

Water Ski Wakeboard Ontario
ANNUAL FINANCIAL STATEMENTS
October 31, 2021

REVIEW ENGAGEMENT REPORT

To the members of
Water Ski Wakeboard Ontario

We have reviewed the statement of financial position of Water Ski Wakeboard Ontario ("the Association") as at October 31, 2021 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 enterprises 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 these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Cholkan + Stepczuk LLP

Chartered Professional Accountants
Licensed Public Accountants

January 15, 2022

Water Ski Wakeboard Ontario

STATEMENT OF FINANCIAL POSITION

October 31, 2021

Statement 1

	2021	2020
ASSETS		
Current		
Cash	\$333,667	\$322,051
Accounts receivable (note 2)	1,758	1,295
Prepaid expenses	1,415	475
	336,840	323,821
Equipment (note 3)	17,224	16,407
	\$354,064	\$340,228
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$11,206	\$15,640
Sales taxes payable	419	1,946
Deferred revenues (note 4)	4,220	34,330
	15,845	51,916
NET ASSETS (Statement 2)	338,219	288,312
	\$354,064	\$340,228

APPROVED ON BEHALF OF THE BOARD:


_____, DIRECTOR


_____, DIRECTOR

Unaudited – see Review Engagement Report.
Refer to the accompanying notes.

Water Ski Wakeboard Ontario

STATEMENT OF CHANGES IN NET ASSETS

Year ended October 31, 2021

Statement 2

			2021	2020
Net assets	Net assets invested in equipment	Unrestricted	Total	Total
Beginning of year	\$16,407	\$271,905	\$288,312	\$241,015
Purchases of equipment	4,919	(4,919)	-	-
Revenues over expenses for the year (<i>Statement 3</i>)	(4,102)	54,009	49,907	47,297
End of year	\$17,224	\$320,995	\$338,219	\$288,312

*Unaudited – see Review Engagement Report.
Refer to the accompanying notes.*

Water Ski Wakeboard Ontario

STATEMENT OF OPERATIONS

Year ended October 31, 2021

Statement 3

	2021	2020
Revenues		
Provincial government sport grants	\$132,358	\$75,000
Instructors course	25,373	10,801
Memberships	24,165	18,805
Event revenues	15,725	9,710
Other provincial government grants	-	14,600
	197,621	128,916
Expenses		
Community sport funding disbursements	45,641	-
Event costs	29,619	12,803
Athlete training and sponsorship	18,090	9,931
Remunerated personnel	15,775	12,785
Rent and telephone	7,110	6,839
Instructors course	6,340	12,044
Accounting and bookkeeping	6,254	5,374
Membership fees	5,978	4,294
Administrative and general	5,265	10,312
Registration and credit card processing	2,208	1,933
Promotion and member communications	1,076	1,180
Administrative travel and mileage	256	514
Amortization of equipment	4,102	3,610
	147,714	81,619
Revenues over expenses for the year	\$49,907	\$47,297

*Unaudited – see Review Engagement Report.
Refer to the accompanying notes.*

Water Ski Wakeboard Ontario

STATEMENT OF CASH FLOWS

Year ended October 31, 2021

Statement 4

	2021	2020
Cash provided by (used for):		
General operating activities		
Operating revenue sources	\$65,940	\$38,196
Grant contributions	101,108	90,000
Payments on account of expenses	(150,513)	(70,353)
	16,535	57,843
Investment activities		
Equipment purchases	(4,919)	(5,992)
	(4,919)	(5,992)
Net increase in cash for the year	11,616	51,851
Cash, beginning of year	322,051	270,200
Cash, end of year	\$333,667	\$322,051

*Unaudited – see Review Engagement Report.
Refer to the accompanying notes.*

Water Ski Wakeboard Ontario

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

October 31, 2021

Nature of Organization

Water Ski Wakeboard Ontario (the "Association") is a not-for-profit organization incorporated under the Ontario Corporations Act. The purpose of the organization is to encourage, foster, promote and organize the sports of water skiing and wakeboarding. As a non-profit organization, it is exempt from corporation income taxes.

1 / Summary of Significant Accounting Policies

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.

a. Equipment and amortization

Equipment is stated at cost less accumulated amortization. The cost of equipment is amortized over their estimated useful lives using the straight-line method over a period of ten years for the boat, including the boat lane tracking system, and five years for all other equipment.

b. Financial instruments

All of the organization's financial instruments, being cash, accounts receivable, accounts payable and accrued liabilities, are stated at amortized cost less impairment of value, if any.

c. Revenue recognition

Event, course, membership, and other revenues are recognized when the event has taken place or the services have been provided by the Association. Amounts received in advance are deferred as liabilities until recognized. If not received at recognition date, such revenues are recognized and recorded as receivable only when there is reasonable assurance of ultimate collection.

Membership fees are amortized to revenue using the straight-line method over the period of membership.

Grant revenue is deferred when further performance on the part of the Association is required to fulfill terms or conditions of the grant. Other contributions that have restrictions on their use are recognized as revenue systematically when the related expenses are incurred. The portion not recognized as revenue is shown on the balance sheet as deferred contributions.

d. Use of estimates

The preparation of financial statements using generally accepted accounting principles requires management to make reasonable estimates and assumptions that affect the reported amounts. Actual results could differ from those estimates.

e. Fund accounting

The Association does not use fund accounting.

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Water Ski Wakeboard Ontario

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

October 31, 2021

1 / Summary of Significant Accounting Policies *(continued)*

f. Contributed goods and services

Contributed goods and services received from non-members are recorded at fair value. Contributed services of members, as volunteers, cannot be valued in a practicable manner and are not recorded in these financial statements.

2 / Accounts Receivable

	2021	2020
Instructors course	\$ -	\$1,295
Event revenues	\$1,758	-
	\$1,758	\$1,295

No allowance for impairment of receivables is required.

3 / Equipment

			2021	2020
	Cost	Accumulated Amortization	Net	Net
Boat	\$17,419	\$6,117	\$11,302	\$8,125
Tournament equipment	19,440	13,518	5,922	8,282
	\$36,859	\$19,635	\$17,224	\$16,407

4 / Deferred revenues - Grants & Membership fees

	2021	2020
Balance, beginning of year	\$34,330	\$19,880
Less: amount recorded to revenue for the year	(30,110)	14,450
Balance, end of year	\$4,220	\$34,330

5 / Financial Instrument Risks

Accounts receivable are subject to credit risk, being the possibility that parties could default on their financial obligations. Liquidity risk, that financial obligations may not be met, exists as it does for all entities.

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Water Ski Wakeboard Ontario

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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6 / COVID-19 Pandemic

The global COVID-19 pandemic that started in early 2020 has caused unprecedented disruption and uncertainty in economic and social activity. Government health directives restricting the number of people at gatherings have limited the ability of the organization to engage members and to host competitions and events.

Management is of the opinion that: 1) the organization is well positioned to adapt to ongoing restrictions, especially given that its events are primarily held outdoors; 2) the organization has sufficient resources to fulfill its financial obligations for the foreseeable future; and 3) it is not possible to estimate the duration, possible recurrences, or future severity of the effects of COVID-19 at this time, nor its impact on the financial position and results of operations for future periods.

7 / Comparative Figures

Comparative amounts for the preceding year have been reclassified to conform with circumstances relevant to the current year.