

Report on the Year End Financial Statements of Canadian Amateur Diving Association Inc., B.C. Section, prepared for the Annual General Meeting, for the year ended March 31, 2020

Submitted by Robyn McDonald

Once again for the 2020 year end, KPMG performed a review of the financial statements (Independent Practitioners' Review Engagement Report). A review does not express assurance on whether the financial statements have been fairly presented, but rather that nothing has come to their attention that would indicate that the financial statements are not presented fairly in accordance with Canadian generally-accepted accounting principles. (A review is less expensive to perform, and for most organizations with income levels such as ours, is sufficient to provide stakeholders with merits of the financial statements).

Please see the **Statement of Financial Position** (denoted page 1):

- This statement reports the financial position of the organization, should it have ceased operations as at March 31, 2020;
- Total cash is \$130,225; of which \$45,139 is reported as "restricted cash" – this constraint represents the provincial centre fund, which is only able to be used against the provincial centre expenses, and thus is marked as "restricted".
- Accounts receivable represent charges to the various regional diving associations for charges such as banquet fees, coaching training, materials, meets and other fees. Total for 2020 was \$9,901, a decrease over the previous year's receivables by \$17,496.
- The term deposit remains the same as the previous year, with additional interest received.
- Accounts payable is an accrual of the review fee accrual from KPMG, and remains the same as the previous year.
- The "Net assets" of \$175,610 is the difference between the assets of \$180,004 and the liabilities balance owing of \$4,394, and is the value of the organization on this date. Unrestricted net assets represent net funds that have no specifications on how they can be spent, while externally restricted net assets are those that have specifications imposed on their use – for example, gaming funds and provincial centre funds can only be spent on permitted activities as stated by the government's and ViaSport's regulations.
- Note that at the previous year end March 31, 2019 through to the present day, the AAP/Canada Games Fund and Provincial Centre Fund related bank accounts have been closed out; only the general and gaming accounts remain active. Because of the nature of fund reporting and interfund balances between accounts, these remain on the books and records of the association.

Please see the **Statement of Operations** (page 2)

- Gaming grants were slightly lower than in 2019, and total overall revenues are lower than those of 2019 due to the monthly ViaSport funding, while revenue contributions supporting athlete development from Cuba Camp increased by \$8,324 or 19%. Funding from ViaSport was higher this year than in 2019, while no funds were received in the fiscal year from Diving Canada; last funding received in March 2019. Overall, the decrease in total income was 9% from 2019.
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- Athlete development expenditures increased by 20% in 2020, primarily for dive camps, officials, prizes, and facility rentals.
- Expenditures were lower overall, with most administrative and other expenses held constant or lower than 2019. IPS/National Training Centre expenses were very similar to 2019. For reference, office and admin includes E.D. wages (Jayne), 2 months' of development coordinator wages from April – May, 2019 (Fu), management wages (Lisa), as well as rent, travel costs, stationery, postage, telephone, meetings outside the AGM, and equipment purchases.
- Total net loss for the year was \$4,400; reported as deficiency of revenues over expenditures.

Statement of Cash Flows, page 3, indicates movement of cash over the year, and is a combination of the previous 2 statements, showing the opening and ending cash balances for the year once revenues are added, and expenditures are subtracted. It is the balance sheet and statement of operations which are more relevant for the Board's purposes.

Pages 4-6 are the **notes to the financial statements** as prepared by KPMG, and state the financial principles and policies used and any estimates considered. While notes over the years generally remain consistent, note 5 on page 6 refers to the COVID-19 outbreak under subsequent events, advising stakeholders of the potential for decreased revenues in 2021 and that the uncertainties of business disruption and financial economic events on the organization is unknown.