

**B.C. AMATEUR
ATHLETICS ASSOCIATION**
Financial Statements
For the year ended March 31, 2006

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Auditors' Report

**To the Members of
B.C. Amateur Athletics Association**

We have audited the consolidated, operating fund, capital fund, and reserve fund financial position of B.C. Amateur Athletics Association as at March 31, 2006 and the related statements of operations and net assets, cash flows, and capital financing for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2006 and the results of its operations and the cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of B.C., we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

BDO Dunwoody LLP
Chartered Accountants

Penticton, British Columbia
December 11, 2006

**B.C. Amateur Athletics Association
Operating Fund Statement of Operations and Net Assets**

	2006	2005
For the year ended March 31		
Revenue		
Association committee meetings	\$ 9,125	\$ 9,624
Administration	6,883	383
Memberships	249,669	235,830
Publications	6,318	8,151
Leadership	17,310	8,165
In province competitions	142,890	151,343
Hosting competitions	26,792	-
Marketing and promotions	59,348	36,692
BC government block contribution	160,269	135,400
Grants	176,729	130,773
BC regional centres	19,500	17,000
Special programs	40,422	32,491
Direct charitable access	70,752	49,684
Athlete development	12,171	12,747
Awards/recognition	62	16
Reserve fund income	983	183
	998,924	828,582
Expenditures		
Staffing:		
- Administration	125,432	122,340
- Programs	75,222	70,400
- Centres	10,000	25,412
- Summer career placement	9,338	6,804
B.C. regional centres	25,223	21,081
National training centres	27,500	27,500
Association committee meetings	39,526	35,173
Administration	155,310	144,194
Publications	9,187	13,292
Leadership	82,682	27,025
In-province competitions	146,876	137,465
Hosting competitions	26,671	2,301
B.C. team programs	70,669	60,831
Athlete development	96,051	85,352
Marketing and promotion	5,164	2,670
Special programs	8,798	11,573
Awards/recognition	1,206	862
	914,955	794,275
Surplus from operations	83,969	34,307
Unrestricted net assets, beginning of year	34,631	17,434
Transfer to reserve fund	(66,609)	(17,110)
Unrestricted net assets, end of year	\$ 51,991	\$ 34,631

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**B.C. Amateur Athletics Association
Consolidated Statement of Cash Flows**

	2006	2005
For the year ended March 31		
Cash flows from operating activities		
Cash received from customers and funding	\$ 1,012,903	\$ 807,089
Cash payments to suppliers, employees and athletes	(965,584)	(703,444)
Interest received	116	48
	47,435	103,693
Cash flows from investing activities		
Increase in reserve funds	(21,232)	(48)
	(21,232)	(48)
Cash flows from financing activities		
Track and field equipment repair fund contribution	867	135
Increase in cash during the year	27,070	103,780
Cash and cash equivalents (bank indebtedness), beginning of year	168,144	64,364
Cash and cash equivalents, end of year	\$ 195,214	\$ 168,144

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**B.C. Amateur Athletics Association
Capital Fund Financial Position**

As at March 31

2006 2005

Assets			
Capital assets (Note 3)	\$	5,183	\$ 11,574
Liabilities and Net Assets			
Net assets			
Net assets invested in capital assets, beginning of year		11,574	11,035
Amortization		(6,391)	(6,391)
Long term debt		-	6,930
Net assets invested in capital assets, end of year		5,183	11,574
	\$	5,183	\$ 11,574

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements. 7

**B.C. Amateur Athletics Association
Reserve Funds Financial Position**

As at March 31

2006 2005

Assets			
Cash	\$	24,744	\$ 3,512
Due from operating fund		66,540	21,163
	\$	91,284	\$ 24,675
Net Assets			
Net assets in reserve funds, beginning of year	\$	24,675	\$ 7,565
Track and field repair fund contribution		867	135
Interest income		116	48
Net contributions from operating fund		40,626	16,927
Contribution from operating fund for 2008 relocation move		15,000	-
Contribution from operating fund for 2007/08 equipment purchases		10,000	-
Net assets in reserve funds, end of year	\$	91,284	\$ 24,675

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements. 8

**B.C. Amateur Athletics Association
Summary of Significant Accounting Policies**

March 31, 2006

Nature and Purpose of Organization

B.C. Amateur Athletics Association is a not-for-profit organization incorporated under the B.C. Society Act and under an agreement with Athletics Canada coordinates cross-country running, road racing and track & field in British Columbia.

The Society is a registered Not-for-Profit organization and, as such, is exempt from income tax under section 149(1)(f).

Financial Instruments

The Association carries a number of financial instruments. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. The capital purchases which are not funded by the Capital Fund are charged to the Operations Fund in the year of acquisition. Amortization based on the estimated useful life of the asset is expensed in the Capital Fund and calculated as follows:

Equipment	-	10 years straight line basis
Computer equipment	-	5 years straight line basis
Leasehold improvements	-	5 years straight line basis

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles 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. Actual results could differ from management's best estimates as additional information becomes available in the future.

Revenue Recognition

Revenue received are of two types: a) those grants and incomes which relate to the fiscal period and b) those grants and incomes that relate to specific events or projects. Those revenues received or earned that relate to the fiscal period are recognized when received or earned. Those revenues that relate to specific events or projects are deferred until the event or project is complete.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank balances and investments in money market instruments with maturities of three months or less.

Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is generally determined on the first-in, first-out basis.

**B.C. Amateur Athletics Association
Notes to the Financial Statements**

March 31, 2006

1. Inventory

The following table summarizes the Association's inventory held at year end:

	2006	2005
Inventory held for resale	\$ 5,641	\$ 2,618
Inventory held for event prizes and uniforms	19,791	24,120
	\$ 25,432	\$ 26,738

2. Reserve Fund

The Reserve Fund represents appropriated operating fund surplus, the revenue and capital of which will be used to fund specific activities of the Association or to supplement operating fund sources. As well, an additional \$15,000 was allocated for the anticipated 2008 relocation move expense and \$10,000 for 2007/2008 equipment purchases.

3. Capital Assets

	2006	2005
	Cost	Accumulated Amortization
Equipment	\$ 312,997	\$ 312,997
Computer equipment	52,258	49,728
Leasehold improvements	4,606	2,763
	\$ 369,861	\$ 365,488
Net book value	\$ 5,183	\$ 11,574

B.C. Amateur Athletics Association
Notes to the Financial Statements

March 31, 2006

4. Capital Fund

The Capital Fund reports the assets, liabilities, and sources and uses of capital financing related to the Association's capital assets.

5. Lease Commitments

The Association has various operating lease commitments for office equipment which requires annual payments of approximately \$7,000.