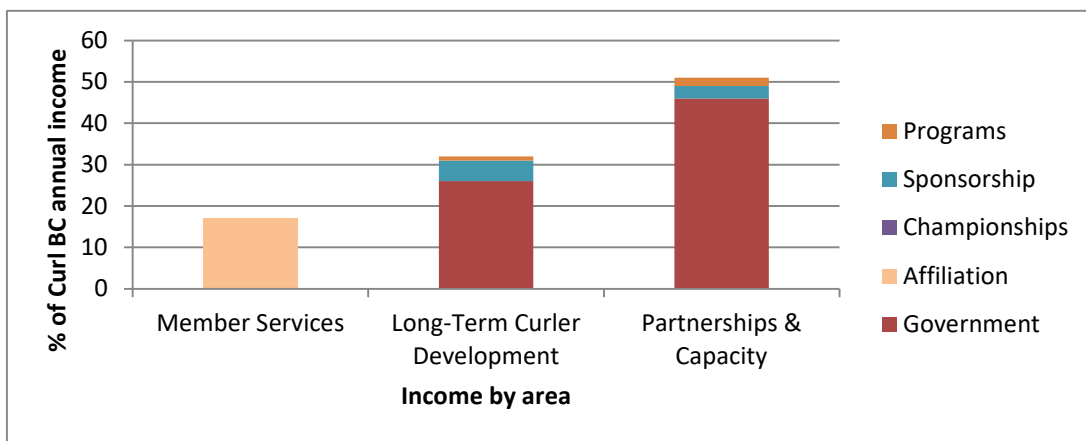


2020/21 Curl BC

FINANCIAL REPORT

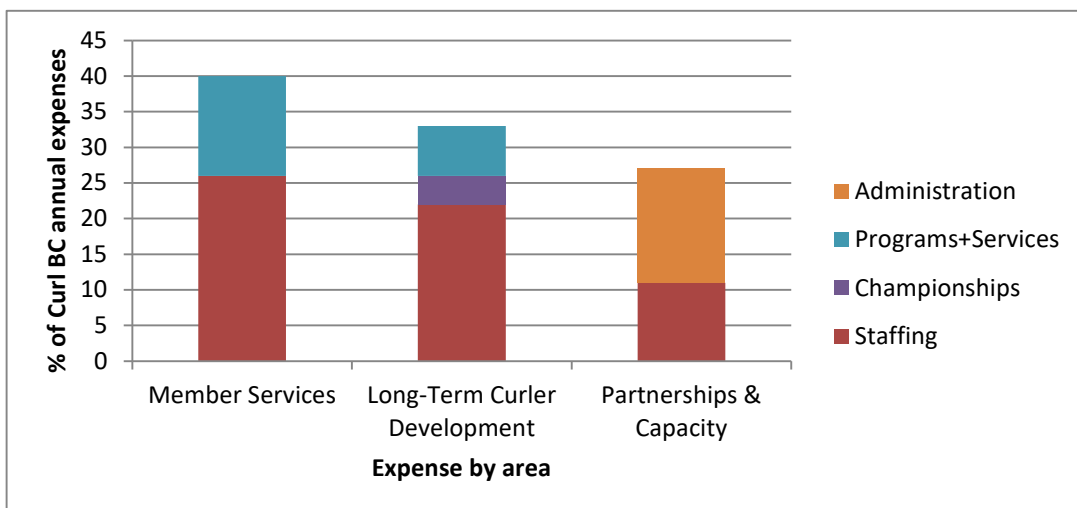
Where it comes from:

Curl BC sources of revenue for 2020/2021



Where it goes:

Curl BC uses of funds for 2020/2021



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CURL BC FINANCIAL REPORT

Curl BC's audited Financial Statements for the fiscal year ending March 31, 2021 are included beginning on page 4 and the notes below refer to this time 12-month time period.

In 2020-21, Curl BC generated a total of \$1,046,714 in revenue (2020: \$1,729,984) while expenses were \$866,505 (2020: \$1,729,649). Overall, net income was \$180,209 (2020: \$335). In comparison to last year, revenue decreased in all areas except Government due to the impact of COVID on operations. On the other hand, the Federal Government provided \$376,704 in unbudgeted support.

MEMBERSHIP UPDATE

- 61 clubs were able to open for at least 4 weeks this season while 25 did not.
- 7 clubs in the Peace Region of BC became joint members of Curl BC and Curling Alberta. Atlin became a joint member of Curl BC and Yukon Curling Association.

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

Fiscal Year	Equipment	Unrestricted	Restricted	Total	Net
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
20-21	63,182	378,252	19,000	460,434	180,209

STATEMENT OF FINANCIAL POSITION (Balance Sheet)

Curl BC's cash and temporary investments increased to \$382,115 (2020: \$168,938) while Curl BC's Accounts Receivable increased to \$90,603 (2020: \$72,330) which includes Federal grants, sponsorship and membership fees. The GST input tax credit increased to \$10,563 (2020: \$8,608). Inventory has decreased to \$12,751 (2020: \$18,659).

Prepaid expenses have decreased to \$1,046 (2020: \$20,281). 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 \$3,671 (2020: \$9,745) in Capital purchases this year, mainly for computer equipment, which was offset by \$15,449 (2020: \$16,268) in amortization expenses. Accounts Payable have decreased to \$67,076 (2020: \$85,954). This includes month end expenses and the holiday time accrual. Deferred Revenue has increased to \$9,003 (2020: \$0) which includes membership fees deferred until next season. 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 \$9,304 remaining.

STATEMENT OF OPERATIONS (Income Statement)

Following is commentary on the main Revenue and Expense items for the 3 pillars of Curl BC's Strategic Plan:

1. MEMBER SERVICES & ENGAGEMENT

1.1 Revenue

\$179,500 compared to \$428,370 budgeted for the year.

1.2 Expenses

\$347,854 compared to \$378,000 budgeted for the year.

1.3 Net Contribution (Cost)

-\$168,354 compared to \$50,370 budgeted for the year for a variance of -\$218,724 due to a significant drop in membership fees collected.

2. LONG TERM CURLER DEVELOPMENT

2.1 Revenue

\$339,456 compared to \$727,961 budgeted for the year.

2.2 Expenses

\$284,728 compared to \$726,740 budgeted for the year.

2.3 Net Contribution (Cost)

\$54,728 compared to \$1,221 budgeted for the year for a variance of \$53,507 due to no need to subsidize competitions this past year.

3. PARTNERSHIPS & CAPACITY

3.1 Revenue

\$527,758, compared to \$351,126 budgeted for the year.

3.2 Expenses

\$233,923, compared to \$368,035 budgeted for the year.

3.3 Net Contribution (Cost)

\$293,835 compared to -\$16,909 budgeted for the year for a variance of \$310,744 thanks to significant unbudgeted support from the Federal Government.

4. SUMMARY of the INCOME STATEMENT

- A net contribution of \$180,209 for the year thanks to securing Federal Government grants to compensate for significant reductions in membership fees.
- The cancellation of all 2021 BC Championships meant reduced subsidies in the competitive area.
- The resulting significant increase in the Unrestricted Fund to \$378,252 will allow for the establishment of the Operational Reserve Fund originally planned for Curl BC's 125th Anniversary celebrations in 2020.

ALIGNMENT TO CURL BC STRATEGIC PLAN:

Enhancing Member Services & Engagement:

- END 1 - Best practices in governance & risk management
- END 2 - Leadership in curling education
- END 3 - Connecting through brand-based communications

Leading Long-Term Curler Development:

- END 4 - Growth in participation
- END 5 - Professionally-run competitions
- END 6 - Excellence in high performance

Building Partnerships & Capacity:

- END 7 - Sustainability through revenue generation and good governance
- END 8 - Increased collective community investment
- END 9 - Heightened community acknowledgment

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 Operational Reserve 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, 2021

	2021	Budget 2021	Variance	2020
REVENUE				
Provincial government grants	262,486	309,087	(46,600)	311,187
Other provincial funding	110,000	110,000	-	110,000
Federal Gov't assistance & Nat./Int. events	391,704	125,000	266,704	269,491
Member services				
Affiliation dues	179,500	428,370	(248,870)	439,115
BC Championships	10	262,200	(262,190)	251,668
Clinics, programs and sales	21,431	86,400	(64,969)	90,567
Fundraising and special events	210	6,500	(6,290)	9,364
Sponsorships and advertising	77,859	176,200	(98,341)	244,815
Other income	3,513	3,700	(187)	3,777
Total Revenues	1,046,714	1,507,457	- 460,742	1,729,984
EXPENDITURES				
Administration and office	168,921	200,400	(31,479)	211,764
Competitions				
National and international	1,400	11,950	(10,550)	12,450
BC Championships	19,284	300,740	(281,456)	311,041
Regional clubs	177	26,500	(26,323)	26,855
Cost of Grants & event proceeds to clubs	-	106,500	(106,500)	255,385
Marketing, promotions and communications	61,245	82,200	(20,955)	86,230
Member services	65,662	150,600	(84,938)	133,313
Payroll and contractors	516,594	537,235	(20,641)	535,619
Sponsorships and special events	33,222	56,650	(23,428)	156,992
Total Expenditures	866,505	1,472,775	- 606,270	1,729,649
Excess of Revenue over Expenditures	180,209	34,682	145,528	335

2021/2022 Budget Summary			
Pillar	Revenue	Expenses	Contribution
Member Services	387,803	383,460	4,343
Long-Term Curler Development	728,720	729,915	-1,195
Partnerships & Capacity	298,276	243,510	54,766
Total	1,414,799	1,356,885	57,914

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 "organization"), which comprise the statement of financial position as at March 31, 2021, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes and schedules 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 organization as at March 31, 2021, 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 organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, and cash flows related to operating activities for the years ended March 31, 2021 and 2020, current assets as at March 31, 2021 and 2020, and fund balances as at April 1 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 31, 2020 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 organization 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.

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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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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 organization'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 organization'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 organization 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 27, 2021

CURL BC

STATEMENT OF FINANCIAL POSITION

March 31, 2021

	2021 \$	2020 \$
Assets		
Current		
Cash	371,978	158,938
Temporary investment	10,137	10,000
GST receivable	10,563	8,608
Receivables (Note 2)	90,603	72,330
Inventory	12,751	18,659
Prepaid expenses	1,046	20,281
	<u>497,078</u>	<u>288,816</u>
Deposit	6,253	6,253
Property and equipment (Note 3)	72,486	84,264
	<u>575,817</u>	<u>379,333</u>
Liabilities		
Current		
Payables and accruals	67,076	85,954
Deferred revenue	9,003	-
Current portion of deferred lease inducement (Note 4)	3,850	3,850
	<u>79,929</u>	<u>89,804</u>
Deferred lease inducement (Note 4)	5,454	9,304
CEBA loan payable (Note 5)	30,000	-
	<u>115,383</u>	<u>99,108</u>
Fund Balances		
Invested in property and equipment	63,182	71,110
Unrestricted	378,252	191,115
Restricted (Note 6)	19,000	18,000
	<u>460,434</u>	<u>280,225</u>
	<u>575,817</u>	<u>379,333</u>

Commitment (Note 12)

Impact of COVID-19 (Note 13)

Approved by Directors:



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

CURL BC

STATEMENT OF OPERATIONS

For the year ended March 31, 2021

	Unrestricted Fund \$	Restricted Fund \$	2021 Total \$	2020 Total \$
Revenue				
Other federal government assistance (Note 8)	376,704	-	376,704	-
Provincial sport grants, Schedule 1	261,087	1,400	262,487	311,187
Affiliation dues	179,500	-	179,500	439,115
Other provincial funding, Schedule 1	-	110,000	110,000	110,000
Sponsorship and advertising (Note 9)	32,053	45,806	77,859	244,815
National/International, Schedule 2	-	15,000	15,000	269,491
Member services	13,820	-	13,820	24,405
Course fees	7,611	-	7,611	66,162
Other income	3,513	-	3,513	3,777
Fundraising and special events	210	-	210	9,364
Provincial championships	10	-	10	251,668
	<u>874,508</u>	<u>172,206</u>	<u>1,046,714</u>	<u>1,729,984</u>
Expenses				
Administration and office (Note 3)	168,541	380	168,921	211,764
Competitions				
National and international	1,400	-	1,400	12,450
Provincial	11,784	7,500	19,284	311,041
Regional	177	-	177	26,855
Marketing, promotions and communications	48,319	12,926	61,245	86,230
Member services	55,262	10,400	65,662	133,313
Payments to associations, clubs and athletes, Schedule 3	-	-	-	255,385
Payroll and contractors (Note 10)	376,594	140,000	516,594	535,619
Sponsorships and special events (Note 9)	33,222	-	33,222	156,992
	<u>695,299</u>	<u>171,206</u>	<u>866,505</u>	<u>1,729,649</u>
Excess of revenue over expenses	179,209	1,000	180,209	335

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, 2021

	Unrestricted Fund \$	Restricted Fund \$	Invested in property and equipment \$	2021 Total \$	2020 Total \$
Balance, beginning	191,115	18,000	71,110	280,225	279,890
Excess of revenue over expenses	179,209	1,000	-	180,209	335
Purchase of property and equipment	(3,671)	-	3,671	-	-
Amortization of property and equipment	15,449	-	(15,449)	-	-
Amortization of deferred lease inducement	(3,850)	-	3,850	-	-
Balance, ending	378,252	19,000	63,182	460,434	280,225

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

CURL BC

STATEMENT OF CASH FLOWS

For the year ended March 31, 2021

	2021 \$	2020 \$
Cash flows related to operating activities		
Excess of revenue over expenses	180,209	335
Adjustments for items not affecting cash:		
Amortization of property and equipment	15,449	16,268
Amortization of deferred lease inducement	(3,850)	(3,850)
Forgivable government assistance	(10,000)	-
	181,808	12,753
Changes in non-cash working capital:		
GST receivable	(1,955)	(3,451)
Receivables	(18,273)	(27,791)
Inventory	5,908	(2,397)
Prepaid expenses	19,235	(325)
Payables and accruals	(18,878)	49,113
Deferred revenue	9,003	(37,907)
	176,848	(10,005)
Cash flows related to investing activities		
Proceeds from temporary investment	10,000	12,358
Purchase of temporary investment	(10,137)	(10,137)
Purchase of property and equipment	(3,671)	(9,745)
	(3,808)	(7,524)
Cash flows related to financing activity		
Proceeds from CEBA loan payable	40,000	-
Net increase (decrease) in cash	213,040	(17,529)
Cash, beginning	158,938	176,467
Cash, ending	371,978	158,938

Non-monetary transactions (Note 9)

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

CURL BC

NOTES

For the year ended March 31, 2021

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*.

Note 1 Significant Accounting Policies

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 Operating Reserve Fund (previously known as the 125th Anniversary Legacy Fund) was established by the Board of Governors 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, 2021, 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)

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.

Government funding for operating expenses under the Government of Canada's COVID-19 response programs is recorded as other federal government assistance when the assistance is receivable.

Forgivable loans comprise government assistance that is forgiven on the condition that the organization continues to meet certain requirements specified at the time of entitlement. Forgivable loans are recognized as other federal government assistance. If conditions arise that would cause the forgivable loan to be repayable, the organization recognizes a liability to repay the assistance in the period the conditions occurred. Loans from governments and their agencies having normal commercial characteristics are not considered to be government assistance.

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 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.

CURL BC

NOTES

For the year ended March 31, 2021

Note 1 Significant Accounting Policies (continued)

Financial Instruments (continued)

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 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 of revenue over expenses.

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.

Note 2 Receivables

Receivables consist of the following:

	2021	2020
	\$	\$
Trade receivables	40,365	72,330
Government assistance receivable (Note 8)	50,238	-
	<u>90,603</u>	<u>72,330</u>

Note 3 Property and Equipment

	Cost	2021 Accumulated Amortization	Net	2020 Net
	\$	\$	\$	\$
Event equipment	101,484	49,525	51,959	56,520
Leasehold improvements	55,923	42,408	13,515	19,107
Program equipment	30,790	26,943	3,847	5,496
Computer equipment	55,009	52,241	2,768	2,575
Office equipment	20,653	20,256	397	567
	<u>263,859</u>	<u>191,373</u>	<u>72,486</u>	<u>84,264</u>

Administration and office expense includes amortization of \$15,449 (2020: \$16,268).

CURL BC

NOTES

For the year ended March 31, 2021

Note 4 Deferred Lease Inducement

	2021 \$	2020 \$
Inducement received	38,500	38,500
Accumulated amortization	(29,196)	(25,346)
	<hr/>	<hr/>
Less: Current portion	9,304 (3,850)	13,154 (3,850)
	<hr/>	<hr/>
	5,454	9,304
	<hr/>	<hr/>

Note 5 CEBA Loan Payable

During the year, the organization received a \$40,000 loan under the Canada Emergency Business Account (“CEBA”) program. The loan is guaranteed by the Canadian government, unsecured, and interest-free through December 31, 2022. \$10,000 is eligible for forgiveness, contingent on the organization repaying \$30,000 on or before December 31, 2022. During the year ended March 31, 2021, the organization recognized \$10,000 (2020: \$Nil) as other federal government assistance. If \$30,000 isn't repaid on or before December 31, 2022, \$40,000 (including the forgivable amount) will be converted to a three-year term loan maturing on December 31, 2025 and bearing interest at 5% per annum with monthly interest-only payments. As at March 31, 2021, the principal balance owing on the loan was \$40,000 (2020: \$Nil) including the \$10,000 (2020: \$Nil) forgivable amount.

The funds from the CEBA program must only be used to pay non-deferrable operating expenses such as payroll, rent, utilities, insurance, property tax and regularly scheduled debt service, and may not be used to fund any costs such as prepayment or refinancing of existing indebtedness, and/or increases in management compensation.

Note 6 Restricted Fund

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:

	2021 \$	2020 \$
Hosting BC grant	18,000	18,000
ViaSport coaching capacity grant	1,000	-
	<hr/>	<hr/>
	19,000	18,000
	<hr/>	<hr/>

CURL BC

NOTES

For the year ended March 31, 2021

Note 7 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, 2021, the organization has raised \$52,288, 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, 2021, the quoted fair value of the securities underlying the Fund's capital was \$64,505 (2020: \$54,038). 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 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, 2021, income of \$1,181 (2020: \$1,157) was available to be distributed. During the year, income of \$2,360 (2020: \$2,277) was earned in the Fund and \$2,337 (2020: \$2,169) was distributed.

Note 8 Government assistance

The organization is entitled to funds under the Canada Emergency Wage Subsidy (CEWS) program. The subsidy under the CEWS program is 65% - 75% of eligible employee wages for certain pay periods. At May 27, 2021, the Government of Canada extended the CEWS program until June 2021, and the current subsidy rate is to a maximum of 75% of eligible wages. At March 31, 2021, CEWS of \$267,134 (2020: \$Nil) was recognized as other federal government assistance.

The organization was also entitled to a reduction in its payroll remittances under the Temporary Wage Subsidy (TWS) program, which was a three-month program between March 2020 and June 2020. The subsidy under the TWS program was up to \$25,000 per employer. At March 31, 2021, TWS of \$8,856 (2020: \$Nil) was recognized as other federal government assistance.

The organization is also entitled to funds under the Canada Emergency Rent Subsidy (CERS) program. The subsidy under the CERS program is up to 65% of commercial rent or other eligible property expenses. At May 27, 2021, the CERS program is available until June 2021, and the current subsidy rate is to a maximum of 65% of eligible expenses. At March 31, 2021, CERS of \$11,464 (2020: \$Nil) was recognized as other federal government assistance.

The organization received funds under the Emergency Support Fund for Cultural, Heritage and Sport Organizations (Emergency Support). The subsidy under Emergency Support was intended to provide financial relief to ensure the continuity of operations. At March 31, 2021, Emergency Support of \$79,250 (2020: \$Nil) was recognized as other federal government assistance.

At March 31, 2021, CEBA of \$10,000 (2020: \$Nil) was recognized as other federal government assistance.

CURL BC

NOTES

For the year ended March 31, 2021

Note 9 Non-monetary Transactions

During the year, the organization provided sponsorship and advertising services in exchange for various materials and services, including insurance, advertising and moving and storage. The value of these materials and services is \$20,262 (2020: \$81,462). 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 goods or services received.

Note 10 Remuneration of Directors, Employees and Contractors

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 \$103,563 (2020: one employee, \$102,433). No remuneration was paid to directors in the years ended March 31, 2021 and 2020.

Note 11 Financial Instruments

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

The following is a summary of the significant financial instrument risks:

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to liquidity risk arising primarily from its payables and accruals and CEBA loan payable. There is a concentration of liquidity risk as the organization only has one lender.

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 trade 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.

CURL BC

NOTES

For the year ended March 31, 2021

Note 11 Financial Instruments (continued)

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 fair value risk with respect to both its temporary investments which bear interest at fixed rates and the CEBA loan payable which is non-interest bearing through December 31, 2022.

Note 12 Commitment

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

	\$
2022	25,300
2023	25,300
2024	10,542
	<hr/>
	61,142
	<hr/>

Note 13 Impact of COVID-19

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.

To mitigate the impact of reduced revenues, the organization applied for and received specific COVID-19 subsidies and relief funding totalling \$376,704 (2020: \$Nil) which includes \$10,000 forgiveness from the \$40,000 CEBA loan. As of the date of the approval of the financial statements on May 27, 2021, the Rockslide Summer Camp planned for July 2021 has been cancelled due to the current measures enforced by the government. The organization is planning to host a full curling season in the fall of 2021. While there is some uncertainty over future revenues, management expects the organization will have adequate cash flow to fund its operations during this pandemic through existing revenue sources that have confirmed their funding intentions, continued application for CEWS, CERS, and additional CEBA loan, as long as eligibility criteria are met, and tight controls over operating expenses. The excess of revenues over expenses is expected to decrease compared to 2021, however, operations are expected to be sustainable due to the organization's reputation in the community and its precedent for attracting event sponsorship, once events re-commence.

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.

CURL BC

SCHEDULE OF PROVINCIAL GRANTS AND FUNDING

Schedule 1

For the year ended March 31, 2021

	Unrestricted Fund \$	Restricted Fund \$	2021 Total \$	2020 Total \$
Provincial Sport Grants				
Performance base funding	140,435	-	140,435	140,435
Participation base funding	60,326	-	60,326	60,326
Capacity base funding	60,326	-	60,326	60,326
ViaSport coaching grant	-	1,400	1,400	4,100
Hosting BC	-	-	-	44,000
ViaSport participation program	-	-	-	2,000
	261,087	1,400	262,487	311,187
Other Provincial Funding				
Community Gaming Grants	-	110,000	110,000	110,000
	261,087	111,400	372,487	421,187

SCHEDULE OF NATIONAL/INTERNATIONAL REVENUE

Schedule 2

For the year ended March 31, 2021

	Unrestricted Fund \$	Restricted Fund \$	2021 Total \$	2020 Total \$
Curling Canada grants	-	15,000	15,000	15,500
2020 New Holland Canadian Juniors	-	-	-	152,890
2020 World Women's Curling Championships	-	-	-	100,000
2019 Everest Canadian Seniors Championship	-	-	-	1,101
	-	15,000	15,000	269,491

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, 2021

	Unrestricted Fund \$	Restricted Fund \$	2021 Total \$	2020 Total \$
Association grant payments	-	-	-	5,000
Canadian Championships hosted in B.C.	-	-	-	150,385
2020 World Women's Curling Championship hosting grant	-	-	-	100,000
	-	-	-	255,385

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