

B.C. Amateur Athletics Association
Financial Statements
For the Year Ended March 31, 2024

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Independent Auditor's Report

To the members of B.C. Amateur Athletics Association

Opinion

We have audited the financial statements of B.C. Amateur Athletics Association (the Association), which comprise the statement of financial position as at March 31, 2024, the statements of operations, changes in net assets 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 its financial performance and cash flows 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.

Emphasis of Matter - Restated Comparative Information

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that certain comparative information presented for the year ended March 31, 2023 has been restated.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in Schedules 1 - 3 of the Association's financial statements.

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 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.



Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

BDO Canada LLP

Chartered Professional Accountants

Kelowna, British Columbia

August 1, 2024

B.C. Amateur Athletics Association
Statement of Financial Position

March 31	2024	Restated 2023
Assets		
Current		
Cash and cash equivalents (Note 3)	\$ 669,629	\$ 769,844
Reserve fund (Note 3)	29,707	29,707
Accounts receivable	17,792	69,460
Inventory (Note 4)	104,307	119,905
Prepaid expenses	34,872	31,042
	856,307	1,019,958
Tangible capital assets (Note 5)	11,623	27,742
	\$ 867,930	\$ 1,047,700

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 146,953	\$ 145,064
Deferred revenue (Note 6)	31,500	123,543
Current portion of deferred lease inducements	-	1,736
	178,453	270,343
Net Assets		
Operating fund	515,910	605,154
Capital fund	11,623	26,006
Reserve fund	161,944	146,197
	689,477	777,357
	\$ 867,930	\$ 1,047,700

On behalf of the Board:

_____ Director

_____ Director

B.C. Amateur Athletics Association
Statement of Changes in Net Assets

For the year ended March 31	Operating Fund	Capital Fund	Reserve Fund	2024 Total	Restated 2023 Total
Balance, beginning of the year	\$ 684,085	\$ 26,006	\$ 146,197	\$ 856,288	\$ 622,530
Prior period adjustment (Note 2)	(78,931)	-	-	(78,931)	-
Balance, beginning of the year, as restated	605,154	26,006	146,197	777,357	622,530
Excess (deficiency) of revenues over expenses	(87,880)	-	-	(87,880)	105,042
Interfund transfers:					
Net change in tangible capital assets	16,119	(16,119)	-	-	-
Restricted funds for officials	(15,747)	-	15,747	-	-
Deferred lease inducement contribution received	(1,736)	1,736	-	-	-
Balance, end of the year	\$ 515,910	\$ 11,623	\$ 161,944	\$ 689,477	\$ 777,357

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

B.C. Amateur Athletics Association Statement of Operations

For the year ended March 31	2024	Restated 2023
Revenue		
Grants and program funding	\$ 617,314	\$ 633,801
Memberships	304,960	400,262
Gaming	181,035	247,711
In-province competitions	199,396	128,904
Marketing, promotions and sponsorship	58,948	108,892
Leadership - coaches & officials development	90,823	61,560
Administration	1,833	613
	1,454,309	1,581,743
Expenses		
Wages and benefits	593,397	538,555
Athlete, coaches & officials development	383,240	285,853
In-province competitions	247,676	357,009
Administration	159,228	192,477
Public relations	88,389	47,130
Insurance	59,948	50,079
Amortization	7,035	3,565
Bad debt	3,276	2,033
	1,542,189	1,476,701
Excess (deficiency) of revenues over expenses	\$ (87,880)	\$ 105,042

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

B.C. Amateur Athletics Association Statement of Cash Flows

For the year ended March 31	2024	Restated 2023
Cash flows from operating activities		
Cash receipts from customers and government	\$ 1,412,205	\$ 1,400,617
Cash paid to suppliers and employees	<u>(1,521,503)</u>	<u>(1,404,819)</u>
	<u>(109,298)</u>	<u>(4,202)</u>
Cash flows from investing activities		
Loss on disposal of tangible capital assets	<u>9,083</u>	<u>-</u>
Net decrease in cash	(100,215)	(4,202)
Cash, beginning of the year	<u>769,844</u>	<u>774,046</u>
Cash, end of the year	<u>\$ 669,629</u>	<u>\$ 769,844</u>

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

B.C. Amateur Athletics Association Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies

Nature and Purpose of Organization	<p>B.C. Amateur Athletics Association (the "Association") is a not-for-profit organization incorporated under the Societies Act (BC) and under an agreement with Athletics Canada coordinates cross-country running, road racing and track & field in British Columbia.</p> <p>The Association is a registered not-for-profit organization and, as such, is exempt from federal income tax under section 149(1)(l).</p>												
Basis of Accounting	<p>The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.</p>												
Financial Instruments	<p>Financial Instruments are recorded at fair value when acquired or issued.</p> <p>In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each financial statement date and charged to the financial instrument for those measured at amortized cost.</p>												
Tangible Capital Assets	<p>Tangible capital assets are recorded at cost. The Capital Fund reports the assets, liabilities, revenues and expenses related to the Association's capital assets. Amortization based on the estimated useful life of the asset is expensed in the Capital Fund and calculated as follows:</p> <table><thead><tr><th></th><th style="text-align: center;">Method</th><th style="text-align: center;">Rate</th></tr></thead><tbody><tr><td>Equipment</td><td style="text-align: center;">Straight-line</td><td style="text-align: center;">3 - 5 years</td></tr><tr><td>Computer equipment</td><td style="text-align: center;">Straight-line</td><td style="text-align: center;">5 years</td></tr><tr><td>Leasehold improvements</td><td style="text-align: center;">Straight-line</td><td style="text-align: center;">10 years</td></tr></tbody></table>		Method	Rate	Equipment	Straight-line	3 - 5 years	Computer equipment	Straight-line	5 years	Leasehold improvements	Straight-line	10 years
	Method	Rate											
Equipment	Straight-line	3 - 5 years											
Computer equipment	Straight-line	5 years											
Leasehold improvements	Straight-line	10 years											
Net Assets	<p>The Operating Fund represents the excess of contributions that are available to fund the day-to-day operations of the Association.</p> <p>The Reserve Fund represents internally restricted assets which management has set aside for future purposes. This fund includes amounts reserved for use by Officials.</p> <p>The Capital Fund represents the monies which have been invested in tangible property and are unavailable for general purposes.</p>												

B.C. Amateur Athletics Association Notes to Financial Statements

March 31, 2024

1. Significant Accounting Policies (continued)

Use of Estimates	The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.
Revenue Recognition	<p>The Association follows the deferral method of accounting for contributions.</p> <p>Revenue received are of three types: a) grants and incomes which relate to the fiscal period; b) membership fees which are collected throughout the year; and c) grants and incomes that relate to specific events or projects. Those revenues received or earned that relate to the fiscal period are recognized when received or earned. Those revenues received or earned that relate to membership fees are recognized when received or earned. Those revenues received or earned that relate to specific events or projects are deferred until the event or project is complete. Revenues are recognized when earned and are recorded when they are deemed collectible.</p>
Cash and Cash Equivalents	Cash and cash equivalents consist of bank balances and investments in money market instruments with maturities of three months or less.
Inventory	Inventory is stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Included in inventory are items that are held for resale and those that are consumable and used as prizes and uniforms.
Government Assistance	The Association makes periodic applications for financial assistance under government incentive programs. Government assistance received during the year is included in the determination of net income for the year.
Contributed Materials	Contributed materials which are used in the normal course of operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.
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.

B.C. Amateur Athletics Association
Notes to Financial Statements

March 31, 2024

2. Prior Period Restatement

During the current year, the Association noted that there was an unrecorded liability related to the year ended March 31, 2023. As a result, liabilities were understated, opening unrestricted net assets and membership revenues were overstated in the prior period. The liability has been recorded in the amount of \$78,931 for the year ended March 31, 2023 and reflected in the restated comparative figures.

3. Cash and Cash Equivalents

The Association has allocated its cash and cash equivalents into the following non-statutory funds:

	2024	2023
Operating Fund Accounts:		
Petty cash	\$ 189	\$ 200
General account	668,911	767,871
Gaming account	1	35
Business account	13	1,223
Mutual fund account	515	515
	<hr/> 669,629	<hr/> 769,844
Reserve Fund Accounts:		
Guaranteed Investment Certificate	29,707	29,707
	<hr/> \$ 699,336	<hr/> \$ 799,551

The Reserve Fund represents appropriated Operating Fund surplus, the revenue and capital of which will be used to fund specific activities of the Association or to supplement Operating Fund sources. The guaranteed investment certificate matures October 4, 2025, earning interest at a rate of 3.75%

B.C. Amateur Athletics Association
Notes to Financial Statements

March 31, 2024

4. Inventory

The following tables summarizes the Association's inventory held at year end:

	2024	2023
Inventory held for resale	\$ 5,109	\$ 11,524
Inventory held for event prizes	22,074	19,923
Uniforms	77,124	88,458
	\$ 104,307	\$ 119,905

Inventories of \$78,506 (2023 - \$49,371) are recognized as an expense and included in administration for the year ended.

5. Tangible Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 10,501	\$ 8,401	\$ 363,942	\$ 350,887
Computer equipment	52,400	42,877	52,400	41,183
Leasehold improvements	46,277	46,277	46,277	42,807
	\$ 109,178	\$ 97,555	\$ 462,619	\$ 434,877
		\$ 11,623		\$ 27,742

B.C. Amateur Athletics Association Notes to Financial Statements

March 31, 2024

6. Deferred Revenue

Deferred revenue represents funding received relating to specific programs which were not completed prior to year-end.

	2024	2023
Athletics Canada	\$ 15,000	\$ -
Canadian Tire Jumpstart	8,000	13,325
Donations	-	15,941
Gaming	-	36
Run, Jump, Throw, Wheel	-	19,163
ViaSport	8,500	75,078
	<u>\$ 31,500</u>	<u>\$ 123,543</u>

7. Commitments

The Association renewed a lease agreement for office space with a term ending in 2028. The contract has monthly (base lease) payments of \$2,271 for two years, and \$2,468 monthly thereafter.

In March 2021, the Association entered into a lease agreement for a photocopier with a term ending in March 2026. The contract has quarterly payments of \$1,280.

The expected minimum lease payments for the above mentioned leases is as follows:

Year	Amount
2025	33,560
2026	34,252
2027	29,625
2028	29,625
2029	12,344
	<u>\$ 139,406</u>

8. Salaries, Honorarium and Benefits

The Societies Act (BC) requires certain information to be reported with regards to remuneration of employees, contractors and directors.

Included in salaries and benefits is one (2023 - one) employee with remuneration over \$75,000. No remuneration was paid to members of the Board of Directors for the 2024 and 2023 years.

B.C. Amateur Athletics Association Notes to Financial Statements

March 31, 2024

9. Financial Instruments

The Association is exposed to risks that arise from its use of financial instruments. This note describes the Association's objectives, policies and processes for managing those risks.

There have been no substantive changes in the Association's exposure to financial instrument risks or its objectives, policies and processes for managing those risks from previous periods unless otherwise stated in this note.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting its obligations associated with financial liabilities. It is the risk that the counterparty fails to discharge its obligation in this respect of the instrument. The Association manages liquidity risk through policy to ensure that they will have sufficient cash to allow it to meet its liabilities when they become due. The Association expects to have sufficient amounts to meet its obligations under reasonably expected circumstances.

10. Comparative Figures

Certain comparative figures has been reclassified to conform the current year's presentation

B.C. Amateur Athletics Association
Schedule 1 - Operating Fund Financial Position (Unaudited)

March 31	2024	2023
Assets		
Current		
Cash	\$ 669,629	\$ 769,844
Accounts receivable	17,374	69,046
Inventory	104,307	119,905
Prepaid expenses	34,872	31,042
	\$ 826,182	\$ 989,837
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 146,953	\$ 145,069
Deferred revenue	31,500	123,543
Due to Reserve Fund	131,819	116,071
	310,272	384,683
Net Assets		
Operating fund	515,910	605,154
	\$ 826,182	\$ 989,837

B.C. Amateur Athletics Association
 Schedule 2 - Capital Fund Financial Position (Unaudited)

March 31	2024	2023
Assets		
Tangible capital assets	\$ 11,623	\$ 27,742
Liabilities and Net Assets		
Deferred lease inducement	\$ -	1,736
Net Assets		
Capital fund	11,623	26,006
	\$ 11,623	\$ 27,742

B.C. Amateur Athletics Association
 Schedule 3 - Reserve Fund Financial Position (Unaudited)

March 31	2024	2023
Assets		
Guaranteed Investment Certificate	\$ 29,707	\$ 29,707
Due from Operating Fund	131,819	116,069
Accrued interest receivable	418	421
	\$ 161,944	\$ 146,197
Net Assets		
Reserve fund	\$ 161,944	146,197

Included in this fund is \$15,747 of funds restricted for use by officials.