

**BRITISH COLUMBIA SAILING
ASSOCIATION**

Richmond, British Columbia

FINANCIAL STATEMENTS

For The Year Ended December 31, 2024

BRITISH COLUMBIA SAILING ASSOCIATION

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Fernandez Young LLP
Chartered Professional Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of British Columbia Sailing Association:

Qualified Opinion

We have audited the accompanying financial statements of British Columbia Sailing Association ("the Association"), which comprise the statement of financial position as at December 31, 2024 and the statements of revenues and expenditures, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives a part of its revenues from cash donations and fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these cash revenues was limited to the amounts recorded in the records of the Association and, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

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

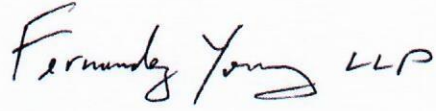
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether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

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Auditors' Responsibility (Continued)

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



Vancouver, British Columbia
April 1, 2025

Fernandez Young LLP
Chartered Professional Accountants

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BRITISH COLUMBIA SAILING ASSOCIATION

STATEMENT OF REVENUES AND EXPENDITURES

For the year ended December 31, 2024

	2024		2023	
	\$	%	\$	%
Revenue				
Grants	292,894	37.6	243,310	33.3
Membership fees	78,855	10.1	83,254	11.4
Program fees	294,092	37.6	271,412	37.2
HP program	55,642	7.1	73,135	10.0
Revenue generation	33,173	4.2	35,691	4.9
Other income	26,843	3.4	23,450	3.2
	781,499	100.0	730,252	100.0
Expenses				
Finance and administration	23,372	3.0	26,115	3.6
Governance	4,002	0.5	3,547	0.5
MPS – Club support programs	83,482	10.7	93,636	12.8
MPS – Coach/instructor programs	66,262	8.5	51,126	7.0
MPS – HP program	67,584	8.6	57,824	7.9
MPS – MOSS program	117,766	15.1	76,895	10.5
MPS – Official programs	1,345	0.2	6,899	0.9
Operations	119,929	15.3	127,841	17.5
Other expenses	3,152	0.4	1,147	0.2
Salaries and benefits	300,549	38.5	282,221	38.6
	787,443	100.8	727,251	99.5
Excess of expenses over revenues	(5,944)	(0.8)	3,001	0.5

Note: MPS = Member Programs & Services

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA SAILING ASSOCIATION

STATEMENT OF CHANGES IN FUND BALANCES For the year ended December 31, 2024

				2024	2023
				\$	\$
	<u>Unrestricted</u>	<u>Restricted (Note 6)</u>	<u>Invested in Capital Assets (Note 3)</u>	<u>Total</u>	<u>Total</u>
Net Assets , beginning of year	347,602	53,503	71,824	472,929	465,896
Operations for the year:					
Excess of revenue over expenses for the year	8,388	-	(14,332)	(5,944)	3,001
Acquisition of capital assets	-	-	-	-	-
Transitions in funds, net	-	916	-	916	4,032
Net operations for the year	8,388	916	(14,332)	(5,028)	7,033
Net Assets , end of year	355,990	54,419	57,492	467,901	472,929

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA SAILING ASSOCIATION

STATEMENT OF FINANCIAL POSITION As at December 31, 2024

	2024	2023
	\$	\$
Assets		
Current		
Cash	328,708	323,391
Cash - restricted (Note 6)	54,419	53,503
Accounts receivable	26,622	22,582
Instructional material on hand	4,857	5,647
Prepaid expenses and deposits	23,443	20,927
	<u>438,049</u>	<u>426,050</u>
Equipment (Note 3)	68,754	73,084
	<u>506,803</u>	<u>499,134</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	17,039	22,917
Deferred contributions (Note 4)	21,863	-
Current portion - long-term debt (Note 5)	-	3,288
	<u>38,902</u>	<u>26,205</u>
Net Assets		
Fund balances	467,901	472,929
	<u>506,803</u>	<u>499,134</u>

Approved on behalf of the Board:

 Director
 Director
 C. M. Mair

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA SAILING ASSOCIATION

STATEMENT OF CASH FLOWS
For the year ended December 31, 2024

	2024	2023
	\$	\$
Cash flows related to operating activities		
Cash receipts from donors	799,322	706,099
Cash paid to suppliers and employees	(780,713)	(713,115)
GST paid	-	48
	<u>18,609</u>	<u>(6,968)</u>
Cash flows related to investing activities		
Investment in equipment	(10,004)	(1,260)
Cash flows related to financing activities		
Repayment of long-term debt	(3,288)	(44,541)
Increase in internally restricted funds	916	4,032
	<u>(2,372)</u>	<u>(40,509)</u>
Net increase (decrease) in cash	<u>6,233</u>	<u>(48,737)</u>
Cash, beginning	376,894	425,631
Cash, ending	<u>383,127</u>	<u>376,894</u>
Cash represented by:		
Unrestricted cash	328,708	323,391
Restricted cash	54,419	53,503
	<u>383,127</u>	<u>376,894</u>

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2024

Note 1 Nature of operations

British Columbia Sailing Association (the "Association") is a not-for-profit organization exempt from tax under federal income tax legislation, whose purpose is to promote sailing and boating as a life-long activity for all existing and new boaters in British Columbia through excellence in training and competition.

The Association benefits from significant donated services in the form of volunteer time. Donated services are not recorded in these financial statements.

Note 2 Significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

Fund accounting

The Association follows the deferral method of accounting for contributions.

The Unrestricted Fund reports the assets, liabilities, revenues and expenditures related to the Association's non-restricted activities.

The Restricted Fund reports the assets, liabilities, revenues and expenditures related to the Association's gaming grants received which are restricted by the B.C. Gaming Commission, plus internally restricted funds for the Safety at Sea program.

The Capital Asset Fund reports the assets, liabilities, revenues and expenditures related to the Association's property and equipment.

Revenue recognition

Revenue, except for sale of instructional materials, membership fees, PHRF fees and gaming grants received, is recorded in the period it is received.

BRITISH COLUMBIA SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2024

Note 2 Significant accounting policies (Continued)

Revenue recognition (continued)

The Association accounts for membership fees and PHRF fees on the accrual basis of accounting given that membership fees are paid in advance based on the calendar year. Under this method, membership fees received prior to December 31, 2024, which relate to the period January 1, 2025 to December 31, 2025, are deferred and will be recognized as revenue in the year ending December 31, 2025.

The Association follows the deferral method of accounting for the gaming grants received which is restricted to expenditures approved by the B.C. Gaming Commission. Under this method, funds received for future expenditures are deferred in the restricted fund and will be recognized as revenue when the related expenditures are incurred.

Course development costs

Course development costs, other than instructional materials and manuals, are expensed in the period they are incurred.

Inventory

Inventory of instruction materials is valued at the lower of cost and net realizable value.

Equipment

Equipment is recorded at cost less any government grants or donations. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Furniture & office equipment	- 20%	declining balance
Computer software	- 100%	declining balance
Computer equipment	- 30%	declining balance
Boats	- 15%	declining balance
Vehicles	- 30%	declining balance

One-half the normal rate is applied in the year of acquisition.

Use of estimates

The preparation of financial statements in accordance 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 reported periods. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the evaluating of accounts payable and accrued liabilities, the determination of useful lives of equipment and the determination of the fair market value of in-kind donations and capital contributions received.

BRITISH COLUMBIA SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2024

Note 2 Significant accounting policies (Continued)

Financial instruments

The Association's financial instruments consist of cash and short-term investments, accounts receivable and accounts payable. The carrying values of these financial instruments approximates their fair value due to their short-term maturity or capacity of prompt liquidation.

Note 3 Equipment

2024

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Furniture & office equipment	32,951	31,089	1,862
Computer software	2,550	2,550	-
Computer equipment	42,941	41,610	1,331
Boats	281,236	226,112	55,124
Vehicles	84,312	73,875	10,437
	<u>443,990</u>	<u>375,236</u>	<u>68,754</u>

2023

	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Furniture & office equipment	32,397	30,693	1,704
Computer software	2,550	2,550	-
Computer equipment	42,941	41,039	1,902
Boats	271,786	217,218	54,568
Vehicles	84,312	69,402	14,910
	<u>433,986</u>	<u>360,902</u>	<u>73,084</u>

Note 4 Deferred Contributions

Deferred contributions represent unspent resources received in the current period which is related to subsequent periods.

	2024	2023
	\$	\$
SAS course offering advance	21,118	-
PHRF	220	-
RM course offering advance	525	-
	<u>21,863</u>	<u>-</u>

BRITISH COLUMBIA SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2024

Note 5 Long-term Debt

	2024	2023
	\$	\$
Barnes Wheaton GM vehicle loan payable, repayable in monthly payments of \$378.50 including interest at 5.4% per annum, and maturing on November 25, 2024.	-	3,288
Less: current portion	-	(3,288)
Non-current portion	-	-

Note 6 Restricted Funds

	2024	2023
	\$	\$
Safety at Sea - Internally Restricted Funds	6,585	7,218
BC Amateur Sport - Externally Restricted Funds	9,663	8,114
Community gaming fund - Externally Restricted Funds	38,171	38,171
Total restricted funds	54,419	53,503

Note 7 Remuneration to Directors and Employees

As required by the B.C. Societies Act, the Association reports the following remuneration during the year ended December 31, 2024.

Remuneration to Directors	\$Nil
Remuneration of Employees and Contractors earning over \$75,000 per annum:	
Contractors earning over \$75,000 per annum	\$Nil
Employees earning over \$75,000 per annum	
Number of employees	2
Total remuneration	\$177,787

Note 8 Financial Assistance

The Association did not provide any financial assistance to Directors and Employees as defined by the B.C. Societies Act during the year ended December 31, 2024.