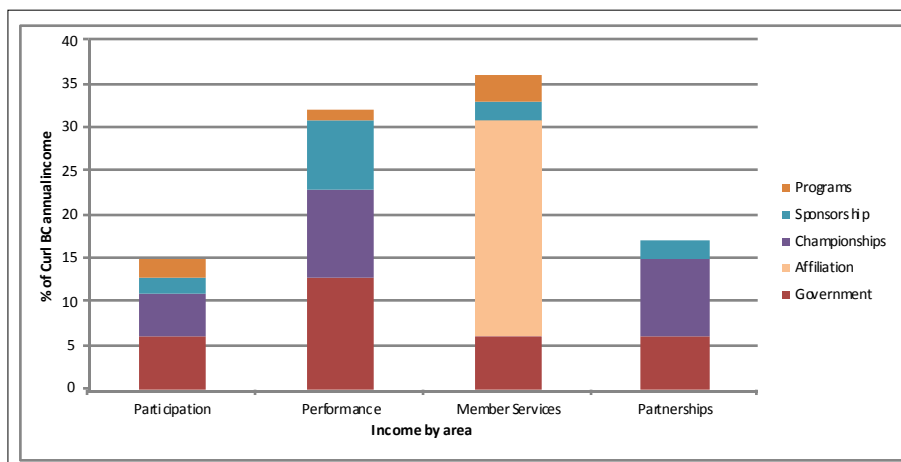


# 2019/20 Curl BC

## FINANCIAL REPORT

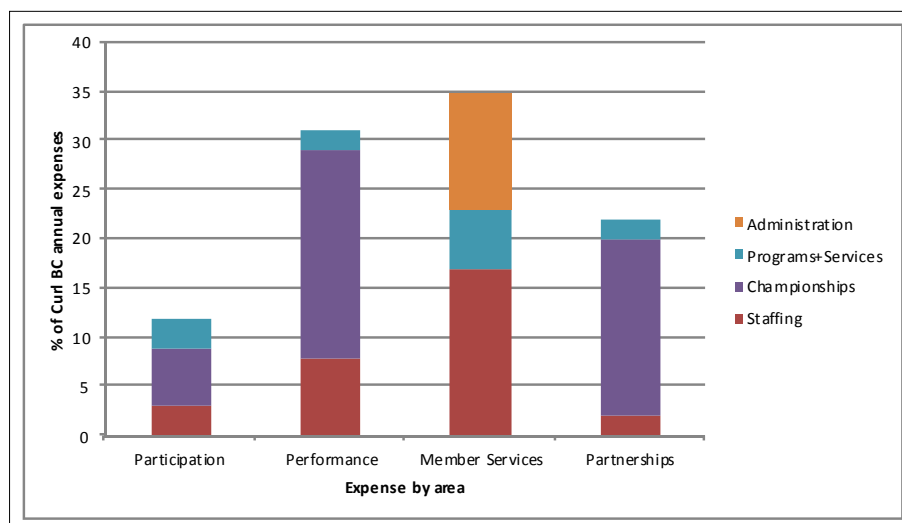
### Where it comes from:

Curl BC sources of revenue for 2019/2020



### Where it goes:

Curl BC uses of funds for 2019/2020



# CURL BC FINANCIAL REPORT

Curl BC's audited Financial Statements for the fiscal year ending March 31, 2020 are included beginning on page 4 and the notes below refer to this time 12-month time period.

In 2019-20, Curl BC generated a total of \$1,729,984 in revenue (2019: \$1,454,874) while expenses were \$1,729,649 (2019: \$1,466,159). Overall, net income was \$335 (2019: -\$11,285). In comparison to last year, revenue increased in almost all areas as follows:

- Federal Grants/Events: +\$199,749
- Sponsorship: +\$57,689
- Provincial Grants: +\$14,107
- Member Services: +\$5,666
- Fundraising & Interest: -\$2,100

## MEMBERSHIP UPDATE

- Prince Rupert and Ashcroft did not open this season due to ice plant issues.
- Six curling clubs in the Peace Region of BC will become joint members of Curl BC and Curling Alberta next season.

The following table is a four-year summary of Curl BC's fund balances:

Fiscal Year	Equipment	Unrestricted	Restricted	Total	Net
16-17	85,186	202,302	9,000	296,488	2,170
17-18	77,907	170,408	42,860	291,175	-5,313
18-19	73,783	182,307	23,800	279,890	-11,285
19-20	71,110	191,115	18,000	280,225	335

## STATEMENT OF FINANCIAL POSITION (Balance Sheet)

Curl BC's cash and temporary investments decreased to \$168,938 (2019: \$188,688) while Curl BC's Accounts Receivable increased to \$72,330 (2019: \$44,439) which includes sponsorship, membership fees and Curling Canada refunds. The GST input tax credit increased to \$8,608 (2019: \$5,157). Inventory has increased to \$18,659 (2019: \$16,262).

Prepaid expenses have increased slightly to \$20,281 (2019: \$19,956). A \$6,253 deposit remains on Sport BC's books and is refundable if Curl BC ever discontinues use of Sport BC's payroll system. There were \$9,745 (2019: \$8,869) in Capital purchases this year, mainly for new signage and other event equipment, which was offset by \$16,268 (2019: \$16,843) in

amortization expenses.

Accounts Payable have increased to \$85,954 (2019: \$36,842). This includes the 2020 Rockslide fees, the 2020 BC Winter Games entry fees and the holiday time accrual. Deferred Revenue has been decreased to \$0 (2019: \$37,907) since early payments for the Rockslide Camp had to be refunded in April/May and were reclassified as a payable above. The \$38,500 lease inducement, established in September 2013, is being amortized over 10 years on a straight line basis (-\$3,850 per year) with \$13,154 remaining.

## STATEMENT OF OPERATIONS (Income Statement)

Following is commentary on the main Revenue and Expense items for each pillar:

### 1. PARTICIPATION

#### 1.1 Revenue

\$260,379 compared to \$278,326 budgeted for the year.

#### 1.2 Expenses

\$212,504 compared to \$248,600 budgeted for the year.

#### 1.3 Net Contribution (Cost)

\$47,875 compared to \$29,726 budgeted for the year for a positive variance of \$18,149 thanks to some new sponsorship in this pillar.

### 2. PERFORMANCE

#### 2.1 Revenue

\$550,645 compared to \$454,635 budgeted for the year.

#### 2.2 Expenses

\$532,492 compared to \$490,050 budgeted for the year.

#### 2.3 Net Contribution (Cost)

\$18,153 compared to -\$35,415 budgeted for the year for a positive variance of \$53,568 thanks to additional sponsorship and hosting grants in this pillar.

### 3. MEMBER SERVICES

#### 3.1 Revenue

\$621,519, compared to \$645,612 budgeted for the year.

#### 3.2 Expenses

\$610,799, compared to \$616,125 budgeted for the year.

#### 3.3 Net Contribution (Cost)

\$10,720 compared to \$29,487 budgeted for the year for a negative variance of -\$18,767 due to the additional costs of hosting the AGM in Kamloops as well as increases in staff holiday time.

#### 4. PARTNERSHIPS

##### 4.1 Revenue

\$297,441, compared to \$153,400 budgeted.

##### 4.2 Expenses

\$373,854, compared to \$170,260 budgeted.

##### 4.3 Net Contribution (Cost)

-\$76,413 compared to -\$16,860 budgeted for a negative variance of -\$59,553 due to projects initiated last year, but not fully expensed including sponsorship acquisition, the 2020 Canadian Juniors Hosting BC grant and the Regional Curling Hub Business Plan. Also, the Best Western affinity and CHEK TV contra sponsorship has been moved to the Performance pillar.

#### 5. SUMMARY of the INCOME STATEMENT

- Break even for the year thanks to securing additional sponsorship and Provincial grants.
- The cancellation of the 2020 Women's Worlds had a negative financial impact at all levels, especially for Prince George GCC. Curl BC lost a projected \$11,000 from the cancelled 5050 raffle draw and an estimated \$10,000 in net ticket revenue in the 2020/21 fiscal year.
- The postponement/cancellation of the 2020 BC U18s and postponement of the 2020 BC Club Challenge had a positive financial impact on this year's financial statements, but will add some hosting costs to the 2020/21 fiscal year

#### ALIGNMENT TO CURL BC STRATEGIC PLAN:

**Participation:** Curl BC collaborates with member curling centres to develop and grow curling as a Sport for Life.  
**Performance:** Guided in their pursuit of the podium pathway by Curl BC regional and provincial programming, committed performance curlers will realize their full potential and thereby help inspire the next generation of curlers.  
**Member Services:** Curl BC serves as an advocate for the curling industry in BC, working with its members to act as a collective by sharing best practices, support services and educational programming.  
**Partnerships:** All levels of government, business and the media - along with other like-minded community organizations - embrace curling as an integral part of the BC community.

#### BUDGET PLANNING ASSUMPTIONS:

- Budget reviewed annually and projected out three years.
- No current assumptions on inflation built in - base budget with sources and uses of funds.
- Membership dues allocated to Member Services and development of the new 125th Anniversary Legacy Fund.
- Simplified membership fee structure; \$20/curler (which includes personal accident insurance coverage) for all regular curlers beginning in 2019/20.
- Government funding levels will remain fairly static from year-to-year.
- Curling Canada will continue to host major events in BC

### Curl BC Statement of Operations WITH BUDGET for comparison for the year ended March 31, 2020

	2020	Budget 2020	Variance	2019
<b>REVENUE</b>				
Provincial government grants	311,187	293,587	17,600	299,080
Other provincial funding	110,000	108,000	2,000	108,000
National/International events	269,491	120,000	149,491	69,741
Member services			-	
Affiliation dues	439,115	427,986	11,129	363,938
BC Championships	251,668	271,200	(19,532)	320,047
Clinics, programs and sales	90,567	133,900	(43,333)	91,701
Fundraising and special events	9,364	5,000	4,364	12,363
Sponsorships and advertising	244,815	168,700	76,115	187,126
Other income	3,777	3,600	177	2,878
<b>Total Revenues</b>	<b>1,729,984</b>	<b>1,531,973</b>	<b>198,011</b>	<b>1,454,874</b>
<b>EXPENDITURES</b>				
Administration and office	211,764	195,600	16,164	193,953
Competitions			-	
National and international	12,450	12,550	(100)	12,572
BC Championships	311,041	305,600	5,441	383,037
Regional clubs	26,855	25,500	1,355	26,490
Cost of Grants & event proceeds to member clubs	255,385	106,500	148,885	69,917
Marketing, promotions and communications	86,230	96,700	(10,470)	76,662
Member services	133,313	204,200	(70,887)	134,099
Payroll and contractors	535,619	529,235	6,384	506,977
Sponsorships and special events	156,992	49,150	107,842	62,452
<b>Total Expenditures</b>	<b>1,729,649</b>	<b>1,525,035</b>	<b>204,614</b>	<b>1,466,159</b>
<b>Excess of Revenue over Expenditures</b>	<b>335</b>	<b>6,938</b>	<b>- 6,603</b>	<b>- 11,285</b>

2020/2021 Budget Summary			
Pillar	Revenue	Expenses	Contribution
Participation	265,826	236,650	29,176
Performance	462,135	490,090	-27,955
Member Engagement	621,096	568,375	52,721
Partnerships	158,400	177,660	-19,260
<b>Total</b>	<b>1,507,457</b>	<b>1,472,775</b>	<b>34,682</b>

## INDEPENDENT AUDITOR'S REPORT

To the Members of Curl BC:

### Report on the Audit of the Financial Statements

#### *Qualified Opinion*

We have audited the financial statements of Curl BC (the "entity"), which comprise the statement of financial position as at March 31, 2020, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, Curl BC derives part of its revenue from events, included in provincial championships, and donations, included in fundraising and special events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the entity. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenses, and cash flows related to operating activities for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019, and fund balances as at April 1 and March 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

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 entity 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 qualified audit opinion.

ASSURANCE • TAX • ADVISORY

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### *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 entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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 entity'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 entity'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 entity 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.

#### **Report on Other Legal and Regulatory Requirements**

As required by the *Societies Act* (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*Baker Tilly WM LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.  
May 29, 2020

# CURL BC

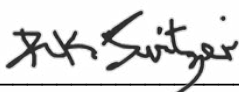
## STATEMENT OF FINANCIAL POSITION

March 31, 2020

	2020 \$	2019 \$
<b>Assets</b>		
Current		
Cash	158,938	176,467
Temporary investments	10,000	12,221
GST receivable	8,608	5,157
Receivables	72,330	44,539
Inventory	18,659	16,262
Prepaid expenses	20,281	19,956
	<b>288,816</b>	274,602
Deposit	6,253	6,253
Property and equipment (Note 2)	84,264	90,788
	<b>379,333</b>	371,643
<b>Liabilities</b>		
Current		
Payables and accruals	85,954	36,842
Deferred revenue	-	37,907
Current portion of deferred lease inducement (Note 3)	3,850	3,850
	<b>89,804</b>	78,599
Deferred lease inducement (Note 3)	9,304	13,154
	<b>99,108</b>	91,753
<b>Fund Balances</b>		
Invested in property and equipment	71,110	73,783
Unrestricted	191,115	182,307
Restricted (Note 4)	18,000	23,800
	<b>280,225</b>	279,890
	<b>379,333</b>	371,643

Commitment (Note 9)

Approved by Directors:





# CURL BC

## STATEMENT OF OPERATIONS

For the year ended March 31, 2020

	Unrestricted Fund \$	Restricted Fund \$	2020 Total \$	2019 Total \$
<b>Revenue</b>				
Affiliation dues	439,115	-	439,115	363,938
Provincial sport grants, Schedule 1	261,087	50,100	311,187	299,080
National/International, Schedule 2	154,491	115,000	269,491	69,741
Provincial championships	251,668	-	251,668	320,047
Sponsorship and advertising (Note 6)	110,880	133,935	244,815	187,126
Other provincial funding, Schedule 1	-	110,000	110,000	108,000
Course fees	66,162	-	66,162	70,299
Member services	24,405	-	24,405	21,402
Fundraising and special events	5,768	3,596	9,364	12,363
Other income	3,777	-	3,777	2,878
	<b>1,317,353</b>	<b>412,631</b>	<b>1,729,984</b>	<b>1,454,874</b>
<b>Expenses</b>				
Administration and office (Note 2)	211,384	380	211,764	193,953
Competitions				
National and international	12,450	-	12,450	12,572
Provincial	160,541	150,500	311,041	383,037
Regional	26,855	-	26,855	26,490
Marketing, promotions and communications	74,230	12,000	86,230	76,662
Member services	96,158	37,155	133,313	134,099
Payments to associations, clubs and athletes, Schedule 3	155,385	100,000	255,385	69,917
Payroll and contractors (Note 7)	432,619	103,000	535,619	506,977
Sponsorships and special events (Note 6)	141,596	15,396	156,992	62,452
	<b>1,311,218</b>	<b>418,431</b>	<b>1,729,649</b>	<b>1,466,159</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>6,135</b>	<b>(5,800)</b>	<b>335</b>	<b>(11,285)</b>

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



## CURL BC

### STATEMENT OF CHANGES IN FUND BALANCES

For the year ended March 31, 2020

	Unrestricted Fund \$	Restricted Fund \$	Invested in property and equipment \$	2020 Total \$	2019 Total \$
<b>Balance, beginning</b>	<b>182,307</b>	<b>23,800</b>	<b>73,783</b>	<b>279,890</b>	291,175
Excess (deficiency) of revenue over expenses	<b>6,135</b>	<b>(5,800)</b>	-	<b>335</b>	(11,285)
Purchase of property and equipment	<b>(9,745)</b>	-	<b>9,745</b>	-	-
Amortization of property and equipment	<b>16,268</b>	-	<b>(16,268)</b>	-	-
Amortization of deferred lease inducement	<b>(3,850)</b>	-	<b>3,850</b>	-	-
<b>Balance, ending</b>	<b>191,115</b>	<b>18,000</b>	<b>71,110</b>	<b>280,225</b>	279,890

## CURL BC

### STATEMENT OF CASH FLOWS

For the year ended March 31, 2020

	2020	2019
	\$	\$
<b>Cash flows related to operating activities</b>		
Excess (deficiency) of revenue over expenses	335	(11,285)
Adjustments for items not affecting cash:		
Amortization of property and equipment	16,268	16,843
Amortization of deferred lease inducement	(3,850)	(3,850)
	<u>12,753</u>	<u>1,708</u>
Changes in non-cash working capital:		
GST receivable	(3,451)	2,446
Receivables	(27,791)	40,228
Inventory	(2,397)	1,637
Prepaid expenses	(325)	31,146
Payables and accruals	49,113	(21,029)
Deferred revenue	(37,907)	4,727
	<u>(10,005)</u>	<u>60,863</u>
<b>Cash flows related to investing activities</b>		
Proceeds from temporary investments	12,358	-
Purchase of temporary investment	(10,137)	(389)
Purchase of property and equipment	(9,745)	(8,869)
	<u>(7,524)</u>	<u>(9,258)</u>
<b>Net increase (decrease) in cash</b>	<b>(17,529)</b>	<b>51,605</b>
Cash, beginning	176,467	124,862
<b>Cash, ending</b>	<b>158,938</b>	<b>176,467</b>

*Non-monetary transactions (Note 6)*

# CURL BC

## NOTES

For the year ended March 31, 2020

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Curl BC (the "organization") was incorporated under the laws of British Columbia. The organization is a not-for-profit organization and is engaged in the operation of programs and funding of curling activities to promote the sport and the organization.

The organization is exempt from income taxation under 149(1)(l) of the *Income Tax Act*, as long as it continues to meet the criteria stipulated in the Act.

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### Note 1 Significant Accounting Policies

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

#### Fund Accounting

The organization follows the restricted fund method of accounting for contributions. Under this method, each fund retains the contributions received and makes expenditures in accordance with either the stated purpose of the designated fund or as specified by the donor, as the case may be.

The Unrestricted Fund accounts for the organization's program delivery and administrative activities.

The Restricted Fund reports the designated resources that are to be used for specific events and programs.

The Invested in Property and Equipment Fund reports the designated resources that have been used for property and equipment.

The 125th Anniversary Legacy Fund was established by the Board of Governors in the current year to provide immediate funding to address unexpected cash flow shortages, or expenses, and to support special initiatives or projects that are consistent with the organization's mandate and operating plans or policies. The Board of Governors may, from time to time, direct transfers to this fund. As at March 31, 2020, no amounts are transferred to this fund.

#### Inventory

Inventory, which consists of resource manuals, skill awards, and clothing is measured at the lower of cost and net realizable value. Cost is determined on a first in, first out basis and includes all costs of purchase and other costs in bringing the inventory to its present location and condition.

#### Property and Equipment

Property and equipment are carried at cost less accumulated amortization. Amortization is calculated annually as follows:

Event equipment	-	5% and 30% declining balance
Leasehold improvements	-	10 years straight-line
Program equipment	-	30% declining balance
Computer equipment	-	55% declining balance
Office equipment	-	30% declining balance

except in the year of acquisition, at which time amortization is provided for at one-half the annual rate.

When an item of property and equipment no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

### Note 1 Significant Accounting Policies (continued)

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#### **Contributed Services and Materials**

A number of volunteers contribute a significant amount of their time and services to the organization each year. Because of the difficulty in determining fair value, the services of volunteers are not recognized in the financial statements. The organization records the fair value of other contributed services and materials at the time of receipt, where such fair value is determinable and the services and materials would otherwise have been purchased.

#### **Deferred Lease Inducement**

The lease inducement is deferred and amortized on a straight-line basis over ten years, being the term of the lease of the organization's premises, and is offset against rent, included in administration and office expense.

#### **Revenue Recognition**

Restricted contributions are recorded as revenue in the year in which the contribution becomes receivable and collection is reasonably assured.

Unrestricted contributions are recorded in the Unrestricted Fund when received.

Affiliation dues are deferred and recognized as revenue in the period to which the affiliation relates. Event fees and sponsorships received in advance are deferred and recognized in the period in which the event takes place. Course fees are recognized once the training has been provided. Course fees received in advance of services rendered are accounted for as deferred revenue. Member services are recognized as revenue when received or receivable if the amount to be earned can be reasonably estimated and collection is reasonably assured. Interest is recognized as revenue on a time proportion basis.

#### **Financial Instruments**

##### *Measurement of financial instruments*

The organization measures its financial assets and financial liabilities at fair value at the acquisition date, except for financial assets and financial liabilities acquired in related party transactions. Transaction costs related to the acquisition of financial instruments subsequently measured at fair value are recognized in excess (deficiency) of revenue over expenses when incurred. The carrying amounts of financial instruments not subsequently measured at fair value are adjusted by the amount of the transaction costs directly attributable to the acquisition of the instrument.

The organization subsequently measures all of its financial assets and financial liabilities at amortized cost.

##### *Impairment*

Financial assets measured at amortized cost are assessed for indications of impairment at the end of each reporting period. If impairment is identified, the amount of the write-down is recognized as an impairment loss in excess (deficiency) of revenue over expenses. Previously recognized impairment losses are reversed when the extent of the impairment decreases, provided that the adjusted carrying amount is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses.

# CURL BC

## NOTES

For the year ended March 31, 2020

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### Note 1 Significant Accounting Policies (continued)

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#### 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

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### Note 2 Property and Equipment

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	Cost \$	2020 Accumulated Amortization \$	Net \$	2019 Net \$
Event equipment	100,033	43,514	56,520	56,133
Leasehold improvements	55,923	36,816	19,107	24,700
Program equipment	30,790	25,294	5,496	5,212
Computer equipment	52,789	50,214	2,575	3,934
Office equipment	20,653	20,086	567	809
	<u>260,188</u>	<u>175,924</u>	<u>84,264</u>	<u>90,788</u>

Amortization expense, included in administration and office expense, of \$16,268 (2019: \$16,843) has been recorded during the year.

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### Note 3 Deferred Lease Inducement

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	2020 \$	2019 \$
Inducement received	38,500	38,500
Accumulated amortization	(25,346)	(21,496)
	<u>13,154</u>	<u>17,004</u>
Less: Current portion	(3,850)	(3,850)
	<u>9,304</u>	<u>13,154</u>

## CURL BC

### NOTES

For the year ended March 31, 2020

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#### Note 4 Restricted Fund

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The restricted fund includes amounts in respect of the following programs for which contributions restricted by donors have not been spent as at the end of the period:

	2020 \$	2019 \$
Hosting BC grant	18,000	20,800
ViaSport participation grant	-	3,000
	<u>18,000</u>	<u>23,800</u>

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#### Note 5 Fundraising

---

In 2010, the organization established, together with the Vancouver Foundation, the "Curling for Life Endowment Fund" (the "Fund") to support the long-term sustainability of curling in British Columbia. Up to March 31, 2020, the organization has raised \$52,032, which is held and administered by the Vancouver Foundation. The organization does not reflect the fund in its financial statements because it lacks discretion over the disbursements and capital investments for the Fund. As at March 31, 2020, the quoted fair value of the securities underlying the Fund's capital was \$54,038 (2019: \$57,274). The Vancouver Foundation, with advice from the organization, is to disburse the income of the Fund to qualified donees (as defined by the *Income Tax Act* (Canada)) for the following purposes:

- To promote and develop the game of curling as a recreational and competitive sport in the province of British Columbia;
- To provide technical, marketing and other relevant assistance to affiliated member curling facilities in British Columbia in order to promote the sport of curling generally; and
- To arrange and conduct playdowns and championships in British Columbia for the purpose of determining British Columbian provincial championship teams.

As at March 31, 2020, income of \$1,157 (2019: \$1,049) was available to be distributed. During the year, income of \$2,277 (2019: \$1,886) was earned in the Fund and \$2,169 (2019: \$1,522) was distributed.

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#### Note 6 Non-monetary Transactions

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During the year, the organization provided sponsorship and advertising services in exchange for various materials and services, including tournament prizes, insurance, television production services, advertising space, food and beverage, and moving and storage. The value of these materials and services is \$81,462 (2019: \$57,440). Services received for advertising space in the organization's publications are measured at the organization's standard rates for advertisements. All other non-monetary transactions are recognized at the fair values of the assets or services received.

# CURL BC

## NOTES

For the year ended March 31, 2020

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### Note 7 Remuneration of Directors, Employees and Contractors

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The *Societies Act* (British Columbia) requires the organization to disclose the remuneration paid to directors during the year and the remuneration paid to all employees and contractors whose remuneration during the year was at least \$75,000.

During the year, one employee was paid \$102,433 (2019: one employee, \$100,600). No remuneration was paid to directors in the years ended March 31, 2020 and 2019.

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### Note 8 Financial Instruments

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Items that meet the definition of a financial instrument include cash, temporary investments, receivables, deposit, and payables and accruals.

It is management's opinion that the organization is not exposed to significant liquidity risk arising from these financial instruments. The following is a summary of the significant financial instrument risks:

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk in connection with its receivables.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. It is management's opinion that the organization is not exposed to significant currency risk or other price risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The fair values of fixed rate financial instruments are subject to change, since fair values fluctuate inversely with changes in market interest rates. The cash flows related to floating rate financial instruments change as market interest rates change. The organization is exposed to interest rate risk with respect to its temporary investments which bear interest at fixed rates.

# CURL BC

## NOTES

For the year ended March 31, 2020

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### Note 9 Commitment

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The organization's operating lease for its premises expires on August 31, 2023. The minimum lease payments under this agreement are as follows:

	\$
2021	25,300
2022	25,300
2023	25,300
2024	10,542
	<hr/>
	86,442
	<hr/>

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### Note 10 Comparative Figures

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Certain 2019 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2020.

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### Note 11 Impact of COVID-19

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On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the organization's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the organization's future operations.

The organization cannot estimate the length and gravity of the COVID-19 pandemic. If the pandemic continues, it may have a material effect on the organization's future results. The organization is continually monitoring and assessing new information and recommendations from health and government authorities as it becomes available, and will continue to respond accordingly.

As of the date of the approval of the financial statements on May 29, 2020, certain events planned for the 2020/2021 season have been postponed and may be cancelled at a later date due to the current measures enforced by the government. While this presents uncertainty over future revenues, management expects the organization will have adequate cash flow to fund its operations during this crisis through existing revenue sources that have confirmed their funding intentions and tight controls over operating expenses. Revenue is expected to decrease compared to fiscal 2020, however, it is expected to be sustainable due to the organization's reputation in the community and its ability to attract sponsorship by hosting events following the crisis.



# CURL BC

## SCHEDULE OF PROVINCIAL GRANTS AND FUNDING

Schedule 1

For the year ended March 31, 2020

	Unrestricted Fund \$	Restricted Fund \$	2020 Total \$	2019 Total \$
<b>Provincial Sport Grants</b>				
Performance base funding	140,435	-	140,435	129,072
Participation base funding	60,326	-	60,326	59,304
Capacity base funding	60,326	-	60,326	59,304
Hosting BC	-	44,000	44,000	43,300
ViaSport coaching grant	-	4,100	4,100	5,100
ViaSport participation program	-	2,000	2,000	3,000
	<u>261,087</u>	<u>50,100</u>	<u>311,187</u>	<u>299,080</u>
<b>Other Provincial Funding</b>				
Community Gaming Grants	-	110,000	110,000	108,000
	<u>261,087</u>	<u>160,100</u>	<u>421,187</u>	<u>407,080</u>

## SCHEDULE OF NATIONAL/INTERNATIONAL REVENUE

Schedule 2

For the year ended March 31, 2020

	Unrestricted Fund \$	Restricted Fund \$	2020 Total \$	2019 Total \$
2020 New Holland Canadian Juniors	152,890	-	152,890	-
2020 World Women's Curling Championships	-	100,000	100,000	-
Curling Canada grants	500	15,000	15,500	20,000
2019 Everest Canadian Seniors Championship	1,101	-	1,101	-
2018 Canadian Masters Curling Championship	-	-	-	26,857
2018 Scotties Tournament of Hearts	-	-	-	22,884
	<u>154,491</u>	<u>115,000</u>	<u>269,491</u>	<u>69,741</u>

During the year ended March 31, 2020, the Province of B.C. provided contributions for the 2020 World Women's Curling Championships which was scheduled to take place in British Columbia. The event was cancelled due to COVID-19, however the Province of B.C. is not requiring the organization to repay the grant.

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

# CURL BC

## SCHEDULE OF PAYMENTS TO ASSOCIATIONS, CLUBS AND ATHLETES

Schedule 3

For the year ended March 31, 2020

	Unrestricted Fund \$	Restricted Fund \$	2020 Total \$	2019 Total \$
Association grant payments	5,000	-	5,000	6,500
Canadian Championships hosted in B.C.	150,385	-	150,385	63,417
2020 World Women's Curling Championship hosting grant	-	100,000	100,000	-
	155,385	100,000	255,385	69,917