

COACHING ASSOCIATION OF CANADA

FINANCIAL STATEMENTS

MARCH 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members,
Coaching Association of Canada:

Opinion

We have audited the financial statements of Coaching Association of Canada ("the Entity"), which comprise the statement of financial position as at March 31, 2021, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, 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.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OHCID LLP.

OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants

Ottawa, Ontario

July 22, 2021



COACHING ASSOCIATION OF CANADA

(Incorporated under the laws of Canada)

STATEMENT OF FINANCIAL POSITION

As at March 31, 2021

	2021	2020
ASSETS		
Current assets:		
Cash	\$ 1,987,870	\$ 945,029
Accounts receivable	267,514	278,098
Government sales taxes receivable	143,847	59,822
Prepaid expenses	159,337	124,043
	<u>2,558,568</u>	<u>1,406,992</u>
Marketable securities (note 3)	753,009	698,500
Capital assets - (note 2)	38,554	29,396
	<u>\$ 3,350,131</u>	<u>\$ 2,134,888</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 1,654,503	\$ 688,008
Deferred revenue (note 5)	171,088	155,112
	<u>1,825,591</u>	<u>843,120</u>
Net assets:		
Net assets invested in capital assets	38,554	29,396
Net assets held for future development - internally restricted	500,000	500,000
Unrestricted net assets	985,986	762,372
	<u>1,524,540</u>	<u>1,291,768</u>
	<u>\$ 3,350,131</u>	<u>\$ 2,134,888</u>

On behalf of the Board:

Director



Director



(See accompanying notes to the financial statements)

COACHING ASSOCIATION OF CANADA

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2021

	2021	2020
NET ASSETS INVESTED IN CAPITAL ASSETS		
Balance, beginning of year	\$ 29,396	\$ 42,741
Purchase of capital assets (net)	28,216	6,761
Amortization	(19,058)	(20,106)
Balance, end of year	<u>\$ 38,554</u>	<u>\$ 29,396</u>
NET ASSETS HELD FOR FUTURE DEVELOPMENT		
Balance, beginning and end of year	<u>\$ 500,000</u>	<u>\$ 500,000</u>
UNRESTRICTED NET ASSETS		
Balance, beginning of year	\$ 762,372	\$ 1,008,516
Net revenue (expense) for the year	232,772	(259,489)
Investment in capital assets	(9,158)	13,345
Balance, end of year	<u>\$ 985,986</u>	<u>\$ 762,372</u>

(See accompanying notes to the financial statements)

COACHING ASSOCIATION OF CANADA

STATEMENT OF OPERATIONS

For the year ended March 31, 2021

	2021	2020
REVENUE		
Sport Canada	\$ 4,829,250	\$ 4,624,550
Sport Canada - COVID-19 Emergency Support	1,052,563	-
Sponsors (note 6)	397,669	296,743
Partners fees and sales	1,070,955	1,324,360
Registration fees	-	129,540
International projects	24,548	58,100
Other	91,377	32,859
	<u>7,466,362</u>	<u>6,466,152</u>
EXPENSE		
Educational and partnerships	2,487,479	3,059,756
Marketing and communications	1,079,063	1,462,108
Administration	802,800	858,646
International programs	4,230	41,544
Innovation and business enablement	774,519	625,988
Sport safety	993,201	677,599
COVID-19 Emergency Support	1,092,298	-
	<u>7,233,590</u>	<u>6,725,641</u>
Net revenue (expense) for the year	<u>\$ 232,772</u>	<u>\$ (259,489)</u>

COACHING ASSOCIATION OF CANADA

STATEMENT OF CASH FLOWS

For the year ended March 31, 2021

	2021	2020
CASH PROVIDED BY (USED FOR)		
Operating activities		
Net revenue (expense) for the year	\$ 232,772	\$ (259,489)
Items not requiring cash:		
-amortization	19,058	20,106
-loss (gain) on investments	(46,415)	17,489
	<u>205,415</u>	<u>(221,894)</u>
Changes in non-cash working capital items		
Accounts receivable	10,584	(110,593)
Government sales tax receivable	(84,025)	61,845
Prepaid expenses	(35,294)	(39,804)
Accounts payable	966,495	(269,783)
Deferred revenue	15,976	38,939
	<u>1,079,151</u>	<u>(541,290)</u>
Investing activities		
Purchase of marketable securities	(8,094)	(10,584)
Purchase of capital assets - net of disposals	(28,216)	(6,761)
	<u>(36,310)</u>	<u>(17,345)</u>
Increase (decrease) in cash	1,042,841	(558,635)
Cash - beginning of year	945,029	1,503,664
Cash - end of year	<u>\$ 1,987,870</u>	<u>\$ 945,029</u>

(See accompanying notes to the financial statements)

COACHING ASSOCIATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

ORGANIZATION

Coaching Association of Canada (the "Association") is a non-profit Registered Canadian Amateur Athletic Association formed in 1971 and as such is exempt from income tax. While registered, the Association may issue tax deductible receipts to donors. Its mission is to enhance the experience of all athletes and participants in Canada through quality coaching. The Association is dependent upon Sport Canada for the majority of its funding requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

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 expense is incurred. Unrestricted contributions are recognized as revenue when they are received or can be reasonably estimated and collection is reasonably assured. Membership fees are recognized using the deferral method. Partner fees and sales, registration fees and sponsorship revenue is recognized as revenue during the period to which it relates.

b) Financial instruments

Marketable securities are initially recognized at fair value and are subsequently measured at the year-end fair value. Changes in fair value are recognized in the statement of operations. Other financial instruments are initially recognized at fair value and are subsequently measured at amortized cost or cost less appropriate allowances for impairment.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Financial assets measured at fair value include marketable securities.

c) Capital assets

Purchases of furniture and equipment are recorded at cost and amortization is calculated on the declining balance basis. The amortization rate for office furniture is 20% and the rate for other equipment is 45%. Computer software is expensed in the year it is purchased.

COACHING ASSOCIATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

d) Use of estimates

The preparation of these financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

2. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2021	Net Book Value 2020
Office furniture	\$ 8,525	\$ 6,865	\$ 1,660	\$ 2,075
Computer equipment	92,494	55,600	36,894	27,321
	\$ 101,019	\$ 62,465	\$ 38,554	\$ 29,396

3. MARKETABLE SECURITIES

Marketable securities consist of equity and fixed income mutual funds and are recorded at fair value.

	2021	2020
Alto Monthly Income Portfolio	\$ 588,399	\$ 557,309
Maestro Income Balanced Portfolio	164,610	141,191
	\$ 753,009	\$ 698,500

4. FINANCIAL INSTRUMENTS

The Association is exposed to currency, interest rate and market risks through its marketable securities. The Association follows investment policies and practices to control the amount of risk to which it is exposed. The maximum investment risk is represented by the fair value of the marketable securities. It is management's opinion that the carrying amounts of the financial instruments approximates their fair value.

COACHING ASSOCIATION OF CANADA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2021

5. DEFERRED REVENUE

Deferred revenue consists of membership fees of \$54,402 (2020 - \$58,565) that relate to the next fiscal year and sponsorships and contributions of \$116,686 (2020 - \$96,547) that are related to future activities.

	2021	2020
Balance, beginning of year	\$ 155,112	\$ 116,173
Less: amount recognized as revenue in the year	(155,112)	(116,173)
Plus: amount received related to the following year	171,088	155,112
Balance, end of year	\$ 171,088	\$ 155,112

6. SPONSORS

Sponsors for the fiscal year include Suncor, TeamSnap and Decathlon Canada.

7. COMMITMENTS

The Association has entered into a long-term lease for office space, furniture, IT infrastructure and fit-up with The Recreation Association of the Public Service of Canada. The lease commenced October 1, 2017 and extends to September 30, 2022. The gross annual rental cost approximates \$166,000.

8. COMPARATIVE AMOUNTS

Certain comparative amounts were reclassified to conform with the financial statement presentation adopted in the current year.

9. ALLOCATION OF EXPENSES

The Association allocates the cost of premises and other general overhead to various divisions as follows:

	2021		2020	
Educational and partnerships	\$60,905	35%	\$68,666	38%
Marketing and communications	40,679	24%	45,175	25%
Innovation and business enablement	32,521	19%	25,298	14%
Sport safety	11,578	7%	10,842	6%