

Curl BC
FINANCIAL STATEMENTS
March 31, 2007

Curl BC
FINANCIAL STATEMENTS
For the ten month period ended March 31, 2007

	Page
Auditors' Report	2
Financial Statements	
Statement of Financial Position.....	3
Statement of Operations and Changes in Fund Balances	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7
Supplementary Financial Information	
Schedule of Provincial Government Grants	8
Schedule of Expenditures.....	9
Schedule of Grants to Associations and Clubs	10

AUDITORS' REPORT

To the Directors of
Curl BC

We have audited the statement of financial position of Curl BC as at March 31, 2007 and the statements of operations and changes in fund balances and cash flows for the ten month period then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the Organization derives revenue from events and course fees, and other sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and fund balances.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2007 and the results of its operations and changes in fund balances and cash flows for the ten month period then ended in accordance with Canadian generally accepted accounting principles.



Vancouver, B.C.
May 24, 2007

Chartered Accountants

Curl BC
STATEMENT OF FINANCIAL POSITION
March 31, 2007

	General Fund	Special Fund	Athlete Development Fund	Total March 31, 2007	Total May 31, 2006
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 347,300	\$ 56,141	\$ -	\$ 403,441	\$ 205,874
Term deposit	-	-	-	-	100,000
Accounts receivable	22,143	-	-	22,143	28,261
Inventories	6,822	-	-	6,822	9,501
Prepaid expenses	6,357	-	-	6,357	6,510
Due from General Fund	-	-	63,011	63,011	92,878
Due from Special Fund	1,352	-	-	1,352	22,923
	<u>383,974</u>	<u>56,141</u>	<u>63,011</u>	<u>503,126</u>	<u>465,947</u>
DEPOSITS	6,253	-	-	6,253	6,253
EQUIPMENT (Note 3)	2,546	-	-	2,546	3,395
	<u>\$ 392,773</u>	<u>\$ 56,141</u>	<u>\$ 63,011</u>	<u>\$ 511,925</u>	<u>\$ 475,595</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	\$ 42,534	\$ -	\$ -	\$ 42,534	\$ 15,070
Deferred revenue	9,334	-	-	9,334	35,054
Due to General Fund	-	1,352	-	1,352	22,923
Due to Special Fund	-	-	-	-	-
Due to Athlete Development Fund	63,011	-	-	63,011	92,878
	<u>114,879</u>	<u>-</u>	<u>-</u>	<u>116,231</u>	<u>165,925</u>
COMMITMENT (Note 4)					
FUND BALANCES					
UNRESTRICTED	277,894	-	-	277,894	216,792
RESTRICTED	-	54,789	-	54,789	-
INTERNALLY DESIGNATED	-	-	63,011	63,011	92,878
	<u>277,894</u>	<u>54,789</u>	<u>63,011</u>	<u>395,694</u>	<u>309,670</u>
	<u>\$ 392,773</u>	<u>\$ 56,141</u>	<u>\$ 63,011</u>	<u>\$ 511,925</u>	<u>\$ 475,595</u>

Approved by the Board _____ Director _____ Director

Curl BC

STATEMENT OF OPERATIONS AND CHANGES IN FUNDS BALANCES

	General Fund	Special Fund	Athlete Development Fund	Total ten months ended March 31, 2007	Total year ended March 31, 2006
REVENUE					
Provincial government grants (Schedule 1)	\$ 280,639	\$ 113,745	\$ -	\$ 394,384	\$ 346,780
Advertising	14,548	-	-	14,548	13,197
Affiliation dues	275,027	-	-	275,027	278,240
Camps and programs	18,251	-	-	18,251	2,713
Canadian Curling Association	38,605	-	-	38,605	39,081
Ice technician courses	472	-	-	472	3,699
Interest income	8,607	-	-	8,607	6,578
Miscellaneous	6,656	-	-	6,656	328
Officiating courses	3,229	-	-	3,229	1,734
Playdown entries	85,215	-	-	85,215	81,034
Sale of manuals and merchandise	2,875	-	-	2,875	5,223
Sponsors/partners/associates	37,500	-	-	37,500	38,000
Technical program courses	15,689	-	-	15,689	8,727
	<u>787,313</u>	<u>113,745</u>	<u>-</u>	<u>901,058</u>	<u>825,334</u>
EXPENDITURES (SCHEDULE 2)	<u>723,748</u>	<u>61,419</u>	<u>29,867</u>	<u>815,034</u>	<u>712,808</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FOR THE YEAR	63,565	52,326	(29,867)	86,024	112,526
FUND BALANCE, beginning of year	214,329	2,463	92,878	309,670	196,189
CONTRIBUTIONS FROM FORMERLY AMALGAMATED ORGANIZATIONS	-	-	-	-	955
FUND BALANCE, end of year	<u>\$ 277,894</u>	<u>\$ 54,789</u>	<u>\$ 63,011</u>	<u>\$ 395,694</u>	<u>\$ 309,670</u>

Curl BC

STATEMENT OF CASH FLOWS

	General Fund	Special Fund	Athlete Development Fund	Total ten months ended March 31, 2007	Total year ended March 31, 2006
CASH FLOW FROM OPERATING ACTIVITIES					
Excess (deficiency) of revenue over Expenditures	\$ 63,565	\$ 52,326	\$ (29,867)	\$ 86,024	\$ 112,526
Adjustments to reconcile net cash provided by operating activities					
Amortization of equipment	849	-	-	849	599
Decrease (increase) in					
Accounts receivable	6,118	-	-	6,118	40,629
Inventories	2,679	-	-	2,679	(2,964)
Prepaid expenses	153	-	-	153	(5,148)
Interfund receivable	21,571	-	29,867	51,438	(115,801)
Deposits	-	-	-	-	(6,253)
Increase (decrease) in					
Accounts payable and accrued liabilities	27,464	-	-	27,464	(30,855)
Deferred revenue	(25,720)	-	-	(25,720)	(59,321)
Interfund payable	(29,867)	(21,576)	-	(51,438)	115,801
	<u>66,812</u>	<u>30,755</u>	<u>-</u>	<u>97,567</u>	<u>49,213</u>
CASH FLOW FROM FINANCING ACTIVITIES					
Contributions	-	-	-	-	955
CASH FLOW FROM INVESTING ACTIVITIES					
Sale (purchase) of term deposit	100,000	-	-	100,000	(100,000)
Purchase of equipment	-	-	-	-	(3,994)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>(103,994)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	166,812	30,755	-	197,567	(53,826)
CASH AND CASH EQUIVALENTS, beginning of year	<u>180,488</u>	<u>25,386</u>	<u>-</u>	<u>205,874</u>	<u>259,700</u>
CASH AND CASH EQUIVALENTS, end of year	\$ <u><u>347,300</u></u>	\$ <u><u>56,141</u></u>	\$ <u><u>-</u></u>	\$ <u><u>403,441</u></u>	\$ <u><u>205,874</u></u>
CASH AND CASH EQUIVALENTS COMPRISED OF					
Cash	\$ 68,363	\$ 56,141	\$ -	\$ 124,504	\$ 53,184
Cash equivalents	<u>278,937</u>	<u>-</u>	<u>-</u>	<u>278,937</u>	<u>152,690</u>
	\$ <u><u>347,300</u></u>	\$ <u><u>56,141</u></u>	\$ <u><u>-</u></u>	\$ <u><u>403,441</u></u>	\$ <u><u>205,874</u></u>

Curl BC

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2007

1. ORGANIZATION

The Organization is incorporated under the *Society Act* (British Columbia). The Organization is a non-profit organization and is engaged in the operating of programs and funding curling activities to promote the sport and the Organization.

The Organization is exempt from income taxation under 149(1) (l) of the *Income Tax Act*.

2. ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles which necessarily involves the use of estimates. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Due to the change in year end, the current year statements of operations and cash flows cover the ten month period ended March 31, 2007. The prior year figures cover the year ended May 31, 2006.

Fund accounting

The General Fund accounts for the general operations of the organization including receipt of restricted and unrestricted donations, grants and other.

The Special Fund receipts are used in accordance with the terms and conditions set out for charitable gaming requirements, particularly with respect to promotional material regarding youth participation projects.

The Athlete Development Fund is an internally designated reserve fund created for Athlete Development. The intent is to use the funds for programs that support Athlete Development and Canada Winter Games targeted programs.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions.

Unrestricted donations and receipts are recorded on a cash basis when received. Interest is recorded as earned.

Donated goods and services

Supplemental efforts of volunteer workers are not recorded as revenue since it is not practical to calculate the monetary value of benefits received. In addition, contributions of other personal service, facilities and supplies are not included in the accompanying statements. Such donated goods and services are generally provided for the beneficiaries of the Organization and not principally intended for the Organization itself.

Cash and cash equivalents

Term deposits with an original maturity of 90 days or less, or which are highly liquid, are considered cash equivalents.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in first-out method.

Curl BC
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2007

2. **ACCOUNTING POLICIES** - continued

Equipment

Equipment is carried at cost less accumulated amortization. Amortization is provided over the estimated useful life of the equipment using the declining balance method at the following annual rate:

Office equipment - 30%

3. EQUIPMENT	2007			2006
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Computer equipment	\$ <u>3,994</u>	\$ <u>1,448</u>	\$ <u>2,546</u>	\$ <u>3,395</u>

4. **COMMITMENT**

The Organization has an operating lease for its premises payable at \$1,495 per month expiring March 2008. The Organization is obligated to make the following minimum lease payments in each of the fiscal years ending:

March 31, 2008 \$ 18,528

5. **FINANCIAL INSTRUMENTS**

Financial instruments consist of cash, term deposits, accounts receivable, and accounts payable and accrued liabilities.

Fair value

The fair value of cash, term deposits, accounts receivable, and accounts payable and accrued liabilities are believed to equal their carrying amounts due to their short terms to maturity.

Interest rate risk

Term deposits bear interest at fixed rates and therefore do not subject the Organization to interest rate risk.

Credit risk

The Organization's primary accounts receivable relate to a grant from Pacific Sport, GST refunds receivable from the government of Canada and interest receivable from term deposits held with Scotiabank. Collection from Pacific Sport, GST refunds, and interest receivable is reasonably assured.

Curl BC**SCHEDULE OF PROVINCIAL GOVERNMENT GRANTS****Year ended March 31, 2007**

	General Fund	Special Fund	Athlete Development Fund	2007	2006
Core grants	\$ 120,200	\$ -	\$ -	\$ 120,200	\$ 120,200
Athlete assistance	18,000	-	-	18,000	19,000
Canada Games	8,376	-	-	8,376	-
Regional coaches	-	-	-	-	28,000
Game plan	134,063	-	-	134,063	150,000
Gaming	-	113,745	-	113,745	29,580
	<u>\$ 280,639</u>	<u>\$ 113,745</u>	<u>\$ -</u>	<u>\$ 394,384</u>	<u>\$ 346,780</u>

Curl BC

SCHEDULE OF EXPENDITURES

Year ended March 31, 2007

	General Fund	Special Fund	Athlete Development Fund	2007	2006
Advertising and promotion	\$ 5,061	\$ -	\$ -	\$ 5,061	\$ 5,704
Amortization	849	-	-	849	599
Annual general and directors' meetings	45,379	-	-	45,379	37,760
Athlete development					
Athlete assistance	18,000	-	-	18,000	19,000
High performance	38,366	-	-	38,366	45,023
La Releve	11,108	-	-	11,108	6,080
Technology and research	-	-	28,723	28,723	-
Wheelchair curling	4,187	12,724	-	16,911	12,317
Camps and Clinics	-	-	-	-	1,032
Capital expenditures	303	-	-	303	1,299
CCA Affiliation fees	28,925	-	-	28,925	28,405
Coaching development					
High performance	12,270	-	-	12,270	279
NCCP	19,744	7,292	-	27,036	18,567
Curling newsletter	1,241	-	-	1,241	1,027
Contract/salary costs					
Administration staff	136,655	-	-	136,655	155,506
Provincial and regional coaches expense	109,543	-	-	109,543	69,935
Funding to Regions	24,625	-	-	24,625	32,378
Grants to associations and clubs (Schedule 3)	17,154	-	-	17,154	13,000
Ice Technician program	7,581	-	-	7,581	5,956
Manuals	1,236	-	-	1,236	3,781
Marketing and youth development	2,106	8,124	-	10,230	36,918
Membership and dues	1,083	-	-	1,083	500
National Championships	15,300	-	-	15,300	16,652
Office and miscellaneous	29,485	9	-	29,494	37,711
Officiating program	5,595	-	1,144	6,739	4,839
Professional fees	4,800	-	-	4,800	4,916
Provincial Playdown	167,391	7,825	-	175,216	111,445
Rent	15,761	-	-	15,761	18,679
Yearbook	-	25,445	-	25,445	23,500
	<u>\$ 723,748</u>	<u>\$ 61,419</u>	<u>\$ 29,867</u>	<u>\$ 815,034</u>	<u>\$ 712,808</u>

Curl BC**SCHEDULE OF GRANTS TO ASSOCIATIONS AND CLUBS****Year ended March 31, 2007**

	General Fund	Special Fund	Athlete Development Fund	2007	2006
Association Grant Payments	\$ 7,500	\$ -	\$ -	\$ 7,500	\$ 7,500
Pacific Club Challenge	<u>9,654</u>	<u>-</u>	<u>-</u>	<u>9,654</u>	<u>5,500</u>
	<u>\$ 17,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,154</u>	<u>\$ 13,000</u>