

**B.C. AMATEUR  
ATHLETICS ASSOCIATION  
Financial Statements  
For the year ended March 31, 2009**

**Contents**

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## Auditors' Report

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**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, 2009 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, 2009 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.

  
Chartered Accountants

Penticton, British Columbia  
August 13, 2009

**B.C. Amateur Athletics Association  
Consolidated Financial Position**

As at March 31 2009 2008

**Assets**

**Current**

Cash	\$	203,141	\$	184,513
Accounts receivable		59,481		36,382
Inventory (Note 1)		47,341		63,575
Prepaid expenses		31,501		31,739
Reserve fund (Note 2)		26,755		26,108

368,219 342,317

**Capital assets (Note 3)**

28,721 22,743

**\$ 396,940** **\$ 365,060**

**Liabilities and Members' Equity**

**Current**

Accounts payable and accrued liabilities	\$	178,307	\$	35,735
Deferred revenue		32,427		132,228

210,734 167,963

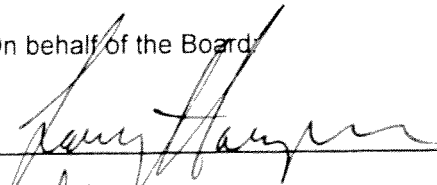
**Net Assets**

Unrestricted net assets	30,997	49,663
Net assets invested in capital assets	28,721	22,743
Net assets in reserve fund	126,488	124,691

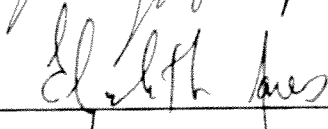
186,206 197,097

**\$ 396,940** **\$ 365,060**

On behalf of the Board:



Director



Director

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

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

For the year ended March 31	2009	2008
<b>Revenue</b>		
Association committee meetings	\$ 9,718	\$ 8,459
Administration	5,316	7,664
Memberships	288,519	238,663
Publications	291	5,988
Leadership	6,718	3,846
In province competitions	128,293	131,791
Hosting competitions	82	-
Marketing, promotions and sponsorships	38,164	45,525
BC government block contribution	176,054	178,738
Grants	182,108	226,082
BC regional centres	30,000	30,000
Special programs	31,923	38,601
Direct charitable access	202,411	173,102
Athlete development	10,468	8,754
Run Jump Throw contributions	23,975	19,036
Reserve fund income	646	614
	<b>1,134,686</b>	<b>1,116,863</b>
<b>Expenditures</b>		
Athlete development	113,961	140,101
Administration	217,271	171,866
Association committee meetings	53,540	58,819
Awards/recognition	1,393	1,108
B.C. regional centres	31,890	37,574
B.C. team programs	89,907	65,214
Hosting competitions	4,010	3,000
In-province competitions	214,024	200,962
Leadership	44,488	36,849
Marketing and promotion	4,729	3,761
National training centres	27,500	27,500
Publications	5,878	21,237
Run Jump Throw competition	55,204	46,259
Special programs (includes team uniforms)	28,043	22,286
Staffing:		
- Administration	162,655	157,943
- Programs	71,282	61,641
- Centres	-	10,000
- Summer student/part time staff	9,212	17,182
	<b>1,134,987</b>	<b>1,083,302</b>
<b>Surplus from operations</b>	<b>(301)</b>	<b>33,561</b>
<b>Unrestricted net assets, beginning of year</b>	<b>49,663</b>	<b>41,385</b>
<b>Transfer to capital fund</b>	<b>(17,718)</b>	<b>(9,296)</b>
<b>Transfer to reserve fund</b>	<b>(647)</b>	<b>(15,987)</b>
<b>Unrestricted net assets, end of year</b>	<b>\$ 30,997</b>	<b>\$ 49,663</b>

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

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

For the year ended March 31	2009	2008
<b>Cash flows from operating activities</b>		
Cash received from customers and funding	\$ 1,011,139	\$ 1,175,716
Cash payments to suppliers, employees and athletes	(975,942)	(1,198,151)
Interest received	646	614
	<b>35,843</b>	<b>(21,821)</b>
<b>Cash flows from investing activities</b>		
Purchase of capital assets	(17,718)	(9,296)
Increase in reserve funds	(647)	(613)
	<b>(18,365)</b>	<b>(9,909)</b>
<b>Cash flows from financing activities</b>		
Track and field equipment repair fund contribution	1,150	1,101
<b>Increase (decrease) in cash during the year</b>	<b>18,628</b>	<b>(30,629)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>184,513</b>	<b>215,142</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 203,141</b>	<b>\$ 184,513</b>

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

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

As at March 31	2009	2008
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 203,141	\$ 184,513
Accounts receivable	59,481	36,382
Inventory	47,341	63,575
Prepaid expenses	31,501	31,739
	\$ 341,464	\$ 316,209
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 178,307	\$ 35,735
Deferred revenue	32,427	132,228
Due to reserve fund	99,733	98,583
	310,467	266,546
<b>Net Assets</b>		
Unrestricted net assets	30,997	49,663
	\$ 341,464	\$ 316,209

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

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

As at March 31 2009 2008

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**Assets**

Capital assets (Note 3) \$ 28,721 \$ 22,743

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**Liabilities and Net Assets**

**Net assets**

Net assets invested in capital assets, beginning of year	\$ 22,743	\$ 22,455
Purchase of capital assets	17,718	9,296
Amortization	<u>(11,740)</u>	<u>(9,008)</u>

Net assets invested in capital assets, end of year \$ 28,721 \$ 22,743

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

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

<b>As at March 31</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash	\$ 26,755	\$ 26,108
Due from operating fund	99,733	98,583
	<b>\$ 126,488</b>	<b>\$ 124,691</b>
<b>Net Assets</b>		
Net assets in reserve funds, beginning of year	\$ 124,691	\$ 107,603
Track and field repair fund contribution	1,150	1,101
Interest income	647	613
Net contributions from operating fund	-	15,374
Net assets in reserve funds, end of year	<b>\$ 126,488</b>	<b>\$ 124,691</b>

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

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

March 31, 2009

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### 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)(l).

### New Accounting Pronouncement

Recent accounting pronouncement that has been issued but is not yet effective, and has a potential implication for the Association, is as follows:

#### Capital Disclosures

In December 2006, the CICA issued a new accounting standards entitled "Capital Disclosures" (Section 1535) which was to apply to the Society for fiscal periods starting on or after January 1, 2008. Subsequently, the adoption of Section 1535 by non-publicly accountable entities was deferred to fiscal years beginning on or after August 1, 2008.

The impact of the deferred section will likely not be considered by management until it is known whether this standard will be included in the new accounting standards for not-for-profit organizations.

The purpose of Section 1535 is to require the disclosure of information that enables users of the financial statements to evaluate the entity's objectives, policies and processes for managing capital.

### Financial Instruments

The organization utilizes various forms of financial instruments and classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The organization's accounting policy for each category is as follows:

#### Held for Trading

The organization has classified cash as held for trading. This financial instrument is recorded at fair value with changes in fair value recognized in the statement of revenue and expense as incurred. Transaction costs related to instruments classified as held for trading are expensed as incurred.

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

March 31, 2009

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### Financial Instruments Continued

#### Loans and Receivables

The organization has classified accounts receivable as loans and receivables. These financial instruments are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value and are subsequently measured at the amortized cost using the effective interest rate method. Gains and losses arising from changes in fair value are recognized as incurred.

#### Other Financial Liabilities

The organization has classified accounts payable and accrued liabilities. These financial instruments are initially recognized at fair value and are subsequently measured at the amortized cost using the effective interest rate method. Gains and losses arising from changes in fair value are recognized as incurred.

#### Measuring Fair Value

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or asking prices as appropriate, in the most advantageous active market for that instrument to which the organization has immediate access.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discounted rates. In determining those assumptions, external readily observable market inputs including interest rate yield curves, currency rates and price and rate volatilities are considered, as applicable.

### Capital Assets

Capital assets are recorded at cost. The capital purchases which are not funded by the Capital Fund are charged to the Operations Fund in the year of acquisition. The Capital Fund reports the assets, liabilities, revenues and expenses related to the organization's capital assets. Amortization based on the estimated useful life of the asset is expensed in the Capital Fund and calculated as follows:

Equipment	-	3 & 5 years straight line basis
Computer equipment	-	5 years straight line basis
Computer software	-	2 years straight line basis
Leasehold improvements	-	5 years straight line basis

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

March 31, 2009

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<b>Use of Estimates</b>	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.
<b>Revenue Recognition</b>	Revenue received are of three types: a) grants and incomes which relate to the fiscal period b) membership fees which are collected throughout the year and are non-refundable c) 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 received or earned that relate to membership fees are recognized when received. Those revenues that relate to specific events or projects are deferred until the event or project is complete.
<b>Cash and Cash Equivalents</b>	Cash and cash equivalents consist of bank balances and investments in money market instruments with maturities of three months or less.
<b>Inventory</b>	Inventory is stated at the lower of cost and net realizable value. Cost is generally determined on the first-in, first-out basis. Included in inventory are items that are held for resale and those that are consumable and used as prizes and uniforms.

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

March 31, 2009

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**1. Inventory**

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

	2009	2008
Inventory held for resale	\$ 2,831	\$ 5,740
Inventory held for event prizes and uniforms	44,510	57,835
	\$ 47,341	\$ 63,575

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**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.

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**3. Capital Assets**

	2009		2008	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 334,728	\$ 319,321	\$ 317,010	\$ 313,666
Computer equipment	31,991	18,677	31,991	12,592
Leasehold improvements	4,606	4,606	4,606	4,606
	\$ 371,325	\$ 342,604	\$ 353,607	\$ 330,864
Net book value		\$ 28,721		\$ 22,743

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**4. Capital Fund**

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

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