

**BRITISH COLUMBIA AMATEUR SYNCHRONIZED
SWIMMING ASSOCIATION
FINANCIAL STATEMENTS
JUNE 30, 2015**

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION

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INDEPENDENT AUDITOR'S REPORT

To the Members of:
British Columbia Amateur Synchronized Swimming Association

Report on Financial Statements

We have audited the accompanying financial statements of BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION, which comprise the statement of financial position as at June 30, 2015 and the statements of changes in net assets, revenues and expenses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these statements present fairly, in all material respects, the financial position of the Association as at June 30, 2015 and results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matters

The financial statements of BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION for the year ended June 30, 2014 were audited by another auditor who expressed an unmodified opinion on those financial statements on November 4, 2014.

Report on Other Regulatory and Legal Reporting Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, these principles, as noted in Note 1, have been applied on a basis consistent with that of the previous year.

September 20, 2015

Surrey, British Columbia

MNP LLP

Chartered Professional Accountants

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015 AND 2014

	2015	2014
		(See Note 8)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (see Page 9)	\$ 208,021	\$ 172,353
Accounts receivable	729	5,599
Inventory	5,636	4,616
Prepaid expenses	921	3,583
Total current assets	215,307	186,151
EQUIPMENT AND INTANGIBLE ASSET (See Note 2)	24,226	25,771
	\$ 239,533	\$ 211,922

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 11,727	\$ 32,368
Unearned revenue (See Note 4)	107,035	85,979
Total current liabilities	118,762	118,347
NET ASSETS:		
Invested in equipment and intangible asset	24,226	25,771
Restricted for endowment purposes	-	12,755
Restricted bursary funds (See Note 5)	21,605	-
Unrestricted	74,940	55,049
Total net assets	120,771	93,575
	\$ 239,533	\$ 211,922

APPROVED BY:



President



Finance Committee Chair

The accompanying Notes and Schedules are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	Invested in Equipment and Intangible Asset	Restricted for Endowment Purposes	Restricted Bursary Funds	Unrestricted	Total 2015	Total 2014
BALANCE, BEGINNING OF YEAR	\$ 25,771	\$ 12,755	\$ NIL	\$ 55,049	\$ 93,575	\$ 128,568
ADD (DEDUCT):						
Excess (deficiency) of revenues over expenses	-	-	-	27,196	27,196	(34,993)
Establishment of Bursary funds	-	-	21,605	(21,605)	-	-
Expiry of Endowment fund	-	(12,755)	-	12,755	-	-
Purchase of equipment and intangible asset	10,254	-	-	(10,254)	-	-
Amortization of equipment	(11,799)	-	-	11,799	-	-
NET ASSETS, END OF YEAR	\$ 24,226	\$ NIL	\$ 21,605	\$ 74,940	\$ 120,771	\$ 93,575

The accompanying Notes and Schedules are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
		(See Note 8)
REVENUES:		
Association operations (See Schedule 1)	\$ 256,752	\$ 192,105
Competition operations (See Schedule 2)	127,414	106,434
NCCP course fees	1,950	4,750
	386,116	303,289
EXPENSES:		
Association operations (See Schedule 1)	141,289	140,982
Competition operations (See Schedule 2)	125,344	110,663
Communication and promotion		
Fundraising	3,642	3,747
Newsletter and pamphlets	-	818
Leadership and development		
Training and development camps	28,259	33,664
Technical salaries	37,050	30,246
National Coaching Certification Program	3,192	5,912
BC Sports Participation Grant	-	1,236
High performance programs	2,250	-
Officials	17,894	11,014
	358,920	338,282
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 27,196	\$ (34,993)

The accompanying Notes and Schedules are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
SCHEDULE OF ASSOCIATION OPERATIONS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
		(See Note 8)
REVENUES:		
Provincial Government core grant (ViaSport B.C.)	\$ 134,371	\$ 134,970
Direct Access program grant (Gaming)	68,800	-
Affiliation fees (provincial and national)	38,279	39,989
B.C. Sports Participation Grant	4,428	1,668
Sales of supplies	3,326	3,184
Interest income	237	190
Other	7,311	12,104
	256,752	192,105
EXPENSES:		
Amortization	11,799	9,047
Audit fees	9,517	10,950
Executive Director and clerical salaries	57,076	65,174
Insurance - liability	5,173	5,561
Kits, manuals and supplies	1,250	1,653
Memberships and fees	15,393	16,463
National meetings	3,811	2,405
Office	6,823	3,911
Other	2,501	4,934
Postage and courier	530	341
Provincial meetings	11,265	6,742
Rent and utilities	14,018	11,414
Telephone	2,133	2,387
	141,289	140,982
EXCESS OF REVENUES OVER EXPENSES	\$ 115,463	\$ 51,123

The accompanying Notes are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
SCHEDULE OF COMPETITION OPERATIONS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
		(See Note 8)
REVENUES:		
National championship entry fees	\$ 58,128	\$ 46,153
B.C. competition entry fees	48,952	47,606
Team B.C.	20,334	12,675
	127,414	106,434
EXPENSES:		
National championship expenses	52,070	42,214
B. C. competition expenses	20,445	24,461
Team B.C.	51,687	40,764
Medals, ribbons, and awards	1,142	3,224
	125,344	110,663
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 2,070	\$ (4,229)

The accompanying Notes are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
CASH AND CASH EQUIVALENTS WAS PROVIDED FROM (USED IN):		
Operating Activities:		
Excess (deficiency) of revenues over expenses	\$ 27,196	\$ (34,993)
Item not affecting cash - Amortization	11,799	9,047
	38,995	(25,946)
Changes in non-cash working capital:		
Decrease (increase) in accounts receivables	4,870	(5,331)
Increase in inventory	(1,020)	(2,990)
Decrease in prepaid expenses	2,662	21,126
Increase (decrease) in accounts payables and accrued liabilities	(20,641)	12,378
Increase in unearned revenue	21,056	61,778
Net changes	6,927	86,961
	45,922	61,015
Investing Activity:		
Purchase of equipment	(10,254)	(24,402)
Increase in cash and cash equivalents	35,668	36,613
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	172,353	135,740
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 208,021	\$ 172,353

The accompanying Notes are an integral part of this statement.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NATURE OF OPERATIONS

The British Columbia Amateur Synchronized Swimming Association (the "Association") is a non-profit organization incorporated under the Society Act of British Columbia. The Association is not subject to income taxes.

The Association's primary scope of operations involves the promotion, improvement and development of synchronized swimming, the regulation of amateur synchronized swimming and the establishment and maintenance of standards of certification of coaches and officials in British Columbia.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

(b) Use of Estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Significant estimates includes useful lives of equipment and the carrying amount of long-lived assets.

(c) Cash and cash equivalents

Cash consists of cash on hand and balances with banks, including term deposits with original maturities of three months or less, which are considered to be cash equivalents.

(d) Inventory

Inventory consists of training materials, manuals and achievement pins, and is valued at the lower of cost and net realizable value.

(e) Amortization

Equipment and intangible asset are recorded at cost and amortized over their estimated useful lives using the following methods and rates:

	Annual Rate	Basis
Computer hardware and software	40%	Declining balance
Furniture and equipment	40%	Declining balance
Website	30%	Declining balance

In the year of acquisition, the above rates are reduced by one-half.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015 (Continued)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Impairment of Long-Lived Assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of assets exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long lived asset exceeds its fair value.

(g) Donated services

The Association and its members benefit from donated services in the form of volunteer time for various programming and administrative activities. Donated services are not recognized in these financial statements.

(h) Revenue Recognition

(i) Contributions and grants

The Association follows the deferral method of accounting for contributions and grants. Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year of contribution.

(ii) Fees

The Association recognizes revenue from affiliation fees, swim meet entry fees and course fees when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(iii) Investment income

Unrestricted investment income is recognized as revenue when earned. Restricted investment income is recognized as revenue in the year in which the related expenses are incurred.

(i) Bursaries

Bursaries represent specific funds designated by the Association for the purpose of giving awards to qualified applicants.

(j) Financial Instruments

(i) Measurement

The Association initially measures its financial assets and liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015 (Continued)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Measurement (continued)

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost are accounts payable and accrued liabilities.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, 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 net income.

(iii) Transaction Costs

The Association recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. EQUIPMENT AND INTANGIBLE ASSET

The Association's equipment and intangible asset are analyzed as follows:

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Computer hardware and software	\$ 9,097	\$ 5,106	\$ 3,991	\$ 2,701
Furniture and equipment	39,565	22,128	17,437	23,070
Website	2,798	-	2,798	-
	\$ 51,460	\$ 27,234	\$ 24,226	\$ 25,771

3. ENDOWMENTS

Endowments represent specific bequests received by the Association under the terms that the principal portion is to remain intact and interest income is to be used for the purpose of giving awards. Pursuant to the examination of the Board of Directors, the term of the endowment funds has already expired and the funds have been released into unrestricted net assets.

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION**NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015 (Continued)****4. UNEARNED REVENUE**

Unearned revenue is funding and contribution received in the current year to carry out the Association's programs during the year ended June 30, 2016 as follows:

	2015	2014
Provincial Government core grant (ViaSport B.C.) - 2015/2016	\$ 31,499	\$ -
Direct Access program grant (Gaming) - 2015/2016	68,800	68,800
Other	6,736	17,179
	<u>\$ 107,035</u>	<u>\$ 85,979</u>

5. BURSARIES

During the year, the Association has established the bursaries analyzed as follows:

	2015	2014
Athlete Hardship Bursary Award (Acc 1045)	\$ 4,000	\$ -
Charlotte Tutte Memorial Bursary Award (Acc 1041)	3,400	-
Coaching Bursary Award (Acc1043)	3,000	-
Donalda Smith Bursary Award (Acc1040)	6,205	-
National Team Athlete Bursary Award (Acc1044)	2,000	-
Officials Bursary Award (Acc1042)	3,000	-
	<u>\$ 21,605</u>	<u>\$ NIL</u>

6. COMMITMENTS

The Association entered into an operating lease for its office premises in 2013. Future minimum lease payments are approximately as follows:

2016	\$ 9,450
2017	9,450
2018	<u>6,300</u>
	<u>\$ 25,200</u>

BRITISH COLUMBIA AMATEUR SYNCHRONIZED SWIMMING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015 (Continued)

7. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from the financial instruments disclosed on the balance sheet. Transacting in financial instruments exposes the Association to the following financial instrument risks:

(a) Credit Risk

The Association's cash and cash equivalents and accounts receivable represent its maximum exposure to credit risk. The Association's cash and cash equivalents are held with a major financial institution. The Association mainly receives grants and contributions from governments and is not subject to any significant concentration of credit risk.

(b) Liquidity risk

Liquidity risk relates to the possibility that the Association will encounter difficulty in meeting obligations associated with financial liabilities. Management expects future cash flow to remain relatively constant for the coming year and, therefore, considers the related risk to be low. There has been no change in liquidity risk exposure from the previous period.

8. COMPARATIVE FIGURES

The financial statements for the year ended June 30, 2014 were audited by auditors other than MNP LLP and certain balances of the preceding year have been reclassified to conform with the current year's financial statement presentation.