
CANADIAN SNOWBOARD FEDERATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

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, 2024, and the statements of revenue and expenses, changes in deficiency of 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, 2024, 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.

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:

INDEPENDENT AUDITORS' REPORT

- 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 15, 2024

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 120,634	\$ 254,723
Accounts receivable	2,634,906	1,498,303
Goods and services tax receivable	84,312	144,615
Inventory	67,559	-
Prepaid expenses and deposits	54,795	151,960
	2,962,206	2,049,601
CAPITAL ASSETS (Note 3)	271,943	258,017
	\$ 3,234,149	\$ 2,307,618
LIABILITIES		
CURRENT		
Bank indebtedness (Note 4)	\$ 60,000	\$ -
Accounts payable and accrued liabilities (Note 4)	3,400,125	2,384,585
Deferred contributions (Note 5)	1,700	70,660
Athlete deposits	32,250	36,000
Canada Emergency Business Account Loan (Note 6)	-	40,000
Current portion of long-term debt (Note 7)	3,851	-
	3,497,926	2,531,245
LONG-TERM DEBT (Note 7)	20,928	-
	3,518,854	2,531,245
DEFICIENCY OF NET ASSETS		
UNRESTRICTED	(556,648)	(481,644)
INVESTED IN CAPITAL ASSETS	271,943	258,017
	(284,705)	(223,627)
	\$ 3,234,149	\$ 2,307,618

Approved on behalf of the Board

 _____ Director

 _____ Director

See notes to financial information

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
REVENUE		
Contributions (Notes 8, 9)	\$ 9,061,677	\$ 8,097,692
Sponsorships (Note 9)	1,630,577	1,534,730
Programs	1,015,347	869,378
Prairie Canada grant	150,000	275,000
Merchandise sales and other	116,659	541,232
Donations	8,750	10,000
Legacy	-	130,424
	11,983,010	11,458,456
EXPENSES		
Events program	5,432,690	5,812,760
High performance program	3,867,214	3,455,005
Sports development program	936,703	1,036,376
Administrative program	914,247	804,412
Business development program	844,979	991,774
Amortization of capital assets	79,339	58,996
	12,075,172	12,159,323
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(92,162)	(700,867)
OTHER INCOME		
Gain on disposal of capital assets	31,083	-
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (61,079)	\$ (700,867)

See notes to financial information

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF CHANGES IN DEFICIENCY OF NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

	Unrestricted	Invested in capital assets	2024
BALANCE, BEGINNING OF YEAR	\$ (481,643)	\$ 258,017	\$ (223,626)
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	(12,823)	(48,256)	(61,079)
PURCHASE OF CAPITAL ASSETS	(200,962)	200,962	-
PROCEEDS ON DISPOSAL OF CAPITAL ASSETS	138,780	(138,780)	-
BALANCE, END OF YEAR	\$ (556,648)	\$ 271,943	\$ (284,705)

	Unrestricted	Invested in capital assets	2023
BALANCE, BEGINNING OF YEAR	\$ 405,482	\$ 71,759	\$ 477,241
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	(641,871)	(58,996)	(700,867)
PURCHASE OF CAPITAL ASSETS	(245,254)	245,254	-
BALANCE, END OF YEAR	\$ (481,643)	\$ 258,017	\$ (223,626)

CANADIAN SNOWBOARD FEDERATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenue over expenses for the year	\$ (61,079)	\$ (700,867)
Items not affecting cash:		
Amortization of capital assets	79,339	58,996
Gain on disposal of capital assets	(31,083)	-
	(12,823)	(641,871)
Changes in non-cash working capital:		
Accounts receivable	(1,136,603)	(946,616)
Goods and services tax receivable	60,303	(126,572)
Inventory	(67,559)	-
Prepaid expenses and deposits	97,165	(53,262)
Accounts payable and accrued liabilities	1,015,542	1,540,836
Deferred contributions	(68,960)	(553,116)
Athlete deposits	(3,750)	(7,350)
	(103,862)	(146,080)
Cash flow used by operating activities	(116,685)	(787,951)
INVESTING ACTIVITIES		
Purchase of capital assets	(200,962)	(245,254)
Proceeds on disposal of capital assets	138,780	-
	(62,182)	(245,254)
FINANCING ACTIVITIES		
Proceeds from bank indebtedness	60,000	-
Repayment of Canada Emergency Business Account Loan	(40,000)	-
Repayment of long-term debt	(3,179)	-
Proceeds from long-term debt	27,957	-
	44,778	-
DECREASE IN CASH FLOW	(134,089)	(1,033,205)
CASH, BEGINNING OF YEAR	254,723	1,287,928
CASH, END OF YEAR	\$ 120,634	\$ 254,723

See notes to financial information

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

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.

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:

(a) Financial instruments

i) Measurement

The Federation's financial instruments consist of cash, accounts receivable, accounts payable and long-term debt.

The Federation initially measures all of its financial assets and liabilities at fair value. 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 revenue 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 revenue 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 revenue and expenses in the period incurred.

(b) Cash

Cash consists of cash on hand and cash on deposit.

(c) Inventory

Inventory consists of merchandise such as clothing and accessories to be sold online or at events. Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated selling costs.

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(d) Capital assets

Capital assets are stated at cost less accumulated amortization, which is recorded over the useful lives of the capital assets at the following rates and methods:

Electronic equipment	30%	declining balance method
Furniture and equipment	30%	declining balance method
Leasehold improvements	Lease term	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 revenue and expenses and are not reversed.

(e) 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.

Deferred contributions represent operating funding received in the current period that is designated for future periods.

Merchandise sales are recognized when delivery has occurred, the selling price is fixed or determinable and collectibility is reasonably assured.

(f) Contributed services and materials

The Federation benefits from contributed services in the form of volunteer time. Due to the difficulty in determining the fair value, contributed services are not recognized in these financial statements. 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.

(g) 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, revenue 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 capital assets for calculating amortization, measurement of deferred contributions and the amounts recorded as accrued liabilities.

(h) Allocation of expenses

The Federation reports its expenses in the statement of revenue and expenses based on direct assignment of costs attributable to each function and program.

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(i) Foreign currency transactions

Transactions denominated in currencies other than the Canadian Dollar are translated using the temporal method. Accordingly, revenue and expenses are translated at the rate of exchange prevailing at the transaction dates, with resulting exchange gains and losses being included in the determination of the deficiency of revenue over expenses.

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, market, currency, interest rate or other price risk, except as explained below. 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, 2024 an allowance for doubtful accounts has been established in the amount of \$Nil (2023 - \$25,920) based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Federation reduces its exposure to credit risk as a substantial portion is due from government agencies, and by frequently reviewing its outstanding accounts receivable balances and reviewing credit policies.

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 and long-term debt (Note 7). 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.

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 exposed to currency risk on its accounts receivable and accounts payable translated from foreign currencies to Canadian dollars as disclosed below. The Federation reduces its exposure to foreign exchange risk by carefully monitoring exchange rate movements and conducting substantially all of its transactions in Canadian dollars.

	2024	2023
Accounts receivable (CHF \$3,756; 2023 - CHF \$77,000)	\$ 5,634	\$ 115,515
Accounts payable and accrued liabilities (USD \$2,014, EUR \$8,076, CHF \$36,236; 2023 - USD \$42,132, EUR \$147,571, CHF \$1,184, JPY \$77,448, AUD \$23,709)	\$ 68,959	\$ 340,577

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

2. FINANCIAL INSTRUMENTS RISKS (*continued*)

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 low balance on the credit facility, maintaining a fixed interest rate on the long-term debt (Note 7) and by monitoring interest rates. The interest rate on the credit facility is disclosed in Note 4.

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. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Electronic equipment	\$ 451,545	\$ 207,432	\$ 244,113	\$ 228,302
Furniture and equipment	172,647	144,817	27,830	29,715
Leasehold improvements	40,044	40,044	-	-
	\$ 664,236	\$ 392,293	\$ 271,943	\$ 258,017

4. 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 \$750,000 that bears interest at the bank's prime lending rate plus 1.25%. The demand loan is drawn to \$60,000 as at March 31, 2024 (2023 - not in use). The facility also includes credit cards with a combined limit of \$250,000, of which \$176,824 (2023 - \$123,230) had been utilized as at March 31, 2024 and is included in accounts payable and accrued liabilities on the statement of financial position.

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

5. DEFERRED CONTRIBUTIONS

Deferred contributions represents unspent restricted operating funding for subsequent years and are deferred in accordance with the accounting policy disclosed in Note 1(e). The changes in the deferred contributions balance for the year are as follows:

	2024	2023
Balance, beginning of year	\$ 70,660	\$ 623,776
Contributions received during the year	388,750	4,375,656
Contributions recognized as revenue during the year	(457,710)	(4,928,772)
Balance, end of year	\$ 1,700	\$ 70,660

Contributions recognized as revenue during the year are recorded within contributions revenue on the statement of revenue and expenses.

6. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

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. In 2021, \$20,000 had been recorded as other revenue in the statement of revenue and expenses, as the Federation intends to fulfil all facets of the loan arrangement and qualify for the forgiveness. The loan is guaranteed by the Government of Canada. As at March 31, 2024 the Canada Emergency Business Account Loan has been paid in full.

7. LONG-TERM DEBT

	2024	2023
Equipment financing term loan from Toronto Dominion due April 2029; repayable in blended monthly installments of \$266, including interest at 11% per annum; secured by interest in the equipment.	\$ 24,779	\$ -
Current portion	(3,851)	-
	\$ 20,928	\$ -

Principal repayments over the next five years are anticipated to be as follows:

2025	\$ 3,851
2026	4,296
2027	4,793
2028	5,347
2029	5,965
Thereafter	527
	\$ 24,779

CANADIAN SNOWBOARD FEDERATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

8. CONTRIBUTIONS

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

	2024	2023
Sport Canada	\$ 4,333,000	\$ 3,760,000
Canadian Olympic Committee	607,812	930,264
Sport Canada Hosting Program and International Single Sport Event	1,211,500	1,353,000
Provincial, Regional, and other	2,909,365	2,054,428
	\$ 9,061,677	\$ 8,097,692

9. 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, 2024, approximately 68% (2023 - 57%) is derived from Sport Canada, Li Ning and the Canadian Olympic Committee, which are included in contributions and sponsorships on the statement of revenue and expenses.