
CANADIAN SNOWBOARD FEDERATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Canadian Snowboard Federation

Opinion

We have audited the financial statements of Canadian Snowboard Federation (the "Federation"), which comprise the statement of financial position as at March 31, 2022, and the statements of revenues and expenses, 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 Federation as at March 31, 2022, 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.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Federation 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.

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 Federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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.

INDEPENDENT AUDITORS' REPORT

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 Federation'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 Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Federation 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.

Manning Elliott LLP

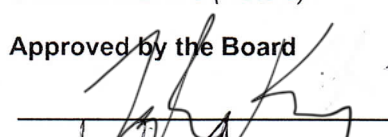
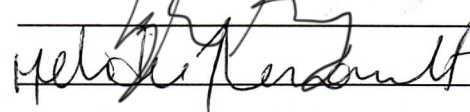
Chartered Professional Accountants
Vancouver, British Columbia
September 18, 2022

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	<i>March 31</i> 2022	<i>June 30</i> 2021
ASSETS		
CURRENT		
Cash	\$ 1,287,928	\$ 385,109
Accounts receivable	556,439	290,467
Goods and services tax receivable	13,291	10,056
Prepaid expenses and deposits	98,698	80,791
	1,956,356	766,423
CAPITAL ASSETS (Note 5)	71,759	68,927
	\$ 2,028,115	\$ 835,350
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 843,748	\$ 272,572
Deferred revenue (Note 7)	623,776	29,312
Athlete deposits	43,350	52,350
	1,510,874	354,234
CANADA EMERGENCY BUSINESS ACCOUNT LOAN (Note 8)	40,000	40,000
	1,550,874	394,234
NET ASSETS		
UNRESTRICTED	405,482	372,189
INVESTED IN CAPITAL ASSETS	71,759	68,927
	477,241	441,116
	\$ 2,028,115	\$ 835,350

COMMITMENTS (Note 9)

Approved by the Board

 Director
 Director

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2022

	<i>March 31</i> 2022 <i>(9 months)</i>	<i>June 30</i> 2021 <i>(12 months)</i>
REVENUES		
Contributions (Notes 3, 4)	\$ 4,062,543	\$ 3,602,981
Sponsorships (Note 4)	1,193,346	932,741
Program revenue	196,392	94,500
Other revenue (Note 8)	100,485	56,942
Donations	3,000	9,812
	5,555,766	4,696,976
EXPENSES		
High performance program	2,546,725	2,809,237
Events program	964,022	100,000
Business development program	873,285	580,516
Sports development program	567,884	395,628
Administrative program	543,645	540,160
Amortization of capital assets	24,080	38,213
	5,519,641	4,463,754
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	\$ 36,125	\$ 233,222

See notes to financial statements

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2022

	Unrestricted	Invested in capital assets	March 31 2022 (9 months)	<i>June 30 2021 (12 months)</i>
BALANCE, BEGINNING OF YEAR	\$ 372,189	\$ 68,927	\$ 441,116	\$ 207,894
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	60,205	(24,080)	36,125	233,222
PURCHASE OF CAPITAL ASSETS	(26,912)	26,912	-	-
BALANCE, END OF YEAR	\$ 405,482	\$ 71,759	\$ 477,241	\$ 441,116

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2022

	March 31 2022 (9 months)	June 30 2021 (12 months)
OPERATING ACTIVITIES		
Excess of revenues over expenses for the year	\$ 36,125	\$ 233,222
Items not affecting cash:		
Amortization of capital assets	24,080	38,213
Forgiveness of Canada Emergency Business Account Loan	-	(20,000)
	60,205	251,435
Changes in non-cash working capital:		
Accounts receivable	(265,972)	(29,876)
Goods and services tax receivable	(3,235)	20,787
Prepaid expenses and deposits	(17,907)	(71,363)
Accounts payable and accrued liabilities	571,176	51,989
Deferred revenue	594,464	(1,056,444)
Athlete deposits	(9,000)	33,726
	869,526	(1,051,181)
Cash flow from (used by) operating activities	929,731	(799,746)
INVESTING ACTIVITIES		
Purchase of capital assets	(26,912)	(68,752)
Proceeds on disposal of capital assets	-	1,785
Proceeds from Canada Emergency Business Account loan	-	60,000
Cash flow used by investing activities	(26,912)	(6,967)
INCREASE (DECREASE) IN CASH FLOW	902,819	(806,713)
CASH, BEGINNING OF YEAR	385,109	1,191,822
CASH, END OF YEAR	\$ 1,287,928	\$ 385,109

See notes to financial statements

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

NATURE OF OPERATIONS

The Canadian Snowboard Federation (the "Federation") promotes the development of snowboarding in Canada and local, national and international competitions and any other snowboarding events in Canada.

The Federation is incorporated under the Canada Not-for-Profit Corporations Act and accordingly, is exempt from income taxes. The Federation is also a registered amateur athletic association with the Canada Revenue Agency, which allows it to issue donation receipts for tax purposes.

During the year, the Federation changed its fiscal year end from June 30 to March 31. Therefore, the current year figures presented represent the 9 month period ended March 31, 2022 and the comparative figures presented represent the 12 month year ending June 30, 2021.

The ongoing global pandemic of COVID-19 has developed rapidly in 2020, with a significant impact on businesses and not-for-profit organizations through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders.

Measures taken by various governments to contain the virus have affected economic activity. At this time, the extent of the impact that the COVID-19 pandemic may continue having on the Federation stays unknown as this will depend on future ongoing developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to foresee the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and changes in quarantine/isolation measures that are currently in place, or may be put in place by Canada, U.S. and other countries to fight the virus.

The Federation has taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for all staff (such as social distancing and working from home) and securing the supply of materials that are essential to operating activities. The Federation continues to monitor its operations and assess the impact COVID-19 will have on its operations. At this time, the extent of the effect of the COVID-19 pandemic on the Federation is indeterminable.

A large portion of the Federation's operating revenues are earned from contracts with Sport Canada, a government agency, and the Canadian Olympic Committee, as explained in Note 4. Although there is still a degree of uncertainty surrounding upcoming events for fiscal 2023 due to the COVID-19 pandemic, funding has been secured from those government agencies for the 2023 seasons' events assuming attendees will be able to participate. Furthermore, the Federation has over \$1,287,000 of liquid assets and subsequent to the year end received additional funding of \$1,015,000 to sustain operations and maintain its ability to continue as a going concern.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

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CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(a) Financial instruments

i) Measurement

The Federation's financial instruments consist of cash, accounts receivable, accounts payable and athlete deposits.

The Federation initially measures all of its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Federation subsequently measures all of its financial assets and liabilities at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of revenues and expenses. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenses in the period in which it is determined.

iii) Transaction costs

Transaction costs that are directly attributable to the origination, issuance or assumption of a financial instrument that is subsequently measured at amortized cost are assigned to those financial instruments. All other transaction costs are recognized in the statement of revenues and expenses in the period incurred.

(b) Cash

Cash consists of cash on hand and cash on deposit.

(c) Capital assets

Capital assets are amortized over their estimated useful life according to the following rates and methods:

Electronic equipment	30%	declining balance method
Furniture and equipment	30%	declining balance method
Vehicles	3 years	straight-line method

The Federation's policy is to record a write-down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the Federation's value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of revenues and expenses and are not reversed.

(d) Revenue recognition

The Federation follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenditures are deferred and are recognized as revenue in the year in which the related expenditures are incurred. 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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CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(e) Contributions-in-kind

Certain equipment and supplies provided to athletes by the Federation are donated free of charge by manufacturers or rented out to the Federation at no cost. As it is not practical to estimate fair value, and the equipment and supplies would not otherwise have been purchased or rented out in the normal course of operations by the Federation, no value has been recorded in these financial statements.

(f) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable, the determination of the useful lives of assets for calculating amortization, measurement of deferred revenue and the amounts recorded as accrued liabilities.

2. FINANCIAL INSTRUMENTS RISKS

The Federation's financial instruments are described in Note 1(a). In management's opinion the Federation is not exposed to significant credit, liquidity, or other market risks. In addition, the Federation is not exposed to any material concentrations of risk and there has been no significant change in risk exposures from the prior year.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its responsibilities. The Federation is exposed to this risk mainly due to its accounts receivable. As at March 31, 2022 an allowance for doubtful accounts has been established in the amount of \$10,162 (2021 - 21,337) based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

The COVID-19 health pandemic has caused significant economic uncertainty which increases the risk associated with collectibility of accounts receivable. Management regularly reviews receivables to ensure collectibility and maintains a provision for losses as necessary steps to mitigate any potential credit losses.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Federation is exposed to this risk mainly in respect of its accounts payable. The Federation's exposure to liquidity risk is dependent upon receiving funding from sponsorships and contributions and its access to financing. The Federation mitigates liquidity risk by maintaining an adequate cash balance in the bank, as well as through the usage of a credit facility. The Federation anticipates that its cash reserves and credit facility will adequately minimize liquidity risk.

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CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2. FINANCIAL INSTRUMENTS RISKS (continued)

Market risk

Market risk is the risk that 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.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of exchange rate fluctuations. The Federation is not exposed to significant currency risk as the majority of its transactions take place in Canadian funds.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Federation has floating rate credit facility which is subject to interest rate cash flow risk, as the required cash flows to service the debt will fluctuate as a result of changes in market rates. The Federation mitigates interest rate risk by maintaining a nil or low balance on the credit facility. The interest rate on the credit facility is disclosed in Note 6.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those 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 Federation is not exposed to other price risk.

3. CONTRIBUTIONS

Contributions revenue recognized in the current year consists of the following:

	March 31 2022	June 30 2021
Sport Canada	\$ 2,457,005	\$ 2,826,908
Canadian Olympic Committee	857,131	616,073
Sport Canada Hosting Program, International Single Sport Event Contributions	400,407	100,000
Provincial, Regional, and Other Contributions	348,000	60,000
	\$ 4,062,543	\$ 3,602,981

4. ECONOMIC DEPENDENCE

The continued operations of the Federation is dependent upon the support of government funding from various agencies. For the year ended March 31, 2022, approximately 79% (2021 - 89%) is derived from Sport Canada, Li Ning and the Canadian Olympic Committee, which are included in contributions and sponsorships on the statement of revenues and expenses.

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

5. CAPITAL ASSETS

	Cost	Accumulated amortization	March 31 2022 Net book value	June 30 2021 Net book value
Electronic equipment	\$ 136,578	\$ 119,973	\$ 16,605	\$ 14,899
Furniture and equipment	4,606	4,606	-	-
Leasehold improvements	40,044	40,044	-	-
Vehicles	162,077	106,923	55,154	54,028
	\$ 343,305	\$ 271,546	\$ 71,759	\$ 68,927

6. CREDIT FACILITY

The Federation has a credit facility with the Royal Bank of Canada which is secured by a general security agreement covering all property of the Federation. The facility includes a revolving demand loan of up to \$300,000 that bears interest at the bank's prime lending rate plus 2.5%. The demand loan was not in use as of March 31, 2022 (2021 - \$Nil). The facility also includes credit cards with a combined limit of \$225,000 (2021 - \$125,000), of which \$96,696 (2021 - \$20,274) had been utilized as at March 31, 2022 and is included in accounts payable and accrued liabilities.

7. DEFERRED REVENUE

Deferred revenue represents unspent funding received for future events as follows:

	March 31 2022	June 30 2021
Balance beginning of year	\$ 29,312	\$ 1,085,756
Funding received during the year	3,449,675	924,538
Funding recognized as revenue during the year	(2,855,211)	(1,980,982)
	\$ 623,776	\$ 29,312

8. CANADA EMERGENCY BUSINESS ACCOUNT

During the 2021 fiscal year, the Federation received a \$60,000 loan under the Canada Emergency Business Account ("CEBA") program. This is an interest-free loan to cover payroll and/or operating costs. Repaying the balance of the loan on or before December 31, 2023, will result in a loan forgiveness of 25%, \$20,000, which had been recorded as other revenue in the statement of revenues and expenses in the 2021 fiscal year, as the Federation intends to fulfill all facets of the loan arrangement and qualify for the forgiveness. The loan is guaranteed by the Government of Canada.

9. COMMITMENTS

The Federation leases a townhouse in Whistler which expires in May 2023. Lease payments during the next fiscal year are anticipated to be \$19,016.