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**CANADIAN SNOWBOARD FEDERATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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## INDEPENDENT AUDITORS' REPORT

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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, 2023, 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, 2023, 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:

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## INDEPENDENT AUDITORS' REPORT

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- 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 17, 2023

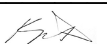
**CANADIAN SNOWBOARD FEDERATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 254,723	\$ 1,287,928
Accounts receivable	1,498,303	551,687
Goods and services tax receivable	144,615	18,043
Prepaid expenses and deposits	151,960	98,698
	<b>2,049,601</b>	1,956,356
<b>CAPITAL ASSETS (Note 3)</b>	<b>258,017</b>	71,759
	<b>\$ 2,307,618</b>	<b>\$ 2,028,115</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 4)	\$ 2,384,585	\$ 843,748
Deferred contributions (Note 5)	70,660	623,776
Athlete deposits	36,000	43,350
Canada Emergency Business Account Loan (Note 6)	40,000	-
	<b>2,531,245</b>	1,510,874
<b>CANADA EMERGENCY BUSINESS ACCOUNT LOAN (Note 6)</b>	<b>-</b>	40,000
	<b>2,531,245</b>	1,550,874
<b>(DEFICIENCY OF) NET ASSETS</b>		
UNRESTRICTED	(481,644)	405,482
INVESTED IN CAPITAL ASSETS	258,017	71,759
	<b>(223,627)</b>	477,241
	<b>\$ 2,307,618</b>	<b>\$ 2,028,115</b>

COMMITMENT AND SUBSEQUENT EVENT (Note 7)

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, 2023**

	<b>2023</b>	<b>2022</b> <i>(9 months)</i>
<b>REVENUE</b>		
Contributions <i>(Notes 8, 9)</i>	\$ 8,097,692	\$ 4,062,543
Sponsorships <i>(Note 9)</i>	1,534,730	1,193,346
Programs	869,378	196,392
Merchandise sales and other	541,232	100,485
Prairie Canada grant	275,000	-
Legacy	130,424	-
Donations	10,000	3,000
	<b>11,458,456</b>	<b>5,555,766</b>
<b>EXPENSES</b>		
Events program	5,812,760	964,022
High performance program	3,455,005	2,546,725
Sports development program	1,036,376	567,884
Business development program	991,774	873,285
Administrative program	804,412	543,645
Amortization of capital assets	58,996	24,080
	<b>12,159,323</b>	<b>5,519,641</b>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>\$ (700,867)</b>	<b>\$ 36,125</b>

See notes to financial information

**CANADIAN SNOWBOARD FEDERATION**  
**STATEMENT OF CHANGES IN (DEFICIENCY OF) NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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

	Unrestricted	Invested in capital assets	2022 (9 months)
BALANCE, BEGINNING OF YEAR	\$ 372,189	\$ 68,927	\$ 441,116
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	60,205	(24,080)	36,125
PURCHASE OF CAPITAL ASSETS	(26,912)	26,912	-
BALANCE, END OF YEAR	\$ 405,482	\$ 71,759	\$ 477,241

**CANADIAN SNOWBOARD FEDERATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	<b>2023</b>	<b>2022</b> <i>(9 months)</i>
<b>OPERATING ACTIVITIES</b>		
(Deficiency) excess of revenue over expenses for the year	\$ (700,867)	\$ 36,125
Item not affecting cash:		
Amortization of capital assets	58,996	24,080
	<b>(641,871)</b>	60,205
Changes in non-cash working capital:		
Accounts receivable	(946,616)	(261,835)
Goods and services tax receivable	(126,572)	(7,372)
Prepaid expenses and deposits	(53,262)	(17,907)
Accounts payable and accrued liabilities	1,540,836	571,176
Deferred contributions	(553,116)	594,464
Athlete deposits	(7,350)	(9,000)
	<b>(146,080)</b>	869,526
Cash flow (used by) from operating activities	<b>(787,951)</b>	929,731
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<b>(245,254)</b>	(26,912)
(DECREASE) INCREASE IN CASH FLOW	<b>(1,033,205)</b>	902,819
CASH, BEGINNING OF YEAR	<b>1,287,928</b>	385,109
CASH, END OF YEAR	<b>\$ 254,723</b>	\$ 1,287,928

See notes to financial information

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**CANADIAN SNOWBOARD FEDERATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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**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 and accounts payable.

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.



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**CANADIAN SNOWBOARD FEDERATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(c) Capital assets

Capital assets are stated at cost less accumulated amortization, which is recorded over the useful life of the 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
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 revenue 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.

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

(e) 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.

(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, 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.

(g) 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.

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**CANADIAN SNOWBOARD FEDERATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(h) 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) excess 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, 2023 an allowance for doubtful accounts has been established in the amount of \$25,920 (2022 - \$10,162) based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Federation reduces its exposure to credit risk 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 Canada Emergency Business Account loan (Note 6). 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.

	<b>2023</b>	<b>2022</b>
Accounts receivable (CHF \$77,000; 2022 - CHF \$10,000, CNY \$3,942)	<b>\$ 115,515</b>	\$ 14,996
Prepaid expenses and deposits (2022 - USD \$48,484)	<b>-</b>	61,458
Accounts payable and accrued liabilities (USD \$42,132, EUR \$147,571, CHF \$1,184, JPY \$77,448, AUD \$23,709; 2022 - USD \$997, EUR \$3,850)	<b>340,577</b>	6,868

**CANADIAN SNOWBOARD FEDERATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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 \$Nil or low balance on the credit facility. 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	2023 Net book value	2022 Net book value
Electronic equipment	\$ 159,079	\$ 129,364	\$ 29,715	\$ 16,605
Furniture and equipment	4,606	4,606	-	-
Leasehold improvements	40,044	40,044	-	-
Vehicles	384,830	156,528	228,302	55,154
	<b>\$ 588,559</b>	<b>\$ 330,542</b>	<b>\$ 258,017</b>	<b>\$ 71,759</b>

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 \$475,000 that bears interest at the bank's prime lending rate plus 1.25%. The demand loan was not in use as at March 31, 2023 (2022 - not in use). The facility also includes credit cards with a combined limit of \$250,000, of which \$123,230 (2022 - \$96,696) had been utilized as at March 31, 2023 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, 2023**

**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(d). The changes in the deferred contributions balance for the year are as follows:

	<b>2023</b>	<b>2022</b>
Balance, beginning of year	\$ <b>623,776</b>	\$ 29,312
Contributions received during the year	<b>4,375,656</b>	3,449,675
Contributions recognized as revenue during the year	<b>(4,928,772)</b>	(2,855,211)
Balance, end of year	\$ <b>70,660</b>	\$ 623,776

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. Repaying the balance of the loan on or before December 31, 2023, will result in a loan forgiveness of 25%. 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.

**7. COMMITMENT**

The Federation leases a townhouse in Whistler which expired in May 2023. Subsequent to the year end it was determined the lease would not be renewed. Lease payments during the next fiscal year are anticipated to be \$3,200.

**8. CONTRIBUTIONS**

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

	<b>2023</b>	<b>2022</b>
Sport Canada	\$ <b>3,760,000</b>	\$ 2,457,005
Canadian Olympic Committee	<b>930,264</b>	857,131
Sport Canada Hosting Program and International Single Sport Event	<b>1,353,000</b>	400,407
Provincial, Regional, and other	<b>2,054,428</b>	348,000
	\$ <b>8,097,692</b>	\$ 4,062,543

**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, 2023, approximately 57% (2022 - 79%) 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.

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**CANADIAN SNOWBOARD FEDERATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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10. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's presentation. Such reclassification does not have any effect on the total assets, total liabilities, total net assets or excess of revenue over expenses previously reported.