

BRITISH COLUMBIA WRESTLING ASSOCIATION
FINANCIAL STATEMENTS
MARCH 31, 2016

**BRITISH COLUMBIA WRESTLING ASSOCIATION
FINANCIAL STATEMENTS
March 31, 2016**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	2-3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Change of Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8-11
Schedule of Revenue	12
Schedule of Expenses	13

HJ Wu & Company Inc.
Chartered Professional Accountant

600 - 890 West Pender Street, Vancouver, BC V6C 1J9

Telephone: 604.636.1862

INDEPENDENT AUDITOR'S REPORT

To the Members of British Columbia Wrestling Association,

I have audited the accompanying financial statements of British Columbia Wrestling Association ("the Association"), which comprise the statement of financial position as at March 31, 2016, and the statement of operations, statement of changes in net assets and statement of 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 entity'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 entity'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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

HJ Wu & Company Inc.

Chartered Professional Accountant

600 - 890 West Pender Street, Vancouver, BC V6C 1J9

Telephone: 604.636.1862

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenues from fundraising and various other sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of British Columbia Wrestling Association as at March 31, 2016, 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.

Other Matter

The financial statements of British Columbia Wrestling Association for the year ended March 31, 2015, were audited by another auditor who expressed a qualified opinion on those statements on May 21, 2015.

Vancouver, BC
May 24, 2016

HJ Wu & Company Inc.
Chartered Professional Accountant,
Certified General Accountant

BRITISH COLUMBIA WRESTLING ASSOCIATION
Statement of Financial Position
As at March 31, 2016

	2016	2015
	\$	\$
ASSETS		
Current Assets		
Cash	163,593	122,831
Marketable Securities	62,189	64,683
Accounts receivable	11,355	24,197
Sales taxes recoverable	2,865	3,761
Inventory (Note 2c)	400	400
Prepaid expenses	5,976	25,511
Restricted cash and marketable securities (Note 3)	33,491	43,061
	279,869	284,444
Tangible Capital Assets (Note 2d & 4)	28,143	35,651
	308,012	320,095
LIABILITIES		
Current Liabilities		
Accounts payable & accrued liabilities	19,657	24,097
Laliberte scholarship fund-liability (Note 3b)	33,257	34,007
Deferred revenue (Note 5)	25,140	51,099
	78,054	109,203
NET ASSETS		
Restricted net assets	33,491	43,061
Unrestricted net assets	196,467	167,831
	229,958	210,892
	308,012	320,095

Approved by the directors

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

BRITISH COLUMBIA WRESTLING ASSOCIATION
Statement of Operations
Year Ended March 31, 2016

	2016	2015
	\$	\$
Revenue (Schedule 1)	511,459	527,304
Expenses (Schedule 2)	492,393	509,302
Excess (Deficiency) Of Revenue Over Expenses	19,066	18,002

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

BRITISH COLUMBIA WRESTLING ASSOCIATION
Statement of Changes In Net Assets
Year Ended March 31, 2016

Net Assets	Restricted Net Assets	Unrestricted Net Assts	Total Net Assets	2015
	\$	\$	\$	\$
Balance, beginning of year	43,061	167,831	210,892	192,890
Excess (deficiency) of revenues over expenses	0	19,066	19,066	18,002
Transfers between funds	(9,570)	9,570	0	0
Balance - end of year	33,491	196,467	229,958	210,890

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

BRITISH COLUMBIA WRESTLING ASSOCIATION
Statement of Cash Flows
Year Ended March 31, 2016

	2016	2015
	\$	\$
Operating Activities		
Excess (deficiency) of revenue over expenses	19,066	18,002
Amortization	7,507	10,112
Fair value loss (gain) on marketable securities	3,245	0
	29,818	28,114
Net change in non cash working capital balance related to operations		
Accounts receivable	12,842	4,816
Sales tax recoverable	896	789
Inventory	0	1,048
Prepaid expenses	19,535	4,812
Accounts payable and accrued liabilities	(4,440)	1,353
Laliberte Scholarship Fund liability	(750)	0
Deferred revenue	(25,959)	12,829
	2,124	25,647
Cash (used in) provided by operating activities	31,942	53,761
Investing Activities		
Dispose (purchase) of tangible capital assets	0	(33,314)
Dispose (purchase) of marketable securities	0	17,994
Cash (used in) provided by investing activities	0	(15,320)
Net Increase (Decrease) in Cash	31,942	38,441
Cash, beginning of year	131,885	93,444
Cash, end of year	163,827	131,885
Cash is comprised of :		
Cash	163,593	122,831
Restricted cash	234	9,054
	163,827	131,885

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

BRITISH COLUMBIA WRESTLING ASSOCIATION
Notes to the Financial Statements
Match 31, 2016

1. Operations & Nature of Organization

British Columbia Wrestling Association ("the Association") is incorporated under the British Columbia Society Act.

The objective of the Association is to engage in the operating of programs and funding wrestling activities to promote the sport and the Association.

The Association is a not-for-profit organization under the Income Tax Act of Canada and, as such is exempt from income taxes.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant policies are detailed as follows:

a) Revenue Recognition

The Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted or internally restricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as fees for services. When the members receive the services, the fees are recognized as revenue

b) Financial Instruments

All financial instruments are initially measured on the statement of financial position at fair value. Subsequent measurement will depend on the relevant accounting policy.

The Association's financial instruments are cash, marketable securities, accounts receivable, restricted cash and marketable securities and accounts payable.

The Association's cash, accounts receivable, restricted cash and marketable securities and accounts payable are recorded at amortized cost. The Association has chosen to record its marketable securities at fair value.

BRITISH COLUMBIA WRESTLING ASSOCIATION
Notes to the Financial Statements
March 31, 2016

2. Summary of Significant Accounting Policies (Continued)

c) Inventory

Inventory is valued at the lower of cost or net realized value, using the FIFO method of cost allocation.

d) Tangible Capital Assets and Amortization

Purchased tangible capital assets are carried at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Tangible capital assets are amortized on a declining basis over the assets estimate useful lives as follows:

Asset	Rate
Computer Equipment	55% and 100%
Equipment	20%
Trailer	30%

e) Donated Services

Volunteers donate an undetermined number of hours per year to assist the Association in the delivery of programs and services. Because of the difficulty of recording and determining their fair market value, donated services are not recognized in the financial statements.

f) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

BRITISH COLUMBIA WRESTLING ASSOCIATION
Notes to the Financial Statements
March 31, 2016

3. Restricted Cash and Marketable Securities

a) Gaming Fund

Included in restricted cash and marketable securities is cash of \$234 (2015 - \$9,054) held in a gaming fund bank account. The use of the fund is subject to external restrictions placed by the Gaming Branch of the British Columbia Government.

b) Laliberte Scholarship Fund

The balance of Laliberte Scholarship Fund included in restricted cash and marketable securities as at March 31, 2016 is \$33,257 (2015 - \$34,007). The use of the fund is subject to external restrictions that required the fund be used to assist high school wrestlers annually at program events.

4. Tangible Capital Assets

	Cost	Accumulated Amortization	Net Book Value	
			2016	2015
Computer Equipment	\$4,124	\$3,797	\$327	\$728
Equipment	64,728	37,769	26,959	33,699
Trailers	6,000	5,143	857	1,224
	<u>\$74,852</u>	<u>\$46,709</u>	<u>\$28,143</u>	<u>\$35,651</u>

5. Deferred Revenue

Deferred revenue represents grant monies, registration fees and program costs received for projects which have not been completed as at March 31, 2016.

	2016	2015
Project and event grants and contribution	\$2,500	\$1,721
Event registration fees	<u>22,640</u>	<u>49,379</u>
	<u>25,140</u>	<u>51,100</u>

BRITISH COLUMBIA WRESTLING ASSOCIATION
Notes to the Financial Statements
March 31, 2016

6. 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 value of the instruments approximates their carrying values, unless otherwise noted.

Interest rate risk

The Association is exposed to interest rate risk with respect to its interest-bearing investments that bear interest at floating rates due to fluctuations in the market interest rates. The marketable securities held by the Association at March 31, 2016 consisted of fixed income securities bearing a fixed interest rate of 4.5% and equity financial instruments..

Credit risk

Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations to the Association. The Association is exposed to credit risk with respect to its financial assets as reported on the Statement of Financial Position. The Association limits its credit risk by dealing with counterparties that the Association considered to be of high quality parties.

7. Economic Dependence

The Association is economically dependent on the government funding, which represent 53% (2015 – 60%) of the total revenue.

8. Comparative Figures

Certain balance of the preceding year have been reclassified to conform with the current year's financial statement presentation.

BRITISH COLUMBIA WRESTLING ASSOCIATION
Schedule of Revenue
Year Ended March 31, 2016

	2016	2015
Government Contributions		
viaSPORT - Participation	98,000	98,000
viaSPORT - Performance	30,593	30,593
viaSPORT - Hosting	6,500	10,000
B.C. Gaming Direct Access Grant	9,054	69,695
viaSPORT - Targeted Sport Coaching	60,000	60,000
viaRegional Coaching	20,000	20,000
viaSPORT - Participation Program - Bilateral Funding	5,000	25,000
viaSport - Northern Officials Grant	-	1,000
viaSPORT - Team BC (Canada Games)	39,648	-
	<hr/>	<hr/>
	268,795	314,288
Other Revenue		
Canadian Amateur Wrestling Association	38,471	36,750
Coaching Fund for Excellence (SFU) Endowment	15,467	13,552
Douglas College Foundation	6,200	6,113
Fundraising	-	393
Interest	900	2,224
Laliberte Scholarship Fund	750	-
Membership	49,220	54,607
Miscellaneous	-	4,183
Other Grants	2,529	-
Programs and Services	132,372	90,739
Unrealized gains (losses) on marketable securities	(3,245)	4,455
	<hr/>	<hr/>
	242,664	213,016
	<hr/>	<hr/>
	511,459	527,304

BRITISH COLUMBIA WRESTLING ASSOCIATION
Schedule of Expenses
Year Ended March 31, 2016

	2016	2015
Staff	188,147	203,575
Meetings		
National	1,061	113
Provincial	1,608	953
Planning & Committees	1,931	1,779
	4,600	2,845
Administration		
Bad Debts	(20)	(175)
Fundraising	-	-
Office	43,030	43,699
	43,010	43,524
Programs		
Athletes	65,567	69,202
Coaching Fund for Excellence (SFU) Endowment	7,902	7,066
Kids	1,411	4,398
Officials	15,065	16,165
Recognition & Awards	214	2,269
	90,159	99,100
Excellence		
Athlete Assistance	8,100	8,100
High Performance	89,956	77,376
Provincial Sport Development	24,834	24,255
	122,890	109,731
Special projects		
Laliberte Scholarship	750	-
Provincial & National Games	35,330	23,750
Regional Games	-	16,665
	36,080	40,415
Amortization	7,507	10,112
	492,393	509,302