

# **BOWLS CANADA BOULINGRIN**

## **FINANCIAL STATEMENTS**

**MARCH 31, 2016**

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## INDEPENDENT AUDITORS' 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, 2016, 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.

### **Auditors' 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, 2016, 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  
June 23, 2016

## BOWLS CANADA BOULINGRIN

### STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT		
Cash	\$ 186,486	\$ 165,934
Investments (note 4)		
- endowment fund	196,340	200,425
- other	135,073	136,599
Accounts receivable	20,914	16,249
Prepaid expenses	24,383	23,670
	<u>563,196</u>	<u>542,877</u>
PROPERTY AND EQUIPMENT (note 5)	<u>1,443</u>	<u>2,141</u>
	<u>\$ 564,639</u>	<u>\$ 545,018</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 37,693	\$ 26,727
Government remittances payable	11,795	-
	<u>49,488</u>	<u>26,727</u>
NET ASSETS		
Restricted for endowment fund	207,016	210,101
Unrestricted	308,135	308,190
	<u>515,151</u>	<u>518,291</u>
	<u>\$ 564,639</u>	<u>\$ 545,018</u>

Approved on behalf of the Board:

Director



Director



## BOWLS CANADA BOULINGRIN

### STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
RESTRICTED FOR ENDOWMENT FUND		
Balance - beginning of year	\$ 210,101	\$ 194,207
Transfer from (to) unrestricted	<u>(3,085)</u>	<u>15,894</u>
Balance - end of year	<u>\$ 207,016</u>	<u>\$ 210,101</u>
UNRESTRICTED		
Balance - beginning of year	\$ 308,190	\$ 285,202
Net revenue (expenses) for the year	(3,140)	38,882
Transfer from (to) restricted for endowment fund	<u>3,085</u>	<u>(15,894)</u>
Balance - end of year	<u>\$ 308,135</u>	<u>\$ 308,190</u>
TOTAL	<u>\$ 515,151</u>	<u>\$ 518,291</u>

# BOWLS CANADA BOULINGRIN

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
<b>REVENUE</b>		
Coaching Association of Canada	\$ 13,063	\$ 8,319
Sport Canada	207,500	207,000
Membership fees	182,112	179,426
Investment		
- endowment fund	(4,085)	15,894
- other	(1,426)	6,982
Advertising and sponsorship	1,550	2,000
Sales of merchandise and publications	22,705	6,519
Donations	3,501	1,400
International competitions - fees	15,000	-
Registration and entry fees	18,250	19,150
Miscellaneous	15	1,188
	<u>458,185</u>	<u>447,878</u>
<b>EXPENSES</b>		
Officials development program	4,419	3,154
Coaching program	15,750	12,350
Long term athlete development	21,282	344
International competitions	69,793	51,284
Junior development	-	3,156
Awards program	49	-
World Bowls fees	8,592	8,533
Membership development program	2,531	3,055
Domestic competitions	79,599	106,529
Communications and public relations program	9,485	3,337
Merchandising and publications program	15,078	4,502
Meetings	8,229	8,415
National office operations	58,482	72,149
Staff salaries and travel	168,036	132,188
	<u>461,325</u>	<u>408,996</u>
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>	<u>\$ (3,140)</u>	<u>\$ 38,882</u>

## BOWLS CANADA BOULINGRIN

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
<b>OPERATING ACTIVITIES</b>		
Net revenue (expenses) for the year	\$ (3,140)	\$ 38,882
Items not affecting cash		
Amortization	1,302	1,587
Loss (gain) on investments	10,946	(12,069)
Net change in non-cash working capital items		
Accounts receivable	(4,665)	2,399
Prepaid expenses	(713)	(9,913)
Accounts payable	10,966	4,205
Government remittances payable	11,795	-
	<u>26,491</u>	<u>25,091</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(604)	(2,229)
Sale (purchase) of investments	<u>(5,335)</u>	<u>(10,614)</u>
	<u>(5,939)</u>	<u>(12,843)</u>
<b>INCREASE IN CASH FOR THE YEAR</b>	<b>20,552</b>	<b>12,248</b>
Cash - beginning of year	<u>165,934</u>	<u>153,686</u>
<b>CASH - END OF YEAR</b>	<b>\$ <u>186,486</u></b>	<b>\$ <u>165,934</u></b>

# **BOWLS CANADA BOULINGRIN**

## **NOTES TO FINANCIAL STATEMENTS MARCH 31, 2016**

### **1. PURPOSE OF THE ORGANIZATION**

The mission of the organization is to promote, foster and safeguard the sport of outdoor and indoor bowls in all its forms in Canada through events and programs. 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. Actual results may differ from those estimates.

#### **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, 2016

### 3. FINANCIAL INSTRUMENTS

Financial instruments of the organization consist of cash, investments, accounts receivable, accounts payable and government remittances 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 carrying amount of the financial instruments approximate their fair value.

### 4. INVESTMENTS

The investments consist of 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

	2016			2015
	Cost	Accumulated amortization	Net	Net
Office equipment	\$ 10,545	\$ 9,102	\$ 1,443	\$ 2,141

### 6. COMMITMENT

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