

# Ottawa Valley Curling Association

## Financial Statements

For the year ended May 31, 2024  
(Unaudited)

---

### Contents

Independent Practitioner's Review Engagement Report	2
Financial Statements	
Statement of Financial Position	3
Statement of General Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 12



Tél./Tel: 613-237-9331  
Télec./Fax: 613-237-9779  
www.bdo.ca

BDO Canada s.r.l./S.E.N.C.R.L./LLP  
180 Kent Street  
Suite 1700  
Ottawa ON K1P 0B6 Canada

---

## Independent Practitioner's Review Engagement Report

---

To the members of Ottawa Valley Curling Association

We have reviewed the accompanying financial statements of Ottawa Valley Curling Association that comprise the statement of financial position as at May 31, 2024, and the statements of general operations, the statement of changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Ottawa Valley Curling Association as at May 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*BDO Canada LLP*


Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
September 18, 2024

**Ottawa Valley Curling Association  
Statement of Financial Position  
(Unaudited)**

May 31	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 181,595	\$ 46,535
Accounts receivable	6,288	1,554
Harmonized sales tax recoverable	3,082	7,196
Current portion of development fund (Note 2)	169,047	142,634
Prepaid expenses	-	388
	360,012	198,307
<b>Operating fund investments</b>	131,808	140,948
<b>Development fund (Note 2)</b>	410,944	376,263
	\$ 902,764	\$ 715,518
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 26,906	\$ 6,539
Funds held in trust	819	819
	27,725	7,358
<b>Deferred revenue (Note 3)</b>	144,982	-
	172,707	7,358
<b>Subsequent events (Note 2)</b>		
<b>Net Assets</b>		
Unrestricted	730,057	708,160
	\$ 902,764	\$ 715,518

On behalf of the board:

  
C33976B631504FF...

Director

Director

Ottawa Valley Curling Association  
Statement of General Operations  
(Unaudited)

For the year ended May 31	Budget 2024	2024	2023
<b>Revenues</b>			
Membership dues and branch fees	\$ 19,000	\$ 18,875	\$ 19,304
Corporate sponsors	7,600	3,500	2,500
World Men's Curling Championship legacy funds	2,700	-	-
World Men's Curling Championship 2023 (Note 3)	50,000	67,919	192,500
	<u>79,300</u>	<u>90,294</u>	<u>214,304</u>
<b>Expenses</b>			
Association dues	-	775	275
Curling development	400	-	-
Event coordinator fees	4,700	-	3,934
Executive meetings and travel	4,500	2,753	583
Hosting events grants	3,500	2,825	1,325
Insurance	2,000	2,439	4,052
Office, telephone and miscellaneous	5,175	867	4,813
OVCA Symposium	-	1,500	39,108
Professional fees	12,500	15,405	11,862
Promotion	10,000	-	5,547
Roar of the Rings	-	4	-
Team grants	18,000	17,747	18,225
World Men's Curling Championship 2023 (Note 3)	50,000	67,419	196,274
Youth programs	5,800	4,150	4,303
	<u>116,575</u>	<u>115,884</u>	<u>290,301</u>
Deficiency of revenues over expenses before other income (expenses)	(37,275)	(25,590)	(75,997)
<b>Other income (expenses)</b>			
Investment income	15,000	13,426	22,501
Interest income from loans	1,500	6,600	1,994
Loss on sale of investments	-	(5,733)	(10,328)
Increase in fair market value of investments	-	33,194	13,507
	<u>16,500</u>	<u>47,487</u>	<u>27,674</u>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (20,775)</b>	<b>\$ 21,897</b>	<b>\$ (48,323)</b>

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

---

Ottawa Valley Curling Association  
Statement of Changes in Net Assets  
(Unaudited)

<u>For the year ended May 31</u>	<u>2024</u>	<u>2023</u>
Balance, beginning of the year	\$ 708,160	\$ 756,483
Excess (deficiency) of revenues over expenses	<u>21,897</u>	<u>(48,323)</u>
<u>Balance, end of the year</u>	<u>\$ 730,057</u>	<u>\$ 708,160</u>

Ottawa Valley Curling Association  
Statement of Cash Flows  
(Unaudited)

For the year ended May 31	2024	2023
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ 21,897	\$ (48,323)
Add back non-cash outlays:		
Loss on sale of investments	5,733	10,328
Increase in fair market value of investments	(33,194)	(13,507)
	(5,564)	(51,502)
Net change in non-cash working capital balances (Note 4)	165,114	2,648
	159,550	(48,854)
Cash flows from investing activities		
Purchase of operating fund investments	(36,508)	(56,512)
Proceeds on sale of operating fund investments	46,188	54,048
Purchase of investments in development fund	(125,897)	(127,440)
Proceeds on sale of investments in development fund	145,485	129,578
Increase in loans to curling clubs in development fund	(100,000)	(50,000)
Repayment of loans by curling clubs in development fund	46,242	76,699
	(24,490)	26,373
Increase (decrease) in cash during the year	135,060	(22,481)
Cash, beginning of the year	46,535	69,016
Cash, end of the year	\$ 181,595	\$ 46,535

---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

1. Accounting Policies

Status and Purpose of  
Organization

The Ottawa Valley Curling Association (the "Association") is a not-for-profit organization incorporated without share capital under the Corporations Act of Ontario.

The purpose of the Association is to foster curling in the greater Ottawa Valley, promote close understanding and friendly relations between club members, to provide guidance and assistance to new clubs and to schedule inter-club bonspiels in the area.

The Association is a non-profit organization under the Income Tax Act and, as such, is exempt from income taxes.

Basis of Accounting

The Association applies the Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Association recognizes revenue from events using the deferral method. Proceeds earned from hosting events are recognized as revenue in the year in which the related expenses are incurred. In addition, proceeds earned from events are deferred as per agreements and recognized as revenue when the funds are used for various program expenses.

Membership revenues are recognized in the year of membership.

Sponsorship revenue is recognized in the year it is received as per the sponsorship agreement.

Investment income is recognized when earned.

---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

1. Accounting Policies (continued)

Financial Instruments

Initial and subsequent measurement

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and liabilities at amortized cost, except for short-term investments and long-term investments in the development fund, which it chooses to measure at fair value, and the loans are measured at amortized cost. Changes in fair value of these financial instruments are recognized in the statement of general operations in the year incurred.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of general operations in the year incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of general operations over the life of the instrument using the straight-line method.

Donated Assets and  
Volunteer Services

The value of assets donated to the Association are not reflected in these financial statements unless their value is reasonably determinable and such items would be otherwise purchased. Contributed services are not recognized in the financial statements due to the difficulty in determining their fair market value.

---



---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

2. Development Fund

Loans to Curling Clubs, at amortized cost

<u>Club</u>	<u>Year Matures</u>	<u>2024</u>	<u>2023</u>
Rideau	2027	\$ -	\$ 29,000
RA Centre	2028	28,571	35,714
Thurso	2029	14,783	17,739
Carleton Heights	2030	42,857	50,000
Russell	2031	50,000	-
Buckingham	2031	50,000	-
		<hr/>	<hr/>
		186,211	132,453
Marketable securities, at fair value		<hr/> 393,780	<hr/> 386,444
		579,991	518,897
Less: current portion		<hr/> 169,047	<hr/> 142,634
		<hr/>	<hr/>
		<u>\$ 410,944</u>	<u>\$ 376,263</u>

Installments on the loans, plus interest, are due March 1 of each year. The interest rate is set at prime rate minus 1% for business loans as set by the Canadian chartered banks.

Marketable securities held as part of the development fund consist of fixed income securities, common shares and mutual funds. The interest rates of fixed income investments range from 1.75% to 5.85% with maturity dates from March 2025 to December 2051. Common shares investments and other fixed income securities due within one year are presented in the current portion.

The Association has two signed agreement with two curling clubs for loans in the amounts of \$50,000 and \$34,000, both of which were signed subsequent to year end.

---

---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

3. Deferred Revenue

The Association entered into an agreement with Ontario's Ministry of Heritage, Sport, Tourism and Culture Industries whereby the Association is the Recipient to funds administered by the Province of Ontario specific to the hosting of 2023 World Men's Curling Championship. Upon receipt, the Association then transfers the funds to Curling Canada, who is acting as the operator of the Championship. During the fiscal year, the Association received the last payment of \$50,000 and transferred to Curling Canada. From hosting the event, the Association received a share of the profits earned. As of the report date, the Association received 10% of the ticket sales in the amount of \$162,902. A portion of these funds were required to be paid to provincial curling associations and the remaining for specific programs. As of May 31, 2024, the balances deferred for the various programs as are follows:

	<u>2024</u>	<u>2023</u>
Learn to curl programs	\$ 11,300	\$ -
Youth programs	49,122	-
Adult programs	20,859	-
Capital upgrades program for Ottawa curling clubs	15,630	-
Development fund program	48,071	-
	<u>\$ 144,982</u>	<u>\$ -</u>

---

4. Net Change in Non-Cash Working Capital Balances

The net change in non-cash working capital balances consists of the following changes in current assets and liabilities:

	<u>2024</u>	<u>2023</u>
Accounts receivable	\$ (4,734)	\$ 8,266
Accounts payable	20,364	(2,993)
Harmonized sales tax recoverable	4,114	(5,538)
Prepaid expenses	388	2,913
Deferred revenue	144,982	-
	<u>\$ 165,114</u>	<u>\$ 2,648</u>

---

5. Comparative Figures

Certain figures from prior year have been restated to conform with this year's financial statement presentation.

---

---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

6. Financial Instruments and Risk Management

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Association will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

The Association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The Association maintains a portion of its invested assets in liquid securities.

The Association's ability to obtain funding from external sources may be restricted if the Association's financial performance and condition deteriorate. In addition, credit and capital markets are subject to inherent global risks that may negatively affect the Association's access and ability to fund its short-term and long-term debt requirements. The Association mitigates this risk by actively monitoring market conditions and diversifying its sources of funding and debt maturity.

Credit risk

The Association provides credit to its member clubs in the normal course of business. The Association performs ongoing credit evaluations of its customers and maintains allowances for potential credit losses which, to date, have been within the range of management's expectations.

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 two types of risk: interest rate risk and other price risk. The Association is exposed to all of these two risks as described below.

Interest rate risk

The Association manages the interest rate exposure of its investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations. Investments subject to interest rate risk are comprised of bonds maturing between March 2025 to December 2051, bearing interest rates between 1.75% to 5.85%. The Association is subject to interest rate risk related to loans to curling clubs in development fund. The interest rate charged on loans receivable is prime minus 1%, therefore it is subject to market fluctuations. Management does not consider the risk associated with interest rates to be significant.

---

Ottawa Valley Curling Association  
Notes to Financial Statements  
(Unaudited)

May 31, 2024

---

6. Financial Instruments and Risk Management (continued)

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is exposed to other price risk through its investments in quoted shares and mutual funds. The Association maintains diversified portfolio of investments including fixed income, mutual funds, and equities which helps mitigate the impact of market fluctuations than relying on a single category of investment.

There have not been any changes in the risks from the prior year.

---