

Canadian Snowboard Federation
Financial Statements
March 31, 2025

Canadian Snowboard Federation
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For the year ended March 31, 2025

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Independent Auditor's Report

To the Board of the Canadian Snowboard Federation:

Opinion

We have audited the financial statements of the Canadian Snowboard Federation (the "Federation"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Federation as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statement for the year ended March 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on September 15, 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Federation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Federation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

October 7, 2025

MNP LLP

Chartered Professional Accountants

Canadian Snowboard Federation

Statement of Financial Position

As at March 31, 2025

	2025	2024
Assets		
Current		
Cash	143,502	120,634
Accounts receivable	2,759,545	2,634,906
Goods and Services tax receivable	143,222	84,312
Prepaid expenses and deposits	143,088	54,795
Inventory	63,377	67,559
	3,252,734	2,962,206
Capital assets (Note 3)	438,696	271,943
	3,691,430	3,234,149
Liabilities		
Current		
Bank indebtedness (Note 4)	515,000	60,000
Accounts payable and accrued liabilities (Note 4)	3,269,346	3,400,126
Athlete deposits	31,250	32,250
Deferred contributions	-	1,700
	3,815,596	3,494,076
Long-term debt	20,937	24,778
	3,836,533	3,518,854
Net Assets (Deficit)		
Unrestricted	(562,864)	(531,869)
Invested in capital assets	417,761	247,164
	(145,103)	(284,705)
	3,691,430	3,234,149
Approved on behalf of the Board		
		
Director		

The accompanying notes are an integral part of these financial statements

Canadian Snowboard Federation
Statement of Operations
For the year ended March 31, 2025

	2025	2024
Revenue		
Contributions (Note 5)	7,074,974	9,211,677
Sponsorship	2,352,942	1,630,577
Programs	1,081,510	1,015,347
Other revenue	295,391	116,658
Donations	18,820	8,750
	10,823,637	11,983,009
Expenses		
Administrative	(706,351)	-
Amortization	102,141	79,339
Bad debts	(1,164)	(7,664)
Bank charges and interest	105,539	59,859
Furniture and equipment	693,449	444,805
Insurance	147,879	144,968
Interest on long-term debt	2,542	2,673
Office rent	18,411	31,238
Office supplies [and] [expenses]	828,432	128,503
Professional fees	626,656	697,401
Advertising and marketing	756,962	339,754
[User defined 5]	11,907	12,668
Travel	2,433,972	2,130,347
Events program	1,084,479	2,939,421
Entertainment	245,412	721,717
Merchandise COS	8,130	41,696
Staff and contractors	4,325,640	4,308,446
	10,684,036	12,075,171
	139,601	(92,162)
Total expenses	10,684,036	12,075,171
Excess (deficiency) of revenue over expenses before other items	139,601	(92,162)
Other items		
Gain on disposal of capital assets	-	31,083
Excess (deficiency) of revenue over expenses	139,601	(61,079)

The accompanying notes are an integral part of these financial statements

Canadian Snowboard Federation
Statement of Changes in Net Assets
For the year ended March 31, 2025

	<i>Unrestricted</i>	<i>Invested in Capital Assets</i>	2025	2024
Net assets (deficit), beginning of year	(531,869)	247,164	(284,705)	(223,626)
Excess (deficiency) of revenue over expenses	241,742	(102,140)	139,602	(61,079)
Transfer to fund purchase of capital assets	(268,895)	268,895	-	-
Transfer to fund repayment of long-term debt	(3,842)	3,842	-	-
Net assets (deficit), end of year	(562,864)	417,761	(145,103)	(284,705)

The accompanying notes are an integral part of these financial statements

Canadian Snowboard Federation
Statement of Cash Flows
For the year ended March 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	139,601	(61,079)
Non-cash items		
Amortization	102,141	79,339
Bad debts	(1,164)	(7,664)
Gain on disposal of capital assets	-	(31,083)
	240,578	(20,487)
Changes in working capital accounts		
Accounts receivable	(123,475)	(1,128,939)
Inventory	4,182	(67,559)
Goods and Services Tax receivable	(58,910)	60,303
Prepaid expenses and deposits	(88,293)	97,165
Accounts payable and accrued liabilities	(130,777)	1,015,542
Deferred contributions	(1,700)	(68,960)
Athlete deposits	(1,000)	(3,750)
	(159,395)	(116,685)
Financing		
Advances of bank indebtedness	455,000	60,000
Repayment of Canada Emergency Business Account Loan	-	(40,000)
Advances of long-term debt	-	27,957
Repayment of long-term debt	(3,842)	(3,179)
	451,158	44,778
Investing		
Purchase of capital assets	(268,895)	(200,962)
Proceeds on disposal of capital assets	-	138,780
	(268,895)	(62,182)
Increase (decrease) in cash resources	22,868	(134,089)
Cash resources, beginning of year	120,634	254,723
Cash resources, end of year	143,502	120,634

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

The Canadian Snowboard Federation (the "Federation") is incorporated under the Canada Not-for-Profit Corporations Act and accordingly, is exempt from income taxes. The Federation is also a registered amateur athletic association with the Canada Revenue Agency, which allows it to issue donation receipts for tax purposes.

The Federation promotes the development of snowboarding in Canada, at local, national and international competitions, and any other snowboarding events in Canada.

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 and include the following significant accounting policies:

Inventory

Inventory consists of merchandise to be sold online or at events and is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the following methods and at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Computer equipment	declining balance	30 %
Furniture and equipment	declining balance	30 %
Leasehold improvements	straight line	lease term

Revenue recognition

The Federation 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. Endowment contributions are recognized as direct increases in net assets.

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

Merchandise sales are recognized as revenue when delivery has occurred, the selling price is determinable and collectability is reasonably assured.

Contributed materials and services

Contributions of materials and services consists of volunteer time, equipment and supplies. Due to the difficulty in determining the fair value, they are not recognized in these financial statements.

Allocation of expenses

The Federation reports its expenses in the statement of operations based on direct assignment of costs attributable to each function and program.

Foreign currency translation

These financial statements have been presented in Canadian dollars, the principal currency of the Federation's operations.

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and monetary liabilities reflect the exchange rates at the statement of financial position date. Gains and losses on translation or settlement are included in the determination of deficiency of revenues over expenses for the current period.

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

Financial instruments

The Federation recognizes its financial instruments when the Federation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Federation may irrevocably elect to subsequently measure any financial instrument at fair value. The Federation has not made such an election during the year.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the deficiency of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment:

The Federation assesses impairment of all of its financial assets measured at cost or amortized cost. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Federation 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 Federation 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 current year deficiency of revenues over expenses.

The Federation 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 of deficiency in the year the reversal occurs.

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 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. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in deficiency of revenues over expenses in the years in which they become known.

3. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer equipment	195,944	152,525	43,419	27,830
Furniture and equipment	697,142	301,865	395,277	244,113
Leasehold improvements	40,044	40,044	-	-
	933,130	494,434	438,696	271,943

Canadian Snowboard Federation

Notes to the Financial Statements

For the year ended March 31, 2025

4. Bank indebtedness

The Federation has a credit facility with the Royal Bank of Canada which is secured by a general security agreement covering all property of the Federation. The facility includes a revolving demand loan of up to \$750,000 that bears interest at the bank's prime lending rate of 4.95% (2024 - 7.20%) plus 1.25%. The demand loan is drawn to \$515,000 as at March 31, 2025 (2024 - \$60,000).

The facility also includes credit cards with a combined limit of \$250,000, of which \$207,597 (2024 - \$176,824) had been utilized as at March 31, 2025 and is included in accounts payable and accrued liabilities.

5. Contributions by major source

During the year, the Federation received contributions from the following sources:

	2025	2024
Sport Canada	3,725,275	4,333,000
Canadian Olympic Committee	772,303	607,812
Sport Canada Hosting Program and International Single Sport Event	615,000	1,211,500
Provincial, Regional, and other	1,962,396	3,059,365
	7,074,974	9,211,677

6. Financial instruments

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

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The carrying amount of the Federation's financial instruments best represents the maximum exposure to credit risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Significant foreign denominated accounts receivable and accounts payable at March 31, 2025 were as follows:

	2025 <i>FX Value</i>	2024 <i>FX Value</i>
Accounts receivable - Euros	59,229	-
Accounts payable - U.S. dollars	-	42,137
Accounts payable - Japanese yen	-	77,448
Accounts payable - Euros	-	147,551
Accounts payable - Swiss Franc	74,980	-

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Federation is exposed to interest rate risk primarily relating to its bank indebtedness described in Note 4..

6. Financial instruments *(Continued from previous page)*

Liquidity risk

Liquidity risk is the risk that the Federation will encounter difficulty in meeting obligations associated with financial liabilities. The Federation enters into transactions to purchase goods and services on credit and borrow funds from financial institutions for which repayment is required at various maturity dates. The Federation mitigates liquidity risk by maintaining an adequate cash balance.

7. Economic dependence

The Federation's primary source of revenue is government funding. The grant funding can be cancelled if the Federation does not observe certain established guidelines. For the year ended March 31, 2025, approximately 76% (2024 - 68%) is derived from Sport Canada, Li Ning and the Canadian Olympic Committee, which are included in contributions and sponsorships on the statement of operations.

8. Comparative figures

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