

Canadian Curling Association

(operating as "Curling Canada")

Financial Statements

For the year ended April 30, 2024

Contents

Independent Auditor's Report	2 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 14
Supplementary Financial Information (Unaudited)	
Schedule of Operations - Season of Champions	15 - 16



Tél./Tel: 613-237-9331
Télec./Fax: 613-237-9779
www.bdo.ca

BDO Canada s.r.l./S.E.N.C.R.L./LLP
180 Kent Street
Suite 1700
Ottawa ON K1P 0B6 Canada

Independent Auditor's Report

To the Members of the Canadian Curling Association

Opinion

We have audited the financial statements of the Canadian Curling Association (the "Association"), which comprise the statement of financial position as at April 30, 2024, 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 Association as at April 30, 2024, 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.

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 Association 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 Association 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 Association'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 Association 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.

Supplementary Financial Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 15 - 16 of the Association's financial statements.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
September 3, 2024

**Canadian Curling Association
(operating as "Curling Canada")
Statement of Financial Position**

April 30	2024	2023
Assets		
Current		
Cash	\$ 5,051,967	\$ 6,017,986
Accounts receivable (Note 2)	2,378,384	5,868,719
Prepaid expenses	638,861	93,016
Loans receivable (Note 3)	28,176	28,176
Investments (Note 4)	1,008,744	973,017
	9,106,132	12,980,914
Tangible capital assets and intangible assets (Note 5)	841,747	960,556
Loans receivable (Note 3)	77,324	94,824
	\$ 10,025,203	\$ 14,036,294
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 1,423,008	\$ 3,094,251
Deferred revenues and contributions (Note 6)	837,883	496,953
	2,260,891	3,591,204
Contractual obligations (Note 7)		
Net Assets		
Invested in tangible capital assets and intangible assets	841,747	960,556
Internally restricted reserve (Note 8)	5,442,338	5,442,338
Unrestricted	1,480,227	4,042,196
	7,764,312	10,445,090
	\$ 10,025,203	\$ 14,036,294

On behalf of the Board:


 _____ Governor
 Michael Szajewski


 _____ Governor
 Ray Baker

**Canadian Curling Association
(operating as "Curling Canada")
Statement of Changes in Net Assets**

For the year ended April 30	Invested in Tangible and Intangible Capital Assets	Internally Restricted Reserve	Unrestricted	2024	2023
Balance , beginning of the year	\$ 960,556	\$ 5,442,338	\$ 4,042,196	\$10,445,090	\$ 11,028,096
Deficiency of revenues over expenses	(218,233)	-	(2,462,545)	(2,680,778)	(583,006)
Acquisition of tangible capital assets and intangible assets	99,424	-	(99,424)	-	-
Balance , end of the year	\$ 841,747	\$ 5,442,338	\$ 1,480,227	\$ 7,764,312	\$ 10,445,090

The notes are an integral part of these financial statements.

Canadian Curling Association
(operating as "Curling Canada")
Statement of Operations

For the year ended April 30	2024	2023
Revenues		
Administration		
Sport Canada funding	\$ 1,263,500	\$ 1,263,500
Other revenues	575,347	128,385
Sport Canada recovery funding	-	1,680,767
Events (Note 9)	9,075,794	9,587,088
National sponsorships	5,173,919	5,167,084
Club development and member services	332,771	372,687
National team programming (Note 9)	2,399,121	2,271,310
For the Love of Curling	384,614	533,089
Community sport for all initiative	207,950	-
Strategic initiatives	97,269	140,062
	19,510,285	21,143,972
Expenses		
Administration	3,984,357	4,542,116
Governance	83,134	170,940
Events	11,196,043	10,120,583
Events distributions	611,676	973,060
National sponsorships	867,403	895,152
Club development and member services	439,328	761,454
National team programming	3,007,055	2,321,049
World championship travel	622,617	722,201
For the Love of Curling	382,301	585,055
Community sport for all initiative	210,263	-
Strategic initiatives	786,886	635,368
	22,191,063	21,726,978
Deficiency of revenues over expenses	\$ (2,680,778)	\$ (583,006)

Canadian Curling Association
(operating as "Curling Canada")
Statement of Cash Flows

For the year ended April 30	2024	2023
Cash flows from operating activities		
Deficiency of revenues over expenses	\$ (2,680,778)	\$ (583,006)
Item not affecting cash:		
Amortization of tangible capital assets and intangible assets	218,233	226,683
Unrealized (gain) loss on investments	(259,822)	113,738
	(2,722,367)	(242,585)
Changes in non-cash working capital:		
Accounts receivable	3,490,335	(3,066,864)
Prepaid expenses	(545,845)	300,081
Accounts payable and accrued liabilities	(1,671,243)	872,384
Deferred contributions	340,930	(262,749)
	(1,108,190)	(2,399,733)
Cash flows from investing activities		
Proceeds from disposal of investments	188,368	-
Increase in investments	35,727	8,078
Advances of loans receivable	-	(25,000)
Repayment of loans receivable	17,500	16,167
Acquisition of tangible capital assets and intangible assets	(99,424)	(108,316)
	142,171	(109,071)
Net decrease in cash	(966,019)	(2,508,804)
Cash, beginning of the year	6,017,986	8,526,790
Cash, end of the year	\$ 5,051,967	\$ 6,017,986

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

1. Accounting Policies

Purpose of Association Canadian Curling Association ("the Association") is a not-for-profit organization incorporated under the Canada Not-for-profit Corporations Act and is a Registered Canadian Amateur Athletic Association under the Income Tax Act and as such is exempt from income tax.

The Association co-ordinates the activities and programs of amateur Canadian curlers nationally and internationally.

Basis of Accounting The Association applies the Canadian accounting standards for not-for-profit organizations.

Use of Estimates The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the year covered. The main estimates relate to useful lives of tangible capital assets and intangible assets, and the valuation of accounts receivable.

Revenue Recognition The Association follows the deferral method of accounting for contributions. Under this method, restricted contributions are recognized as revenue in the year in which the related expense is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably assured.

Ticket sales, sponsorships and volunteer fees are recognized when the event occurs.

Bar services and merchandising sales are recognized when the goods have been transferred and collection is reasonably assured.

Philanthropic program revenue is comprised of donations and fundraising revenue and recognized when the amounts are received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Competitor and affiliation fees are recognized as revenue proportionately over the year to which they relate.

Investment income is recognized as revenue when earned and includes dividends and realized and unrealized gains and losses on the investments.

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

1. Accounting Policies (continued)

Financial Instruments

Initial and subsequent measurement

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, which are measured at fair value. Changes in fair value of these financial instruments are recognized in the statement of operations in the year incurred.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the year 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 the statement of operations over the life of the instrument using the straight-line method.

Tangible Capital Assets

Tangible capital assets are accounted for at cost less accumulated amortization. Amortization is provided on the basis of their useful lives using the straight-line method and following durations:

Building	25 years
Equipment	3-15 years
Furniture	15 years
Roof	15 years

Intangible Assets

Intangible assets are recognized at cost and amortized on the basis of their useful life using the straight-line method and following duration:

Website	5 years
---------	---------

Impairment of Long-Lived Assets

When a tangible capital asset or intangible asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Contributed Services

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.

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

1. Accounting Policies (continued)

Contributed Materials Contributed materials and services which are used in the normal course of the Association's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value is known.

Sport Canada Contribution Contributions received from Sport Canada are subject to specific terms and conditions regarding the expenditure of the funds. The Association's accounting records are subject to audit by Sport Canada to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which therefore would be refundable to Sport Canada. Adjustments to prior years' contributions are recorded in the year Sport Canada requests the adjustment.

2. Accounts Receivable

	2024	2023
Accounts receivable	\$ 1,207,672	\$ 4,959,945
Grants receivable	489,397	253,700
Sales tax receivable	681,315	655,074
	\$ 2,378,384	\$ 5,868,719

3. Loans Receivable

	2024	2023
Loans receivable under the Curling Assistance Program, bearing interest between 1.225% to 1.975%, maturing between February 2026 and December 2029.	\$ 105,500	\$ 123,000
Less: current portion	28,176	28,176
	\$ 77,324	\$ 94,824

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

4. Investments

	2024	2023
Common Shares	\$ -	\$ 40,375
Mutual funds	-	48,602
Preferred shares	1,008,744	884,040
	\$ 1,008,744	\$ 973,017

5. Tangible Capital Assets and Intangible Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Tangible Capital Assets				
Land	\$ 66,227	-	\$ 66,227	\$ -
Building	852,600	695,500	852,600	662,179
Equipment	1,467,408	1,060,590	1,423,442	935,079
Furniture	93,929	62,700	90,937	59,072
Roof	104,252	25,641	104,252	21,398
	2,584,416	1,844,431	2,537,458	1,677,728
Intangible Assets				
Website	257,650	208,354	257,650	156,824
Software	52,466	-	-	-
	310,116	208,354	257,650	156,824
	\$ 2,894,532	\$ 2,052,785	\$ 2,795,108	\$ 1,834,552
Net carrying amount		\$ 841,747		\$ 960,556

During the current year the the Association began the development of a national membership registration software. No amortization has been recorded as the development was not complete at year end.

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

6. Deferred Revenues and Contributions

Deferred contributions represents externally restricted contributions received in the current year that relate to the subsequent year or for which the related expenses have not yet been incurred. The major components are as follows:

	2024	2023
Philanthropic		
Balance, beginning of the year	\$ 426,953	\$ 483,533
Plus: amounts received during the year	590,131	313,105
Less: amounts recognized as revenue in the year	(368,363)	(369,685)
Balance, end of the year	648,721	426,953
Grants		
Balance, beginning of the year	-	63,969
Plus: amounts received during the year	20,462	-
Less: amounts recognized as revenue in the year	-	(63,969)
Balance, end of the year	20,462	-
SOC Events		
Balance, beginning of the year	-	212,200
Plus: amounts received during the year	93,700	-
Less: amounts recognized as revenue in the year	-	(212,200)
Balance, end of the year	93,700	-
Non-SOC Events		
Balance, beginning of the year	70,000	-
Plus: amounts received during the year	75,000	70,000
Less: amounts recognized as revenue in the year	(70,000)	-
Balance, end of the year	75,000	70,000
Total deferred contributions, end of the year	\$ 837,883	\$ 496,953

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

7. Contractual Obligations

The Association has committed to various contracts for the season of champion events, stakeholders, and high performance consultant and contractors. Future payments total \$1,644,917 over the next four fiscal years:

2025	\$	534,917
2026	\$	370,000
2027	\$	370,000
2028	\$	370,000

8. Net Assets

Internally Restricted Reserve

The Association's Board of Governors has established a long-term financial reserve to protect the organization against unforeseen financial hardships and as well as allow for investment in the growth of the sport in accordance with its strategic plan. The Internally Restricted Reserve also includes a commitment of funds towards the Curling Assistance Program (CAP) fund.

Investment in Tangible and Intangible Capital Assets

Investment in Tangible and Intangible Capital Assets is equal to the net carrying value of capital assets, net of amortization.

Unrestricted Net Assets

Unrestricted Assets represent the residual net assets of the operations, that are to be used based on approved budgets each fiscal year.

During the year, the Board approved a budget deficit of \$3,000,000 (2023 - \$2,024,800) for use in support of its strategic plans.

9. Events and National Team Programming Revenues

Included in National team programming revenues is an amount contributed by Sport Canada of \$2,000,000 (2023 - \$2,187,263). Included in Events revenues are amounts contributed by Sport Canada of \$200,000 (2023 - \$415,250) and tourism bodies totalling of \$975,000 (2023 - \$1,750,000) for the Season of Champion events.

10. Contributed Materials and Services

The Season of Champions direct expenses for facilities include \$100,000 (2023 - \$195,000) of contributed in-kind service for media. The Season of Champions expenses include \$529,754 (2023 - \$662,495) of contributed goods and services provided during the events.

**Canadian Curling Association
(operating as "Curling Canada")
Notes to Financial Statements**

April 30, 2024

11. Financial Instruments Risks

Credit risk

The Association is exposed to credit risk for its accounts receivable and loans receivable. The Association assesses, on a continuous basis, its receivables on the basis of amounts it is virtually certain to receive, and will set up an appropriate allowance for doubtful accounts when needed. The Association is also exposed to credit risk arising from all of its bank accounts being held at one financial institution.

Other price risk

The Association is exposed to other price risk through its investments for which the value fluctuates with the quoted market price. This risk is reduced to a minimum since the Association mitigates the risk by investing in preferred equities of the Canadian financial sector.

Changes in risks

There have not been any changes in the Association's risk exposures from the prior year.

12. Comparative Figures

Certain figures for the previous year have been reclassified to conform to the presentation adopted in the current year.

Canadian Curling Association
(operating as "Curling Canada")
Schedule of Operations
Season of Champions
(Unaudited)

For the year ended April 30, 2024	Pointsbet Invitational Ontario	Scotties Tournament of Hearts Alberta	Montana's Brier Saskatchewan	BKT Tires World Women's Curling Championship Nova Scotia	Total
Revenues					
Ticket sales	\$ 68,208	\$ 1,351,840	\$ 2,326,095	\$ 799,975	\$ 4,546,118
Other revenue	7,607	169,978	52,328	1,573	231,486
Volunteer income	4,600	32,900	32,900	32,300	102,700
Grants	-	562,500	850,000	800,000	2,212,500
Event partnerships	85,000	255,263	408,216	109,884	858,363
Merchandising	5,000	30,000	35,000	30,000	100,000
Program sales	-	4,890	4,370	2,145	11,405
Bar services	-	176,244	515,555	69,447	761,246
	170,415	2,583,615	4,224,464	1,845,324	8,823,818
Expenses					
Ticket marketing and public relations	101,371	451,123	720,333	339,203	1,612,030
Bar operations	107	221,083	637,967	110,320	969,477
Media and publications	19,464	43,561	45,947	29,479	138,451
Sponsor fulfillment	10,405	126,187	122,992	53,155	312,739
Gameday and ceremonies	-	15,688	85,699	3,287	104,674
Hosting	383,144	771,425	698,287	206,383	2,059,239
Volunteers	7,988	63,943	66,990	57,786	196,707
Arena facilities	109,397	216,894	655,346	231,122	1,212,759
Event travel and administration	75,997	220,570	297,046	230,964	824,577
Salaries and benefits	106,375	162,825	166,651	162,825	598,676
	814,248	2,293,299	3,497,258	1,424,524	8,029,329
Event operating (loss) income before distributions	(643,833)	290,316	727,206	420,800	794,489
Distributions					
Host Committees	6,110	122,550	221,193	79,998	429,851
World Curling Federation	-	-	-	95,106	95,106
Provincial Membership Associations	916	18,383	40,204	27,217	86,720
	7,026	140,933	261,397	202,321	611,677
Excess (deficiency) of revenues over expenses	\$ (650,859)	\$ 149,383	\$ 465,809	\$ 218,479	\$ 182,812

Canadian Curling Association
(operating as "Curling Canada")
Schedule of Operations
Season of Champions
(Unaudited)

For the year ended April 30, 2023	Pointsbet Invitational New Brunswick	Scotties Tournament of Hearts British Columbia	Tim Hortons Brier Ontario	BKT Tires & OK Tire World Men's Curling Championship Ontario	Total
Revenues					
Ticket sales	\$ 150,277	\$ 741,206	\$ 1,969,911	\$ 1,629,015	\$ 4,490,409
Other revenue	9,017	49,053	125,822	10,409	194,301
Volunteer income	7,102	25,200	35,500	33,800	101,602
Grants	75,000	486,100	1,300,300	827,500	2,688,900
Event partnerships	44,265	318,520	423,715	246,661	1,033,161
Merchandising	-	-	-	-	-
Program sales	-	6,573	15,259	4,330	26,162
Bar services	-	97,376	252,746	187,194	537,316
	<u>285,661</u>	<u>1,724,028</u>	<u>4,123,253</u>	<u>2,938,909</u>	<u>9,071,851</u>
Expenses					
Ticket marketing and public relations	71,325	291,279	374,584	354,968	1,092,156
Bar operations	10,100	143,241	364,181	295,116	812,638
Media and publications	11,755	9,618	15,659	18,802	55,834
Sponsor fulfillment	67,029	64,159	67,859	52,099	251,146
Gameday and ceremonies	2,192	2,633	45,699	2,597	53,121
Hosting	403,604	614,950	981,388	327,255	2,327,197
Arena facilities	102,111	196,001	344,990	326,232	969,334
Volunteers	24,628	48,212	61,496	49,429	183,765
Event travel and administration	119,371	329,120	276,954	387,652	1,113,097
Salaries and benefits	128,169	116,128	128,214	161,355	533,866
	<u>940,284</u>	<u>1,815,341</u>	<u>2,661,024</u>	<u>1,975,505</u>	<u>7,392,154</u>
Distributions					
Host committees	16,262	74,121	196,991	162,902	450,276
World Curling Federation	-	-	-	325,243	325,243
Provincial Membership Associations	2,254	11,118	146,151	38,019	197,542
	<u>18,516</u>	<u>85,239</u>	<u>343,142</u>	<u>526,164</u>	<u>973,061</u>
Excess (deficiency) of revenues over expenses	\$ (673,139)	\$ (176,552)	\$ 1,119,087	\$ 437,240	\$ 706,636