



Financial Statements

For the year ended March 31, 2018



Shooting Federation of Canada
Financial Statements
For the year ended March 31, 2018

Contents

Independent Auditor's Report	1
Financial Statements	
Balance Sheet	3
Statement of Operations and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Schedule 1 - Sport Canada Programs	10
Schedule 2 - Administrative	10

Independent Auditor's Report

To the Members of Shooting Federation of Canada

We have audited the accompanying financial statements of Shooting Federation of Canada, which comprise the balance sheet as at March 31, 2018, and the statements of operations and 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.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the management's preparation and fair presentation of the financial statements 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 management's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Independent Auditor's Report (continued)

Basis for Qualified Opinion

In common with many charitable organizations, the federation derives revenue from donations, memberships and tournaments the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the federation. The auditor's opinion on the financial statements for the year ended March 31, 2017 was also qualified because of the possible effects of this limitation in scope. Therefore we were not able to determine whether any adjustments might be necessary to donations, memberships and tournaments revenue, excess of revenue over expenses for the years ended March 31, 2018 and 2017, assets as at March 31, 2018 and 2017 and net assets at both the beginning and end of the March 31, 2018 and 2017 years.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Shooting Federation of Canada as at March 31, 2018 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.

Collins Barrow Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants

September 21, 2018

Ottawa, Ontario

Shooting Federation of Canada Balance Sheet

March 31 2018 2017

Assets

Current

Cash (Note 2)	\$	115,314	\$	77,350
Accounts receivable		304		1,710
Inventory		39,414		20,611
Prepaid expenses		13,354		21,438
HST receivable		7,975		4,101
Investment (Note 3)		117,183		116,124

293,544 241,334

Capital assets (Note 4)

26,203 11,337

\$ 319,747 \$ 252,671

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$	82,240	\$	11,740
Deferred revenue		3,208		14,112
Deferred term memberships		4,518		2,670

89,966 28,522

Net assets

229,781 224,149

\$ 319,747 \$ 252,671

Approved on behalf of the board:

_____ Member

_____ Member

Shooting Federation of Canada Statement of Operations and Changes in Net Assets

For the year ended March 31	2018	2017
Revenues		
Sport Canada	\$ 392,000	\$ 397,000
Coaching Association of Canada (CAC)	-	3,500
Affiliation/Insurance	170,751	172,199
Tournaments	80	157
Target sales	24,469	40,666
National team	17,355	8,820
Certification program	1,425	4,120
Miscellaneous	1,966	15,236
Membership	22,411	41,876
Recognition of specific purpose donations	-	29,271
National championships	38,706	-
	669,163	712,845
Expenditures		
Administrative (Schedule 2)	63,819	73,895
Amortization of capital assets	2,267	4,876
Athletes with a Disability (AWAD)	76,268	64,624
Coaching development	24,158	14,121
Cost of targets	24,469	35,047
Meetings	5,988	19,765
Membership and affiliation	62,948	62,092
National competition and sports science	142,608	95,676
Official languages	10,554	26,742
Professional fees	10,815	11,627
Promotion and communication	1,250	1,958
Salaries, benefits, and travel	130,990	131,393
Sport Canada Programs (Schedule 1)	107,397	64,757
	663,531	606,573
Excess of revenues over expenditures for the year	5,632	106,272
Net assets, beginning of year	224,149	117,877
Net assets, end of year	\$ 229,781	\$ 224,149

Shooting Federation of Canada Statement of Cash Flows

For the year ended March 31	2018	2017
Cash flows from (used in) operating activities		
Excess of revenues over expenditures for the year	\$ 5,632	\$ 106,272
Adjustment for non-cash item		
Amortization of capital assets	2,267	4,876
	7,899	111,148
Change in non-cash working capital items		
Accounts receivable	1,406	(1,710)
Inventory	(18,803)	2,590
Prepaid expenses	8,084	(6,533)
HST receivable	(3,874)	672
Accounts payable and accrued liabilities	70,500	(27,059)
Deferred revenue	(10,904)	7,687
Deferred team memberships	1,848	(1,698)
	56,156	85,097
Cash flows from (used in) investing activities		
Increase in investments	(1,059)	(1,064)
Purchase of capital assets	(17,133)	(11,337)
	(18,192)	(12,401)
Increase in cash during the year	37,964	72,696
Cash, beginning of year	77,350	4,654
Cash, end of year	\$ 115,314	\$ 77,350

Shooting Federation of Canada Notes to the Financial Statements

March 31, 2018

1. Significant Accounting Policies

Nature and Purpose of Organization The Shooting Federation of Canada (the "federation") is incorporated under the laws of Canada. The federation is engaged in the promotion of the sport of shooting, the sponsorship of competitions and meets and to act as the national body. The federation is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Basis of Presentation These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

Use of Estimates The preparation of financial statements in accordance 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 periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

Significant estimates include assumptions used in estimating the collectibility of accounts receivable, inventory obsolescence, the useful life and related amortization of tangible capital assets, provisions for accrued liabilities and accrued vacation pay.

Financial Instruments Financial instruments are financial assets or liabilities of the federation where, in general, the federation has the right to receive cash or another financial asset from another party or the federation has the obligation to pay another party cash or other financial assets.

Measurement of financial instruments

The federation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The federation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in operations.

Shooting Federation of Canada Notes to the Financial Statements

March 31, 2018

1. **Significant Accounting Policies (continued)**

**Financial Instruments
(continued)**

Measurement of financial instruments (continued)

Financial assets measured at amortized cost include cash, investments, accounts receivable and HST receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The federation has no financial assets measured at fair value.

Transaction costs

The federation recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it 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 operations.

Government Assistance

Funds are advanced by the federal government for the purpose of sponsoring specific activities during the year. Expenses are applied against contributions on the accrual basis. Any unexpended portions of Government of Canada contributions as at March 31 are refundable to the contributor and are recorded as current liabilities.

Capital Assets

Capital assets includes both tangible and intangible assets. The intangible asset consists of the membership database. The policy of the federation is to charge to operations the total cost of capital asset purchases, if less than \$200, in the year of purchase. Capital assets in excess of \$200 are capitalized and the cost is amortized on a straight-line basis over five years for both tangible and intangible assets.

**Donated Material and
Services**

The value of assets, materials and services donated to the federation is not reflected in these financial statements unless the item would be otherwise purchased and the fair value of such donations is reasonably determinable.

Shooting Federation of Canada

Notes to the Financial Statements

March 31, 2018

1. Significant Accounting Policies (continued)

Inventory	Inventory is valued at the lower of cost and net realizable value. Cost is generally determined on an average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs. Net realizable value is assessed at each balance sheet date and a write down is recorded as necessary. The amount of the write down may be reversed (up to original amount of the write down) where there is a change in the economic circumstances.
Deferred Revenue	Membership fees received for terms extending beyond one year are deferred. The deferred revenue is transferred to income over the life of the membership, not to exceed five years. Membership fees for one-year terms are recognized as revenue in the year received.
Revenue Recognition	The federation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
Foreign Currency Transactions	Transactions during the year in foreign currencies have been converted in the accounts to Canadian dollars at the exchange rate effective on the transaction date. There are no monetary assets in foreign currencies at the end of the year.

2. Cash

The federation's bank accounts are held at one chartered bank and earn nominal interest.

3. Investment

The federation's investments consists of a guaranteed investment certificate maturing in September 2018, earning interest at 0.9%.

Shooting Federation of Canada Notes to the Financial Statements

March 31, 2018

4. Capital Assets

	2018			2017
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 39,619	\$ 22,486	\$ 17,133	\$ -
Membership database	102,922	93,852	9,070	11,337
	\$ 142,541	\$ 116,338	\$ 26,203	\$ 11,337

During the year the federation purchased a new electronic targeting system. As of March 31, 2018 the equipment is not in operation and as a result no amortization has been taken.

5. Financial Instruments

The federation is exposed to various risks through its financial instruments. The following analysis provides a measure of the federation's risk exposure and concentrations as at March 31, 2018.

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. The federation is mainly exposed to 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 federation is exposed to fair value risk on its investments with fixed interest rates.

Liquidity risk

Liquidity risk is the risk that the federation will encounter difficulty in meeting obligations associated with financial liabilities. The federation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Changes in risk

There have been no significant changes in the federation's risk exposures from the previous fiscal year.

**Shooting Federation of Canada
Schedule 1 - Sport Canada Programs**

For the year ended March 31	2018		2017	
Coaches salaries and professional development	\$	12,000	\$	3,201
Sport participation development		25,094		42,963
National championship		68,348		14,052
International representation		1,955		4,541
		<u>107,397</u>		<u>64,757</u>
	\$	107,397	\$	64,757

**Shooting Federation of Canada
Schedule 2 - Administrative**

For the year ended March 31	2018		2017	
Office, computer, postage, etc.	\$	31,788	\$	44,767
Insurance		4,170		6,000
Telecommunications		7,794		7,030
Bank charges		6,156		4,990
Premises		13,911		11,108
		<u>63,819</u>		<u>73,895</u>
	\$	63,819	\$	73,895
