

**Curl BC**

**2021-22**

**FINANCIAL REPORT  
& FORECAST**



Curl BC's audited Financial Statements for the fiscal year ending March 31, 2022 begin on page 5 and the notes below refer to this 12-month time period.

Curl BC generated a total of \$1,827,432 in revenue (2021: \$1,046,714) while expenses were \$1,733,434 (2021: \$866,505). Overall, net income was \$93,998 (2021: \$180,209).

#### MEMBERSHIP UPDATE

- \$364,904 in revenue
- 76 clubs were able to open this season while 8 did not.
- 2 clubs chose not to rejoin.

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

Fiscal Year	Equipment	Unrestricted	Restricted	Total	Net
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
21-22	60,756	429,676	64,000	554,432	93,998

#### STATEMENT OF FINANCIAL POSITION (Balance Sheet)

Curl BC's cash and temporary investments increased to \$614,874 (2021: \$382,115) while Curl BC's Accounts Receivable decreased to \$54,866 (2021: \$90,603) which includes membership fees and sponsorship. The GST input tax credit increased to \$11,473 (2021: \$10,563). Inventory has decreased to \$12,486 (2021: \$12,751).

Prepaid expenses increased to \$2,843 (March 2021: \$1,046). 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 \$9,723 (2021: \$3,671) in Capital purchases this year, mainly for computer equipment including iPads for streaming, which was offset by \$15,999 (2021: \$15,449) in amortization expenses.

Accounts Payable have increased to \$173,119 (March 2021: \$67,076). This includes month end expenses, holiday time accrual and \$110,000 for the BC Amateur Sport League grant allocations to 11 clubs. Deferred Revenue has been reduced to \$6,000 (March 2021: \$9,003). 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 \$5,454 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

\$611,521 compared to \$444,403 budgeted thanks to significant additional fundraising for clubs through the BC Amateur Sport Fund and Rafflebox.

###### 1.2 Expenses

\$672,394 compared to \$383,460 budgeted.

###### 1.3 Net Contribution (Cost)

-\$60,873 compared to \$60,943 budgeted for a variance of -\$121,816. This includes the allocation of \$110,000 to 11 clubs from the one-time BC Amateur Sport League funding.

## 2. LONG TERM CURLER DEVELOPMENT

### 2.1 Revenue

\$842,273 compared to \$719,421 budgeted thanks to additional one-time Provincial recovery grants.

### 2.2 Expenses

\$721,392 compared to \$729,915 budgeted.

### 2.3 Net Contribution (Cost)

\$120,881 compared to -\$10,494 budgeted for a variance of \$131,375. This includes \$192,642 in revenue from the one-time BC Amateur Sport League funding and \$74,250 in one-time BC Festival Recovery funding.

## 3. PARTNERSHIPS & CAPACITY

### 3.1 Revenue

\$373,638, compared to \$250,976 budgeted thanks to the receipt of a \$100,000 Provincial hosting grant for the 2022 Women's Worlds. This grant was forwarded to Curling Canada.

### 3.2 Expenses

\$339,648, compared to \$243,510 budgeted.

### 3.3 Net Contribution (Cost)

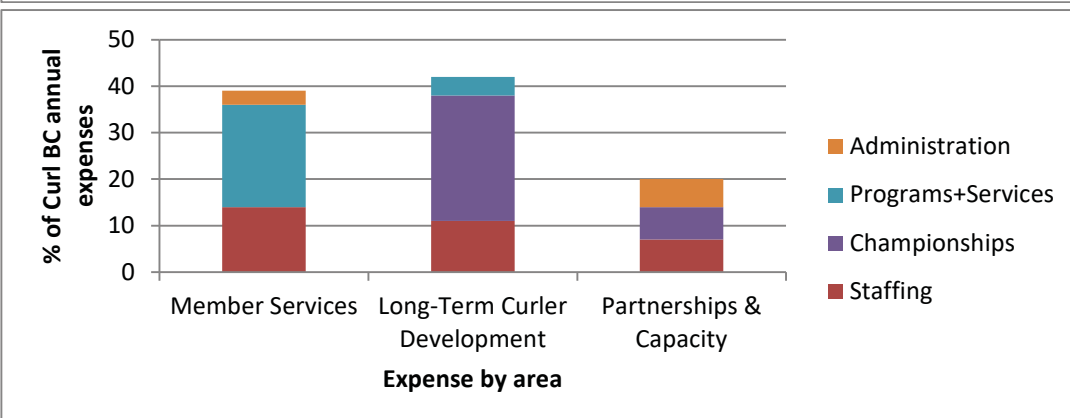
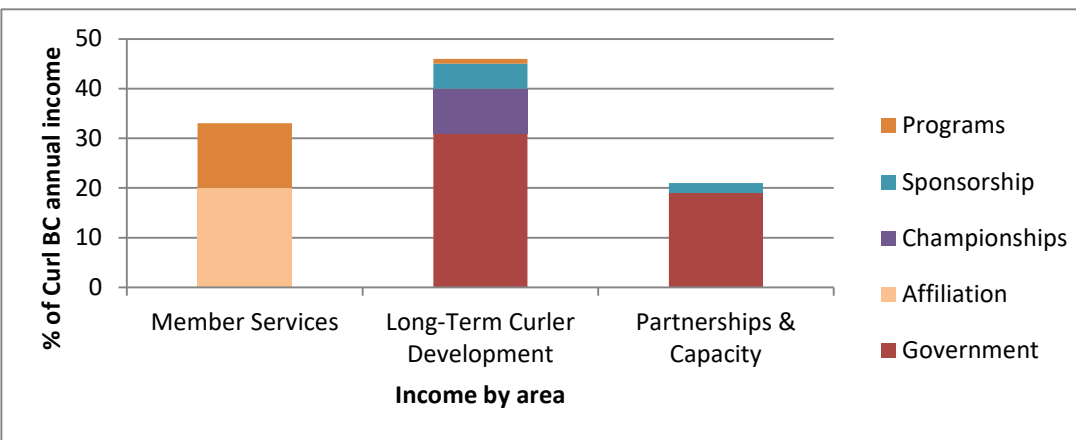
\$33,990 compared to \$7,466 budgeted for a variance of \$26,524. This is due to the extension of Federal wage subsidies into last October.

## 4. SUMMARY OF THE INCOME STATEMENT

- A net surplus of \$93,998.

- \$110,000 of the BC Amateur Sport League grant has been recorded as a payable to support the enhancement of streaming systems at 11 clubs which host BC Curling Tour events.

- The 50/50 raffle, conducted as part of the 2022 World Women's Championships in Prince George, surpassed \$133,000 in sales in 9 days! Net sales were \$56,057.41 of which Prince George GCC received \$47,648.80 (85%) and Curl BC received \$8,408.61 (15%). Great start to this new initiative.



**CURL BC****Statement of Operations WITH BUDGET for comparison  
for the year ended March 31, 2022**

	2022	Budget 2022	Variance	2021
<b>REVENUE</b>				
Provincial government grants	345,337	283,087	62,250	262,487
Other provincial funding	302,642	110,000	192,642	110,000
National/International events plus other Federal governmental assistance	257,182	90,000	167,182	391,704
Member services plus course fees			-	
Affiliation dues	364,904	387,803	(22,899)	179,500
BC Championships	166,499	330,160	(163,661)	10
Clinics, programs and sales	40,607	52,400	(11,793)	21,431
Fundraising and special events	227,449	6,500	220,949	210
Sponsorships and advertising	119,283	151,050	(31,767)	77,859
Other income	3,529	3,800	(271)	3,513
<b>Total Revenues</b>	<b>1,827,432</b>	<b>1,414,800</b>	<b>412,632</b>	<b>1,046,714</b>
<b>EXPENDITURES</b>				
Administration and office	149,578	177,950	(28,372)	168,921
Competitions			-	
National and international	10,200	11,950	- 1,750	1,400
BC Championships	323,666	361,015	- 37,349	19,284
Regional clubs	7,850	-	7,850	177
Cost of Grants & event proceeds to clubs	105,000	6,500	98,500	-
Marketing, promotions and communications	115,141	73,200	41,941	61,245
Member services	418,006	115,100	302,906	65,662
Payroll and contractors	541,404	559,520	- 18,116	516,594
Sponsorships and special events	62,589	51,650	10,939	33,222
<b>Total Expenditures</b>	<b>1,733,434</b>	<b>1,356,885</b>	<b>376,549</b>	<b>866,505</b>
<b>Excess of Revenue over Expenditures</b>	<b>93,998</b>	<b>57,915</b>	<b>36,083</b>	<b>180,209</b>

**2022/23 Budget Summary**

Pillar	Revenue	Expenses	Contribution
Member Services	461,400	381,003	80,397
Long-Term Curler Development	761,361	735,405	25,956
Partnerships & Capacity	256,076	360,685	- 104,609
<b>Total</b>	<b>1,478,837</b>	<b>1,477,093</b>	<b>1,744</b>

**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 Operating Reserve Fund.
- Simplified membership fee structure; \$20/curler (which includes personal accident insurance coverage).
- Government funding levels will remain fairly static from year-to-year (other than COVID recovery funding).
- Curling Canada will continue to host major events in BC.
- If events have to be cancelled due to another wave of COVID, cost savings will exceed lost revenue.

## 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, 2022, 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, 2022, 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 (deficiency) of revenue over expenses, and cash flows related to operating activities for the years ended March 31, 2022 and 2021, current assets as at March 31, 2022 and 2021, and fund balances as at April 1 and March 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended March 31, 2021 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, 2022

# CURL BC

## STATEMENT OF FINANCIAL POSITION

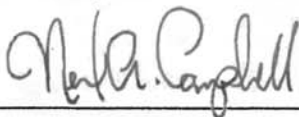
March 31, 2022

	2022	2021
	\$	\$
<b>Assets</b>		
Current		
Cash	604,691	371,978
Temporary investment	10,183	10,137
GST receivable	11,473	10,563
Receivables (Note 2)	54,866	90,603
Inventory	12,486	12,751
Prepaid expenses	2,843	1,046
	<u>696,542</u>	<u>497,078</u>
Deposit	6,253	6,253
Property and equipment (Note 3)	66,210	72,486
	<u>769,005</u>	<u>575,817</u>
<b>Liabilities</b>		
Current		
Payables and accruals	173,119	67,076
Deferred revenue	6,000	9,003
Current portion of deferred lease inducement (Note 4)	3,850	3,850
	<u>182,969</u>	<u>79,929</u>
Deferred lease inducement (Note 4)	1,604	5,454
CEBA loan payable (Notes 5 and 9)	30,000	30,000
	<u>214,573</u>	<u>115,383</u>
<b>Fund Balances</b>		
Unrestricted	429,676	378,252
Restricted (Note 6)	4,000	19,000
Operating reserve fund	60,000	-
Invested in property and equipment	60,756	63,182
	<u>554,432</u>	<u>460,434</u>
	<u>769,005</u>	<u>575,817</u>

Commitment (Note 13)

Update on COVID-19 (Note 14)

Approved by the Governors:

  
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Mark A. Campbell

  
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KEITH SWITZER  
VICE CHAIR

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



## CURL BC

### STATEMENT OF OPERATIONS

For the year ended March 31, 2022

	Unrestricted Fund \$	Restricted Fund \$	2022 Total \$	2021 Total \$
<b>Revenue</b>				
Affiliation dues	364,904	-	364,904	179,500
Provincial sport grants, Schedule 1	261,087	84,250	345,337	262,487
Other provincial funding, Schedule 1	-	302,642	302,642	110,000
Fundraising and special events	227,449	-	227,449	210
Provincial championships	166,499	-	166,499	10
Other federal government assistance (Note 9)	142,182	-	142,182	376,704
Sponsorship and advertising (Note 10)	51,098	68,185	119,283	77,859
National/International, Schedule 2	-	115,000	115,000	15,000
Member services	23,594	-	23,594	13,820
Course fees	17,013	-	17,013	7,611
Other income	3,529	-	3,529	3,513
	<u>1,257,355</u>	<u>570,077</u>	<u>1,827,432</u>	<u>1,046,714</u>
<b>Expenses</b>				
Administration and office (Note 3)	149,325	253	149,578	168,921
Competitions				
National and international	10,200	-	10,200	1,400
Provincial	177,766	145,900	323,666	19,284
Regional	-	7,850	7,850	177
Marketing, promotions and communications	32,499	82,642	115,141	61,245
Member services	290,078	127,928	418,006	65,662
Payments to associations, clubs and athletes, Schedule 3	5,000	100,000	105,000	-
Payroll and contractors (Note 11)	420,900	120,504	541,404	516,594
Sponsorships and special events (Note 10)	62,589	-	62,589	33,222
	<u>1,148,357</u>	<u>585,077</u>	<u>1,733,434</u>	<u>866,505</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>108,998</b>	<b>(15,000)</b>	<b>93,998</b>	<b>180,209</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, 2022

	Unrestricted Fund \$	Restricted Fund \$	Operating Reserve Fund \$	Invested in property and equipment \$	2022 Total \$	2021 Total \$
<b>Balance, beginning</b>	<b>378,252</b>	<b>19,000</b>	-	<b>63,182</b>	<b>460,434</b>	280,225
Excess (deficiency) of revenue over expenses	<b>108,998</b>	<b>(15,000)</b>	-	-	<b>93,998</b>	180,209
Purchase of property and equipment	<b>(9,723)</b>	-	-	<b>9,723</b>	-	-
Amortization of property and equipment	<b>15,999</b>	-	-	<b>(15,999)</b>	-	-
Amortization of deferred lease inducement	<b>(3,850)</b>	-	-	<b>3,850</b>	-	-
Interfund transfer (Note 7)	<b>(60,000)</b>	-	<b>60,000</b>	-	-	-
<b>Balance, ending</b>	<b>429,676</b>	<b>4,000</b>	<b>60,000</b>	<b>60,756</b>	<b>554,432</b>	460,434

*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, 2022

	2022	2021
	\$	\$
<b>Cash flows related to operating activities</b>		
Excess (deficiency) of revenue over expenses	93,998	180,209
Adjustments for items not affecting cash:		
Amortization of property and equipment	15,999	15,449
Amortization of deferred lease inducement	(3,850)	(3,850)
Forgivable government assistance	-	(10,000)
	106,147	181,808
Changes in non-cash working capital:		
GST receivable	(910)	(1,955)
Receivables	35,737	(18,273)
Inventory	265	5,908
Prepaid expenses	(1,797)	19,235
Payables and accruals	106,043	(18,878)
Deferred revenue	(3,003)	9,003
	242,482	176,848
<b>Cash flows related to investing activities</b>		
Proceeds from temporary investment	10,137	10,000
Purchase of temporary investment	(10,183)	(10,137)
Purchase of property and equipment	(9,723)	(3,671)
	(9,769)	(3,808)
<b>Cash flows related to financing activity</b>		
Proceeds from CEBA loan payable	-	40,000
<b>Net increase in cash</b>	<b>232,713</b>	<b>213,040</b>
Cash, beginning	371,978	158,938
<b>Cash, ending</b>	<b>604,691</b>	<b>371,978</b>

*Non-monetary transactions (Note 10)*

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

# CURL BC

## NOTES

For the year ended March 31, 2022

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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*.

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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 Operating Reserve Fund was established by the Board of Governors to provide immediate funding to address unexpected cash flow shortages, or expenses, to support special initiatives or projects that are consistent with the organization's mandate and operating plans or policies, and to provide a source of funds that can be made available through loans to member clubs to address their emergent conditions. The Board of Governors may, from time to time, direct transfers 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
Computer equipment	-	55% declining balance
Leasehold improvements	-	10 years straight-line
Program equipment	-	30% declining balance
Office equipment	-	30% declining balance

except in the year of acquisition, at which time amortization is provided for based on the date the asset is put into service.

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.

# CURL BC

## NOTES

For the year ended March 31, 2022

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### 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.

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**

##### Arm's Length Transactions

##### *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.

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

# CURL BC

## NOTES

For the year ended March 31, 2022

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### Note 1 Significant Accounting Policies (continued)

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#### Financial Instruments (continued)

##### Related Party Transactions

##### *Measurement of related party financial instruments*

The organization measures all related party financial instruments recognized in these financial statements at either the cost of the related party financial instrument, or at the cost of the consideration exchanged for the related party financial instrument. Measurement is based on the nature of the financial instrument, and depends on whether the instrument has repayment terms. The organization has no related party financial instruments required to be measured at fair value.

When the instrument has repayment terms, the cost is determined using the undiscounted cash flows, excluding interest and dividend payments, and less any impairment losses previously recognized by the transferor.

When the related party financial instrument has no repayment terms, the cost of the instrument is determined using the consideration transferred or received.

Related party financial instruments initially measured at cost are subsequently measured using the cost method.

##### Transaction Costs

Transaction costs related to the acquisition or issuance of financial instruments subsequently measured at fair value and to instruments originated or exchanged in a related party transaction 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 or issuance of the instrument, and the adjustment is recognized in excess (deficiency) of revenue over expenses over the life of the instrument using the straight-line method.

##### Impairment

Financial assets measured at amortized cost and related party financial assets measured using the cost method 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.

#### 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.

# CURL BC

## NOTES

For the year ended March 31, 2022

### Note 1 Significant Accounting Policies (continued)

#### Change in Accounting Policy

The organization has adopted the amendments to *CPA Handbook* Section 3856, Financial Instruments. The amendments have been adopted effective April 1, 2020, the beginning of the earliest comparative period in these financial statements (the “transition date”). The amendments provide guidance on the accounting for financial instruments arising from transactions between both arm’s-length and related parties, and require disclosure of enterprise-specific information related to significant risks arising from financial instruments.

The organization has applied the amendments retrospectively, in accordance with the transition provisions. The amendments provide transition relief for instruments without repayment terms to be measured at their pre-adoption carrying amount less impairment at the transition date. Transition relief is also provided for instruments extinguished or derecognized prior to the transition date, such that only instruments existing on the transition date need to be assessed.

The adoption of the amendments had no impact on the organization's financial statements other than the enterprise-specific risk disclosures related to significant risks arising from the organization’s financial instruments (see Note 12).

### Note 2 Receivables

Receivables consist of the following:

	2022 \$	2021 \$
Trade receivables	54,866	40,365
Government assistance receivable (Note 9)	-	50,238
	<u>54,866</u>	<u>90,603</u>

### Note 3 Property and Equipment

	Cost \$	2022 Accumulated Amortization \$	Net \$	2021 Net \$
Event equipment	101,729	54,530	47,199	51,960
Computer equipment	64,486	56,369	8,117	2,768
Leasehold improvements	55,923	48,000	7,923	13,515
Program equipment	30,790	28,097	2,693	3,847
Office equipment	20,653	20,375	278	397
	<u>273,581</u>	<u>207,371</u>	<u>66,210</u>	<u>72,486</u>

Administration and office expense includes amortization of \$15,999 (2021: \$15,449).

# CURL BC

## NOTES

For the year ended March 31, 2022

### Note 4 Deferred Lease Inducement

	2022 \$	2021 \$
Inducement received	38,500	38,500
Accumulated amortization	(33,046)	(29,196)
	<u>5,454</u>	<u>9,304</u>
Less: Current portion	(3,850)	(3,850)
	<u>1,604</u>	<u>5,454</u>

### Note 5 CEBA Loan Payable

In 2021, 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, 2023. \$10,000 is eligible for forgiveness, contingent on the organization repaying \$30,000 on or before December 31, 2023. During the year ended March 31, 2022, the organization recognized \$Nil (2021: \$10,000) as other federal government assistance. If \$30,000 isn’t repaid on or before December 31, 2023, \$40,000 (including the forgivable amount) will be converted to a two-year term loan maturing on December 31, 2025 and bearing interest at 5% per annum with monthly interest-only payments. As at March 31, 2022, the principal balance owing on the loan was \$40,000 (2021: \$40,000) including the \$10,000 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:

	2022 \$	2021 \$
Hosting BC grant	3,000	18,000
ViaSport coaching capacity grant	1,000	1,000
	<u>4,000</u>	<u>19,000</u>



## CURL BC

### NOTES

For the year ended March 31, 2022

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#### Note 7 Transfer to Internally Restricted Fund

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The Board of Governors approved the transfer of \$60,000 from the unrestricted fund to the operating reserve fund. The purpose of the transfer is to establish the operating reserve fund. The organization's target balance is initially set at \$375,000, based on 25% of the current annual operating budget, rounded up to the nearest \$25,000.

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#### Note 8 Fundraising

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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, 2022, the organization has raised \$54,539, 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, 2022, the quoted fair value of the securities underlying the Fund's capital was \$67,607 (2021: \$64,505). 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, 2022, income of \$1,356 (2021: \$1,181) was available to be distributed. During the year, income of \$2,556 (2021: \$2,360) was earned in the Fund and \$2,381 (2021: \$2,337) was distributed.

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#### Note 9 Government Assistance

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The organization was entitled to funds under the Canada Emergency Wage Subsidy (CEWS) program. The subsidy under the CEWS program was 65% - 75% of eligible employee wages for certain pay periods. The subsidy rate began to decrease in July 2021. On October 21, 2021, the Government of Canada announced that the CEWS program would end on October 23, 2021. At March 31, 2022, CEWS of \$130,959 (2021: \$267,134) 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, 2022, TWS of \$Nil (2021: \$8,856) was recognized as other federal government assistance.

The organization was also entitled to funds under the Canada Emergency Rent Subsidy (CERS) program. The subsidy under the CERS program was up to 65% of commercial rent or other eligible property expenses. On October 21, 2021, the Government of Canada announced that the CERS program would end on October 23, 2021. At March 31, 2022, CERS of \$11,223 (2021: \$11,464) was recognized as other federal government assistance.

## CURL BC

### NOTES

For the year ended March 31, 2022

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#### Note 9 Government Assistance (continued)

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In 2021, 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, 2022, Emergency Support of \$Nil (2021: \$79,250) was recognized as other federal government assistance.

At March 31, 2022, CEBA of \$Nil (2021: \$10,000) was recognized as other federal government assistance.

At May 27, 2022, there were no unfulfilled conditions nor outstanding contingencies with respect to CEWS, TWS, CERS, Emergency Support and CEBA.

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#### Note 10 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, television production services, and storage which is included in sponsorships and special events. The value of these materials and services is \$43,100 (2021: \$20,262). 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.

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#### Note 11 Remuneration of Governors, Employees and Contractors

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The *Societies Act* (British Columbia) requires the organization to disclose the remuneration paid to governors 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 \$105,550 (2021: one employee, \$103,563). No remuneration was paid to governors in the years ended March 31, 2022 and 2021.

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#### Note 12 Financial Instruments

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

Financial instrument transactions, such as collecting receivables, settling payables, and repaying debt obligations may result in exposure to significant financial risks and concentrations of risk.

The nature and extent of significant risks as at March 31, 2022 is described below. There have been no changes to the significant risks from the prior year.

##### 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. There is a concentration of credit risk as all trade receivables are due from curling clubs in British Columbia.

# CURL BC

## NOTES

For the year ended March 31, 2022

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### Note 13 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:

	\$
2023	25,300
2024	10,542
	<hr/>
	35,842
	<hr/>

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### Note 14 Update on COVID-19

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COVID-19, which has been recognized by the World Health Organization as a pandemic, has spread rapidly and extensively across the globe. Efforts by governments to control the further spread of COVID-19 have disrupted normal economic activity both domestically and globally. Uncertainty related to the extent, duration and severity of the pandemic has resulted in the organization having to cancel or postpone some events.

To mitigate the impact of reduced revenues, the organization applied for and received specific COVID-19 subsidies and relief funding totalling \$142,182 (2021: \$376,704). As of the date of the approval of the financial statements on May 27, 2022, the Rockslide Summer Camps have been planned for August 2022 to occur in-person. The organization is planning to host a full curling season in the fall of 2022. While there is some uncertainty over future revenues, management expects the organization will continue to have adequate cash flow to fund its operations during this pandemic through existing revenue sources that have confirmed their funding intentions and tight controls over operating expenses. The excess (deficiency) of revenues over expenses is expected to decrease compared to 2022, however, operations are expected to be sustainable due to the organization's reputation in the community and its precedent for attracting event sponsorship.

Management continues to monitor the impact of the pandemic. The extent to which the organization's financial position, results of operations and cash flows will be impacted by the COVID-19 pandemic is uncertain and will depend on future developments, which are unpredictable and subject to rapid change.

## CURL BC

### SCHEDULE OF PROVINCIAL GRANTS AND FUNDING

Schedule 1

For the year ended March 31, 2022

	Unrestricted Fund \$	Restricted Fund \$	2022 Total \$	2021 Total \$
<b>Provincial Sport Grants</b>				
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
Hosting BC	-	74,250	74,250	-
Sport BC participation program	-	10,000	10,000	-
	<u>261,087</u>	<u>84,250</u>	<u>345,337</u>	<u>262,487</u>
<b>Other Provincial Funding</b>				
BC Amateur Sport League Funding	-	192,642	192,642	-
BC Community Gaming Grants	-	110,000	110,000	110,000
	<u>-</u>	<u>302,642</u>	<u>302,642</u>	<u>110,000</u>
	<u>261,087</u>	<u>386,892</u>	<u>647,979</u>	<u>372,487</u>

### SCHEDULE OF NATIONAL/INTERNATIONAL REVENUE

Schedule 2

For the year ended March 31, 2022

	Unrestricted Fund \$	Restricted Fund \$	2022 Total \$	2021 Total \$
Curling Canada grants	-	15,000	15,000	15,000
2022 World Women's Curling Championships	-	100,000	100,000	-
	<u>-</u>	<u>115,000</u>	<u>115,000</u>	<u>15,000</u>

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, 2022

	Unrestricted Fund \$	Restricted Fund \$	2022 Total \$	2021 Total \$
Association grant payments	5,000	-	5,000	-
2022 World Women's Curling Championship hosting grant	-	100,000	100,000	-
	5,000	100,000	105,000	-

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

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