

**Ontario Speed Skating Association  
Financial Statements  
For the Year Ended August 31, 2023  
(Unaudited)**

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For the Year Ended August 31, 2023  
(Unaudited)**

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## Independent Practitioner's Review Engagement Report

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### To the Members of the The Ontario Speed Skating Association

We have reviewed the accompanying financial statements of the The Ontario Speed Skating Association that comprise the statement of financial position as at August 31, 2023, and the statements of operations, 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 the The Ontario Speed Skating Association as at August 31, 2023, 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.

Chartered Professional Accountants, Licensed Public Accountants

Guelph, Ontario  
January 24, 2024

**Ontario Speed Skating Association  
Statement of Financial Position  
(Unaudited)**

August 31	2023	2022
<b>Assets</b>		
<b>Current</b>		
Cash (Note 2)	\$ 207,248	\$ 228,031
Short-term investments	5,101	5,000
Accounts receivable	103,017	68,102
HST receivable	141	2,107
Inventories	8,693	8,292
Prepaid expenses	4,387	9,875
	328,587	321,407
<b>Capital Assets (Note 3)</b>	14,249	-
	\$ 342,836	\$ 321,407
 <b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 21,824	\$ 14,456
Deferred revenue	14,969	10,388
Current portion of long-term debt (Note 4)	40,000	-
	76,793	24,844
<b>Long-term debt (Note 4)</b>	-	40,000
	76,793	64,844
 <b>Net Assets</b>		
Unrestricted	266,043	256,563
	\$ 342,836	\$ 321,407

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

**Ontario Speed Skating Association  
Statement of Changes in Net Assets  
(Unaudited)**

<b>For the year ended August 31</b>	<b>Unrestricted</b>	<b>2023 Total</b>	<b>2022 Total</b>
<b>Balance, beginning of the year</b>	\$ 256,563	\$ 256,563	\$ 217,297
<b>Excess of revenues over expenses</b>	9,480	9,480	39,266
<b>Balance, end of the year</b>	\$ 266,043	\$ 266,043	\$ 256,563

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

**Ontario Speed Skating Association**  
**Statement of Operations**  
**(Unaudited)**

<b>For the year ended August 31</b>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>		
Canada Winter Games	\$ 4,918	\$ -
Coaching and officials development	11,225	8,425
Competitions	115,770	41,332
Government grants (Note 6)	249,437	622,912
Long Track camps	5,760	2,400
Membership and affiliation fees	78,778	59,306
Merchandise sales	11,092	10,039
NextGEN program	31,002	17,899
Other	368	273
Short Track camps	40,300	32,984
Women and Girls initiative	2,160	964
	<u>550,810</u>	<u>796,534</u>
<b>Expenses</b>		
Allocation to Speed Skating Canada	7,580	8,292
Amortization of capital assets	2,850	-
Annual conference and awards	2,720	-
Annual general meeting	3,862	592
Canada Winter Games	29,120	-
Club development	(188)	347,032
Coaching and officials development	4,780	8,031
Cost of merchandise sold	14,004	15,447
Grant	-	4,506
Insurance	10,957	8,672
Interest and bank charges	219	522
Long Track camps	5,751	3,453
Marketing and website development	670	615
NextGEN program	67,307	70,475
Office and travel	5,059	7,100
Professional development	283	178
Professional fees	39,820	42,289
Salaries and benefits	153,396	155,366
Short Track camps	23,767	24,787
Team Ontario coaching	23,580	21,035
Technical and competition	141,430	36,542
Women and Girls initiative	4,363	2,334
	<u>541,330</u>	<u>757,268</u>
<b>Excess of revenues over expenses</b>	<b>\$ 9,480</b>	<b>\$ 39,266</b>

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

**Ontario Speed Skating Association**  
**Statement of Cash Flows**  
**(Unaudited)**

<b>For the year ended August 31</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 9,480	\$ 39,266
Items not affecting cash:		
Accrued interest on short-term investments	(101)	-
Amortization of capital assets	2,850	-
	<u>12,229</u>	<u>39,266</u>
Changes in non-cash working capital balances		
Accounts receivable	(34,915)	(5,195)
HST receivable	1,966	(1,106)
Inventories	(401)	6,457
Prepaid expenses	5,488	(2,319)
Accounts payable and accrued liabilities	7,368	(6,374)
Deferred revenue	4,581	(3,915)
	<u>(3,684)</u>	<u>26,814</u>
<b>Cash flows from investing activities</b>		
Purchase of capital assets	(17,099)	-
	<u>(17,099)</u>	<u>-</u>
<b>Net (decrease) increase in cash</b>	<b>(20,783)</b>	<b>26,814</b>
<b>Cash, beginning of the year</b>	<b>228,031</b>	<b>201,217</b>
<b>Cash, end of the year</b>	<b>\$ 207,248</b>	<b>\$ 228,031</b>

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

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# Ontario Speed Skating Association

## Notes to Financial Statements

### (Unaudited)

August 31, 2023

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#### 1. Significant Accounting Policies

##### Nature and Purpose of Organization

The Ontario Speed Skating Association (the "association") is a not-for-profit organization comprised of skaters, their families, coaches and administration. The association is committed to the development of speed skating at the recreational and competitive level and promoting the sport as a lifetime activity. The association maintains a leadership position in Canada by providing member and new skater development through training, coaching, officiating programs and competitions in the province of Ontario.

The association is a not-for-profit organization incorporated by letters patent under the laws of the Province of Ontario as a corporation without share capital and is exempt from income taxes under section 149(1)(l) of the Income Tax Act.

##### Basis of Accounting

The financial statements of the association have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

##### Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided using the following methods and annual rates:

	<b>Method</b>	<b>Rate</b>
Timing equipment	Straight-line	3 years

In the year of acquisition, one-half the normal rate is used.

##### Revenue Recognition

The association follows the deferral method of accounting for contributions.

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.

Restricted contributions received or receivable relating to programs that will occur subsequent to year end are deferred.

Membership and affiliation fees, program revenue, sanction and check-in fees, and coaching and officials development revenue is recognized over the related period of service. Merchandise sales are recognized as revenue when significant risks and rewards of ownership are transferred to the customer and collection is reasonably assured.



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# Ontario Speed Skating Association

## Notes to Financial Statements

### (Unaudited)

**August 31, 2023**

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

<b>Government Assistance</b>	<p>The association makes periodic applications for financial assistance under government incentive programs.</p> <p>Government assistance received during the year for current expenses is included in the determination of net income for the year.</p>
<b>Financial Instruments</b>	<p>Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable.</p> <p>Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income.</p>
<b>Inventory</b>	<p>Inventory of resale equipment and merchandise is valued at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis.</p>
<b>Use of Estimates</b>	<p>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 amount of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Management's estimates and assumptions used in determining the allowance for doubtful accounts, inventory valuation and accrued liabilities are reviewed annually and are based on management's best estimates. These estimates are subject to measurement uncertainty, and the effect on the financial statements in future periods could be significant.</p>
<b>Contributed Services</b>	<p>Volunteers contribute many hours per year to assist the association in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>

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**Ontario Speed Skating Association  
Notes to Financial Statements  
(Unaudited)**

**August 31, 2023**

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**2. Cash**

The association's bank account is held at one chartered bank.

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**3. Capital Assets**

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Timing equipment	\$ 17,099	\$ 2,850	\$ -	\$ -
		<u>\$ 14,249</u>		<u>\$ -</u>

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**4. Long-term Debt**

In prior years, the association received a total of \$60,000 in financial assistance from the Canada Emergency Business Account (CEBA) loan program. Of the \$60,000 loan received, \$20,000 of this amount is forgivable if the remaining \$40,000 is repaid prior to January 18, 2024. The forgivable portion of the loan was included in revenue in prior years (2021 - \$10,000; 2020 - \$10,000). If the association does not repay the \$40,000 by January 18, 2024, the \$20,000 forgivable portion will be repayable and accounted for as a financial liability.

If any part of the balance is not paid by January 18, 2024, the remaining balance will be converted to a term loan at 5% annual interest, paid monthly, effective January 19, 2024. The full balance must be repaid by no later than December 31, 2026. Subsequent to year-end, the association repaid the \$40,000 prior to the January 18, 2024 deadline.

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**5. Economic Dependence**

The association depends on the Ministry of Tourism, Culture, and Sport (the "Ministry") to provide funding in order for the association to continue to operate.

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**Ontario Speed Skating Association**  
**Notes to Financial Statements**  
**(Unaudited)**

**August 31, 2023**

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**6. Government Grant Revenue**

	<u>2023</u>	<u>2022</u>
Government grant from the Ministry	\$ 150,000	\$ 150,000
Additional funding from the Ministry	99,437	462,250
Other grants	-	10,662
	<u>\$ 249,437</u>	<u>\$ 622,912</u>

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**7. Financial Instruments**

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The association is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations. The financial instruments that are exposed to credit risk are the association's accounts receivable balances. The majority of the association's receivables are from government sources and the association works to ensure it meets all eligibility criteria in order to qualify to receive the funding. There have not been any changes in the risk form the prior year.

**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 and will be forced to sell financial assets at a value which is less than what they are worth. The association is exposed to this risk due to their accounts payable and accrued liabilities balance and their long-term debt balance. There have not been any changes in the risk form the prior year.

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**8. Comparative Amounts**

Certain comparative figures in the statement of operations have been reclassified to conform to the current year presentation.

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