

**CANADIAN WEIGHTLIFTING FEDERATION
HALTÉROPHILE CANADIENNE**

**FINANCIAL STATEMENTS
March 31, 2021**

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

INDEX TO THE FINANCIAL STATEMENTS
March 31, 2021

	Page
INDEPENDENT AUDITOR'S REPORT	
STATEMENT OF OPERATIONS	1
STATEMENT OF CHANGES IN NET ASSETS	2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF CASH FLOWS	4
NOTES TO THE FINANCIAL STATEMENTS	5 - 9

INDEPENDENT AUDITOR'S REPORT

To: **The Members of
Canadian Weightlifting Federation Haltérophile Canadienne**

Opinion

We have audited the financial statements of Canadian Weightlifting Federation Haltérophile Canadienne, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets, 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 Organization as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Organization 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 the Board of Directors for the Financial Statements

The Board of Directors are responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as the Board of Directors determine 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, the Board of Directors are responsible for assessing the Organization'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 the Board of Directors either intend to liquidate the Organization or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT, continued

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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Organization'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 Organization 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.

ACCOUNTANTS AND BUSINESS ADVISORS

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INDEPENDENT AUDITOR'S REPORT, continued

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.

Reid Hurst Nagy Inc.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER, B.C.
JULY 7, 2021

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

STATEMENT OF OPERATIONS For the year ended March 31, 2021

	2021	2020
	\$	\$
REVENUES		
Sport support program	71,307	117,500
Next Generation Initiative Funding	59,190	42,000
Gender equity and safety	16,800	-
Participants contributions	1,406	49,710
Membership fees	9,700	12,823
Sanctions antidoping fees	-	1,716
Administration fees	3,151	4,282
	161,554	228,031
EXPENSES (Note 6)		
Communication and website	12,829	1,500
Domestic development	248	5,595
Gender equity assessment	16,800	-
Honorary and coaches expenses	-	2,650
Insurance	4,479	4,485
Junior World competitions	9,729	15,196
Meetings	210	14,797
Membership and fees	884	654
National competitions	-	1,304
Next Generation Initiative	59,190	42,417
Office and miscellaneous	2,525	4,417
Official language translation	2,619	4,454
Professional fees	34,489	5,425
Senior World competitions	850	101,334
	144,852	204,228
EXCESS OF REVENUES OVER EXPENSES	16,702	23,803

The accompanying notes are an integral part of these financial statements

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

STATEMENT OF CHANGES IN NET ASSETS For the year ended March 31, 2021

	2021	2020
	\$	\$
BALANCE, beginning of the year	131,885	108,082
Excess of revenues over expenses	16,702	23,803
BALANCE, end of the year	148,587	131,885

The accompanying notes are an integral part of these financial statements

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

STATEMENT OF FINANCIAL POSITION As at March 31, 2021

	2021 \$	2020 \$
ASSETS		
CURRENT ASSETS		
Cash	206,596	138,857
Accounts receivable	26,000	3,285
Prepaid expenses	5,599	4,434
	238,195	146,576
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	6,495	14,691
Deferred contributions (Note 3)	83,113	-
	89,608	14,691
NET ASSETS	148,587	131,885
	238,195	146,576

Approved on behalf of the Board:

_____ Director

_____ Director

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

STATEMENT OF CASH FLOWS For the year ended March 31, 2021

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	16,702	23,803
NET CHANGES IN NON-CASH WORKING CAPITAL		
Accounts receivable	(22,715)	3,563
Prepaid expenses	(1,165)	(2,400)
Accounts payable and accrued liabilities	(8,196)	14,239
Deferred contributions	83,113	-
	67,739	39,205
INVESTING ACTIVITIES	-	-
FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH	67,739	39,205
CASH, beginning of the year	138,857	99,652
CASH, end of the year	206,596	138,857

The accompanying notes are an integral part of these financial statements

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2021

1: PURPOSE OF THE ORGANIZATION

Canadian Weightlifting Federation Haltérophile Canadienne is a registered amateur national sport governing body incorporated as a Society under the laws of Canada. The Organization's purpose is to encourage and develop wide participation and the highest proficiency for the sport of Olympic weightlifting in Canada.

The Organization is a registered charity under the Income Tax Act.

2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(b) Tangible capital assets

Tangible capital assets are recorded at cost. The Organization provides for depreciation using the straight-line method at rates designed to depreciate the cost of the tangible capital assets over their estimated useful lives. Depreciation is calculated by the straight-line method at the annual rates set out in the note.

(c) Revenue recognition

The Organization 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.

(d) Income taxes

The Organization is exempt from income taxes under the provision of the Income Tax Act as a not-for-profit organization.

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2021

2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Measurement uncertainty

The preparation of 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Significant areas specifically affected by estimates in these financial statements are collectability of accounts receivable and amounts recorded as accrued liabilities.

(f) Government contributions

Government of Canada contributions are subject to certain terms and conditions regarding the expenditures of these funds, with the expenditures charged against these contributions being subject to a government audit. As a result, adjustments may be made, in the year of the audit, to the original contributions received.

(g) Financial instruments

(i) Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Organization subsequently measures all its financial assets and financial liabilities at cost or 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 excess of revenues over expenses in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

(ii) Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenses. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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 excess of revenues over expenses.

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2021

2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Financial instruments, continued

(iii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in excess of revenues over expenses in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in excess of revenues over expenses over the life of the instrument using the straight-line method.

3: DEFERRED CONTRIBUTIONS

	2021	2020
	\$	\$
Sport Canada - Sport Support Program	83,113	-

4: FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2021.

(a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. In the opinion of management the fair value risk exposure to the Organization is low and is not material.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at March 31, 2021, the Organization has cash of \$23,799 in US dollars. In the opinion of management the currency risk exposure to the Organization is low and is not material.

(c) 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 Organization's main credit risk relates to its accounts receivable. The Organization's accounts receivable consists mostly of amounts due from member associations, which reduces credit risk. In the opinion of management the credit risk exposure to the Organization is low and is not material.

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2021

4: FINANCIAL INSTRUMENTS, continued

(d) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. In the opinion of management the currency risk exposure to the Organization is low and is not material.

5: CONTRIBUTED SERVICES

Volunteers have contributed substantial time and effort into the ongoing success of the programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

6: EXPENSES BY OBJECT

	2021	2020
	\$	\$
Administration	54,533	30,623
National team programs	70,653	162,252
Official language	2,619	4,454
Operations and programming	17,047	6,899
	<hr/>	<hr/>
	144,852	204,228

7: ECONOMIC DEPENDENCE

The Organization receives the majority of its revenue through a funding agreement with the Government of Canada. The Organization's continued operations are dependent on this funding agreement and on satisfying the terms of the agreement. The Organization earned \$147,297 (2020 - \$159,500), which represents 91% (2020 - 69%) of its revenues, from this source.

CANADIAN WEIGHTLIFTING FEDERATION HALTÉROPHILE CANADIENNE

NOTES TO THE FINANCIAL STATEMENTS March 31, 2021

8: COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The economic effects within the Organization's environment and in the global markets due to the disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) have a material impact on the Organization's operations.

The extent of the impact of this outbreak and related containment measures on the Organization's operations cannot be reliably estimated at this time.