

British Columbia Amateur Synchronized Swimming Association
Financial Statements
June 30, 2016

British Columbia Amateur Synchronized Swimming Association

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For the year ended June 30, 2016

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Independent Auditors' Report

To the Members of British Columbia Amateur Synchronized Swimming Association:

Report on the 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, 2016, and the statements of operations and related schedules and changes in net assets 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.

Auditors' 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 auditors' judgment, including the assessment of the risks of material misstatement 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, the financial statements present fairly, in all material respects, the financial position of British Columbia Amateur Synchronized Swimming Association as at June 30, 2016 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, these principles, as noted in Note 2, have been applied on a basis consistent with that of the previous year.

Surrey, British Columbia

September 24, 2016

MNP LLP

Chartered Professional Accountants

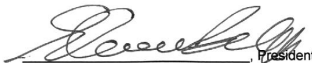
British Columbia Amateur Synchronized Swimming Association


Statement of Financial Position

As at June 30, 2016

	2016	2015
Assets		
Current		
Cash and cash equivalents	235,394	208,021
Accounts receivable	3,951	729
Prepaid expenses	2,919	921
Inventory	7,678	5,636
	249,942	215,307
Capital assets (Note 3)	14,127	21,428
Intangible assets (Note 4)	2,261	2,798
	266,330	239,533
Liabilities		
Current		
Accounts payable and accruals	19,597	11,727
Deferred contributions (Note 5)	106,499	107,035
	126,096	118,762
Commitment (Note 6)		
Net Assets		
Invested in Capital and Intangible Assets	16,388	24,226
Internally Restricted (Note 7)	33,103	21,605
Unrestricted	90,743	74,940
	140,234	120,771
	266,330	239,533

Approved by

 President

 Finance Committee Chair

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association
Statement of Operations
For the year ended June 30, 2016

	2016	2015
Revenue		
Association operations (see Schedule 1)	260,338	256,752
Competition operations (see Schedule 2)	48,868	127,414
	309,206	384,166
Other revenue		
High performance support (TID)	14,300	-
NCCP course fees	7,725	1,950
	331,231	386,116
Expenses		
Association expenses (see Schedule 1)	176,000	141,289
Competition expenses (see Schedule 2)	50,865	83,857
	226,865	225,146
Other expenses		
Fundraising	3,520	3,642
High performance program (TID & T2T)	27,173	59,287
High performance support	10,774	2,250
National Coaching Certification Program	5,217	3,192
Newsletters and pamphlets	170	-
Officials	18,611	17,894
Technical salaries	13,537	26,850
Training and development	5,901	20,659
	311,768	358,920
Excess of revenue over expenses	19,463	27,196

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association
Schedule 1 - Schedule of Association Operations

For the year ended June 30, 2016

	2016	2015
Revenue		
Provincial government grant (ViaSport B.C.)	128,770	134,371
Direct Access program grant (Gaming)	68,800	68,800
Interest	44	237
Club insurance, fundraising and events	14,284	7,311
Sales of supplies	4,406	3,326
ViaSport additional grants (BCSPP & NODG/NCDG)	3,961	4,428
Affiliation fees (provincial and national)	40,073	38,279
	260,338	256,752
Expenses		
Amortization	10,288	11,799
Executive Director and clerical salaries and benefits	67,671	57,076
Insurance liability	5,095	5,173
Membership and fees	13,987	15,393
National meetings	-	3,811
Office	7,565	6,823
Other	4,917	2,748
Postage and courier	554	530
Professional fees	14,869	9,270
Promotional materials	5,878	1,250
Provincial meetings	28,935	11,265
Rent and utilities	14,018	14,018
Telephone	2,223	2,133
	176,000	141,289
Excess of revenue over expenses	84,338	115,463

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association
Schedule 2 - Schedule of Competition Operations
For the year ended June 30, 2016

	2016	2015
Revenue		
B.C. competition entry fees	46,558	48,952
B.C. summer games and Canada winter games	2,310	20,334
National championship entry fees	-	58,128
	48,868	127,414
Expenses		
B.C. competition expenses	24,423	20,445
Event manager salaries	15,499	10,200
Medals, ribbons and awards	10,943	1,142
National championship expenses	-	52,070
	50,865	83,857
Excess (deficit) of revenue over expenses	(1,997)	43,557

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association
Statement of Changes in Net Assets

For the year ended June 30, 2016

	<i>Invested in Capital and Intangible Assets</i>	<i>Internally Restricted Fund</i>	<i>Unrestricted Fund</i>	2016	<i>2015</i>
Balance, beginning of year	24,226	21,605	74,940	120,771	93,575
Excess of revenue over expenses	(10,288)	-	29,751	19,463	27,196
	13,938	21,605	104,691	140,234	120,771
Internally restricted <i>(Note 7)</i>	-	14,498	(14,498)	-	-
Bursaries disbursed <i>(Note 7)</i>	-	(3,000)	3,000	-	-
Purchase of equipment	1,588	-	(1,588)	-	-
Development of website	862	-	(862)	-	-
Net assets, end of year	16,388	33,103	90,743	140,234	120,771

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association
Statement of Cash Flows
For the year ended June 30, 2016

	2016	2015
Cash and cash equivalents provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	19,463	27,196
Amortization	10,288	11,799
	29,751	38,995
Changes in working capital accounts		
Accounts receivable	(3,222)	4,870
Inventory	(2,042)	(1,020)
Prepaid expenses	(1,998)	2,662
Accounts payable and accruals	7,870	(20,641)
Deferred contributions	(536)	21,056
	29,823	45,922
Investing		
Purchase of equipment	(1,588)	(10,254)
Development of website	(862)	-
	(2,450)	(10,254)
Increase in cash resources	27,373	35,668
Cash resources, beginning of year	208,021	172,353
Cash resources, end of year	235,394	208,021

The accompanying notes are an integral part of these financial statements

British Columbia Amateur Synchronized Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2016

1. Nature of the organization

British Columbia Amateur Synchronized Swimming Association (the "Association") was incorporated under the Society Act of British Columbia as a registered not-for-profit organization and thus is exempt from income taxes under the Income Tax Act ("the Act").

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.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses 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.

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

Contributed services

The Association and its members benefit from contributed services in the form of volunteer time for various programming and administrative activities. Contributed services are not recognized in the financial statements as their fair value can not be reasonably determined.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Inventory

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

Capital assets

Capital assets are recorded at cost.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer hardware and software	40 %
Furniture and equipment	40 %

Intangible asset

An intangible asset subject to amortization is recorded at cost and amortized using the declining balance method at a rate intended to amortize the cost of the intangible asset over its estimated useful life. Website costs are amortized at a rate of 50%.

When an intangible asset no longer contribute to the Association's ability to provide services, its carrying amount is written down to residual value, if any.

British Columbia Amateur Synchronized Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2016

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on cost less residual value over the estimated useful life of capital assets and intangible assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenues and expenses in the periods in which they become known.

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year. The Association subsequently measures financial assets and liabilities at amortized cost, with transaction costs and financing fees added to the carrying amount of the financial instruments.

Financial asset impairment

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in excess (deficiency) of revenues over expenses in the periods in which they become known.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess (deficiency) of revenues over expenses in the year the reversal occurs.

3. Capital assets

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Computer hardware and software	9,097	6,702	2,395	3,991
Furniture and equipment	41,152	29,420	11,732	17,437
	50,249	36,122	14,127	21,428

4. Intangible assets

Amortization of 1,399 (2015 – nil), related to intangible assets with definite lives, comprised of website costs, is included in current year earnings.

British Columbia Amateur Synchronized Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2016

5. Deferred contributions

Deferred contributions consist of unspent contributions externally restricted for specific purposes to be carried out by the Association in the following year. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2016	2015
Balance, beginning of the year	107,035	85,979
Add: Provincial Government Core Grant (ViaSport B.C.)	145,995	125,995
Add: Direct Access Program Grant (Gaming)	70,000	68,800
Add: Other	-	6,736
Less: Amounts recognized as revenue during the year	(216,531)	(180,475)
Balance, end of the year	106,499	107,035

Deferred contributions are summarized as follows:

	2016	2015
Provincial Government Core Grant (ViaSport B.C.) - 2016/2017	36,499	31,499
Direct Access Program Grant (Gaming) - 2016/2017	70,000	68,800
Other	-	6,736
	106,499	107,035

6. Commitments

The Association has entered into a lease agreement for its office premise expiring in 2018 with estimated minimum annual payments as follows:

2017	9,450
2018	6,300
	15,750

7. Internally Restricted Net Assets

Internally restricted net assets are comprised of bursaries not yet distributed by the Association. During the year, the Association's Board of Directors internally restricted \$14,498 (2015 - \$21,605) to be distributed as bursaries, and \$3,000 (2015 - \$nil) of internally restricted bursaries were disbursed. These internally restricted amounts are not available for other purposes without the approval of the Board of Directors. The internally restricted net assets are summarized as follows:

	2016	2015
Athlete Hardship Bursary Award (acc 1045)	6,997	4,000
Charlotte Tutte Memorial Bursary Award (acc 1041)	3,400	3,400
Coaching Bursary Award (acc 1043)	5,500	3,000
Donalda Smith Bursary Award (acc 1040)	6,206	6,205
National Team Athlete Bursary Award (acc 1044)	5,000	2,000
Officials Bursary Award (acc 1042)	6,000	3,000
	33,103	21,605

British Columbia Amateur Synchronized Swimming Association

Notes to the Financial Statements

For the year ended June 30, 2016

8. Government funding and economic dependence

The Association's primary source of revenue is funding from Provincial Government Core Grant and Direct Access Program Grant. The funding can be withheld or cancelled if the Association does not observe certain established guidelines. The Association's ability to continue viable operations is dependent upon operating within the agreement guidelines. As at June 30, 2016, the Association believes that its in compliance with the these guidelines.

9. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association enters into transactions to purchase goods and services for which repayment is required at various maturity dates.

10. Comparative figures

Certain comparative figures have been reclassified to co with current year presentation.