

ORIENTEERING CANADA
Financial Statements
Year Ended March 31, 2018

Draft for discussion purposes only

ORIENTEERING CANADA
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Year Ended March 31, 2018

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Pro Vue Business Group

CHARTERED PROFESSIONAL ACCOUNTANTS Inc / COMPTABLES PROFESSIONNELS AGRÉÉS Inc.

INDEPENDENT AUDITOR'S REPORT

To the Members of Orienteering Canada

We have audited the accompanying financial statements of Orienteering Canada, which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives cash receipts from donations, membership fees, activities, and the sale of promotional items the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

(continues)

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Independent Auditor's Report to the Members of Orienteering Canada *(continued)*

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Orienteering Canada as at March 31, 2018 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

St Pierre Jolys, Manitoba

Pro Vue Business Group CPA Inc
CHARTERED PROFESSIONAL ACCOUNTANTS

Draft for discussion purposes only

ORIENTEERING CANADA
Statement of Financial Position
March 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 109,068	\$ 15,647
Term deposits	25,379	25,151
Accounts receivable	11,181	26,043
GST Receivable	424	53
Prepaid expenses	11,615	15,538
Inventory	8,715	7,900
	166,382	90,332
TERM DEPOSITS, GREATER THAN ONE YEAR	-	25,000
	\$ 166,382	\$ 115,332
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 31,561	\$ 4,961
Deferred income	2,830	9,800
	34,391	14,761
NET ASSETS		
General fund	101,768	91,500
Sass peepre fund	7,938	9,071
Endowment fund	22,285	-
	131,991	100,571
	\$ 166,382	\$ 115,332

ON BEHALF OF THE BOARD

_____ Director

_____ Director

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Statement of Revenues and Expenditures
Year Ended March 31, 2018

	2018	2017
REVENUES		
Association membership fees	\$ 50,000	\$ 50,000
Donations	6,388	8,946
Activity revenue (Note 5)	30,612	22,990
High performance athletes (Note 6)	12,181	14,093
Sales of promotional items	6,523	7,748
Sponsorship	7,200	695
	<u>112,904</u>	<u>104,472</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Accounting fees	2,660	2,296
Advertising and promotion	1,984	2,243
Business taxes, licenses and memberships	4,107	3,813
Conference	213	562
Insurance	12,016	11,550
Interest and bank charges	1,229	1,345
Internet	488	423
Meetings and conventions	2,398	3,315
Miscellaneous expense	-	20
Office	527	173
Program Expenses (Note 7)	72,960	70,010
Promotional items	5,612	7,880
Telephone	-	177
	<u>104,194</u>	<u>103,807</u>
EXCESS OF REVENUES OVER GENERAL AND ADMINISTRATIVE EXPENSES FROM OPERATIONS	8,710	665
OTHER INCOME		
Interest income	425	555
EXCESS OF REVENUES OVER GENERAL AND ADMINISTRATIVE EXPENSES	\$ 9,135	\$ 1,220

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Statement of Changes in Net Assets
Year Ended March 31, 2018

	General Fund	Sass Peepre Fund	Endowment Fund	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 91,500	\$ 9,071	\$ -	\$ 100,571	\$ 99,351
Transfer from (to) restricted funds <i>(Note 4)</i>	1,133	(1,133)	22,285	22,285	-
EXCESS OF REVENUES OVER GENERAL AND ADMINISTRATIVE EXPENSES	9,135	-	-	9,135	1,220
NET ASSETS - END OF YEAR	\$ 101,768	\$ 7,938	\$ 22,285	\$ 131,991	\$ 100,571

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Statement of Cash Flow
Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess of revenues over general and administrative expenses	\$ 9,135	\$ 1,220
Changes in non-cash working capital	<u>59,514</u>	<u>(26,490)</u>
Cash flow from (used by) operating activities	<u>68,649</u>	<u>(25,270)</u>
INVESTING ACTIVITY		
Term deposits, greater than one year	<u>25,000</u>	<u>(25,000)</u>
INCREASE (DECREASE) IN CASH FLOW	93,649	(50,270)
Cash - beginning of year	<u>40,798</u>	91,068
CASH - END OF YEAR	\$ 134,447	\$ 40,798
CASH CONSISTS OF:		
Cash	\$ 109,068	\$ 15,647
Term deposits	<u>25,379</u>	<u>25,151</u>
	\$ 134,447	\$ 40,798

The attached notes are an integral part of this financial statement.

ORIENTEERING CANADA
Notes to Financial Statements
Year Ended March 31, 2018

1. DESCRIPTION OF OPERATIONS

The organization is incorporated under Canada Not-for-profit Act and is a charity recognized by CRA as of December 1, 1967. The organization serves to promote orienteering in Canada; to encourage the formation of orienteering clubs throughout Canada and to further their interests; to render all possible services and assistance for the development and extension of orienteering.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

Orienteering Canada follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Sass Peepre Fund and Endowment Fund reports only restricted resources that are to be used for specific activities approved by the board..

Cash equivalents

Highly liquid investments with maturities of 90 days or less at date of purchase are classified as cash equivalents.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Revenue recognition

Orienteering Canada follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(continues)

ORIENTEERING CANADA
Notes to Financial Statements
Year Ended March 31, 2018

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. **FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2018.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from members and contributors. There has been no change in the organization's exposure to this risk.

4. **Junior Camp (Sass Peepre) Fund**

	2018	2017
Junior Training Camp Revenue	\$ 11,285	\$ 5,610
Junior Training Camp Expenses	(11,193)	(3,788)
Sass Peepre Fund Expenses	(1,225)	(2,660)
	\$ (1,133)	\$ (838)

5. **Activity Revenue**

	2018	2017
Coaching/Officials Services	\$ 7,792	\$ 7,621
Event Fees/Levies	11,535	9,759
Junior Training Camp Revenue	11,285	5,610
	\$ 30,612	\$ 22,990

ORIENTEERING CANADA
Notes to Financial Statements
Year Ended March 31, 2018

6. High Performance Athletes revenue breakdown

	2018	2017
High Performance Program: Donations	\$ 977	\$ 2,400
High Performance Program: National Team Events	-	3,652
High Performance Program: Fund Raising Activities	8,604	5,441
High Performance Program: Memberships/Training Fees	2,600	2,600
	\$ 12,181	\$ 14,093

7. Program Expenses

	2018	2017
Event registration fees	\$ 1,545	\$ 749
Staffing	29,698	27,771
National Team Leader	10,971	12,936
Junior Training Camp Expenses	11,193	3,788
National Team Coach Funding	3,850	7,294
COF Branded Techwear	538	1,551
Coaching program	2,693	6,619
HPP Director	1,113	688
Sass Peepre Fund Expenses	1,225	2,660
Miscellaneous	-	19
Medals	1,470	1,271
Volunteer Recognition	450	-
National Team Funding	400	-
Fundraising program costs	542	117
Strategic plan	-	(1,538)
LTAD	1,696	-
Mapping-unreimbursed expenses	500	1,220
Communications	972	765
CCES-Anti Doping	4,105	4,100
	\$ 72,961	\$ 70,010

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.