fund	222,132	219,738
- other	256,431	-
Accounts receivable	10,159	10,803
Prepaid expenses	31,588	52,840
	<u>613,913</u>	<u>619,746</u>
PROPERTY AND EQUIPMENT (note 5)	<u>1</u>	<u>141</u>
	<u>\$ 613,914</u>	<u>\$ 619,887</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 13,824	\$ 47,100
Deferred revenue (note 7)	-	4,000
	<u>13,824</u>	<u>51,100</u>
NET ASSETS		
Restricted for endowment fund	222,798	220,404
Unrestricted	<u>377,292</u>	<u>348,383</u>
	<u>600,090</u>	<u>568,787</u>
	<u>\$ 613,914</u>	<u>\$ 619,887</u>

Approved on behalf of the Board:

Director 

Director 

BOWLS CANADA BOULINGRIN

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
RESTRICTED FOR ENDOWMENT FUND		
Balance - beginning of year	\$ 220,404	\$ 207,016
Transfer from unrestricted	<u>2,394</u>	<u>13,388</u>
Balance - end of year	<u>\$ 222,798</u>	<u>\$ 220,404</u>
UNRESTRICTED		
Balance - beginning of year	\$ 348,383	\$ 308,135
Net revenue for the year	31,303	53,636
Transfer to restricted for endowment fund	<u>(2,394)</u>	<u>(13,388)</u>
Balance - end of year	<u>\$ 377,292</u>	<u>\$ 348,383</u>
TOTAL	<u>\$ 600,090</u>	<u>\$ 568,787</u>

BOWLS CANADA BOULINGRIN

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Coaching Association of Canada	\$ 5,544	\$ 4,895
Sport Canada	205,500	217,500
Membership fees	210,197	211,035
Investment		
- endowment fund	2,394	12,722
- other	2,596	19,188
Advertising and sponsorship	3,100	2,120
Sales of merchandise and publications	19,103	24,503
Donations	1,700	28,125
International competitions - fees	26,000	15,534
Registration and entry fees	19,250	19,800
ParticipACTION 150 grant	5,000	-
Miscellaneous	1,848	1,396
	<u>502,232</u>	<u>556,818</u>
EXPENSES		
Officials development program	2,279	5,757
Coaching program	8,761	5,952
Long term athlete development	6,501	2,918
International competitions	93,892	89,391
Awards program	161	-
World Bowls fees	9,377	10,140
Marketing	-	667
Membership development program	7,371	21,796
Domestic competitions	88,351	85,926
Communications and public relations program	5,406	7,435
Merchandising and publications program	8,670	7,855
Meetings	5,736	3,988
National office operations	62,961	62,631
Staff salaries and travel	171,463	198,726
	<u>470,929</u>	<u>503,182</u>
NET REVENUE FOR THE YEAR	<u>\$ 31,303</u>	<u>\$ 53,636</u>

BOWLS CANADA BOULINGRIN

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES		
Net revenue for the year	\$ 31,303	\$ 53,636
Items not affecting cash		
Amortization	140	1,302
Loss (gain) on investments	827	(28,082)
Net change in non-cash working capital items		
Accounts receivable	644	10,111
Prepaid expenses	21,252	(28,457)
Accounts payable	(33,276)	9,407
Deferred revenue	(4,000)	4,000
Government remittances payable	-	(11,795)
	<u>16,890</u>	<u>10,122</u>
INVESTING ACTIVITIES		
Sale (purchase) of investments	<u>(259,652)</u>	<u>139,757</u>
	<u>(259,652)</u>	<u>139,757</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	<u>(242,762)</u>	<u>149,879</u>
Cash - beginning of year	<u>336,365</u>	<u>186,486</u>
CASH - END OF YEAR	<u>\$ 93,603</u>	<u>\$ 336,365</u>

BOWLS CANADA BOULINGRIN

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. PURPOSE OF THE ORGANIZATION

The mission of the organization is to advance the sport of bowls in Canada. The organization is incorporated under the Canada Not-for-profit Corporations Act and is a Registered Canadian Amateur Athletic Association under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and assumptions are reviewed annually and, as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

b) Endowment fund

The endowment fund is internally restricted and accumulates transfers from unrestricted net assets equivalent to certain donations received in the year and the investment income of the endowment fund investments for the year and makes transfers to unrestricted net assets when approved by the Board.

c) Financial instruments

Investments in equity instruments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

d) Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on the straight line basis over 3 years.

e) 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 expenditure is incurred. Unrestricted contributions are recognized as revenue when they are received or becomes receivable. Membership fees are recognized as revenue over the period to which they relate. Other revenues are recognized in the year in which the event is held or the revenue is earned.

f) Sport Canada contributions

Contributions received from Sport Canada are subject to specific terms and conditions regarding the expenditure of the funds. The organization's records are subject to audit by Sport Canada to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to Sport Canada. Adjustments to prior years' contributions are recorded in the year in which Sport Canada requests the adjustment.

BOWLS CANADA BOULINGRIN

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2018

3. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, investments, accounts receivable and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the risks have not changed from last year.

4. INVESTMENTS

The investments consist of fixed income and units in various mutual funds and are valued at year-end fair value.

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is exposed mainly to interest rate and other price risk.

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its investments.

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from currency risk or interest rate risks, whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investments.

5. PROPERTY AND EQUIPMENT

	2018			2017
	Cost	Accumulated amortization	Net	Net
Office equipment	\$ 10,545	\$ 10,544	\$ 1	\$ 141

6. COMMITMENT

The organization has leased premises to January 31, 2020 at \$16,100 per annum.

7. DEFERRED REVENUE

Deferred revenue represents revenue received relating to next year as follows:

	2018	2017
ParticipACTION 150 grant	\$ -	\$ 4,000