

**ONTARIO PROVINCIAL
TRAPSHOOTING ASSOCIATION**

FINANCIAL STATEMENTS

For the year ended August 31, 2021

**ONTARIO PROVINCIAL
TRAPSHOOTING ASSOCIATION**

For the year ended August 31, 2021

INDEX

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 8

INDEPENDENT AUDITORS' REPORT

To the Members of
Ontario Provincial Trapshooting Association

Qualified Opinion

We have audited the accompanying financial statements of Ontario Provincial Trapshooting Association, which comprise the statement of financial position as at August 31, 2021 and the statements of operations and changes in net assets and cash flows for the year the ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Ontario Provincial Trapshooting Association as at August 31, 2021 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many non-profit organizations, the Association derives revenue from events, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to event revenue, excess of revenues over expenses and cash flows from operations for the year ended August 31, 2021, current assets at August 31, 2021 and net assets at September 1, 2020 and August 31, 2021.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of 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 qualified opinion.

Comparative Information

The financial statements for the year ended August 31, 2020 are unaudited.

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 relating 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.

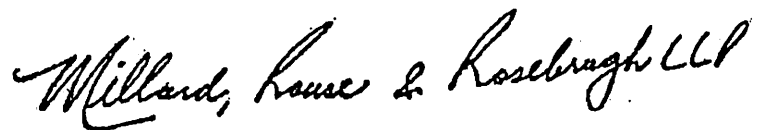
Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' 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 auditors' 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'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 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 auditors' 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 auditors' 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.



February 28, 2022
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

STATEMENT OF FINANCIAL POSITION

As at August 31	2021	2020 <i>(unaudited)</i>
ASSETS		
Current Assets		
Cash and bank	94,380	77,225
Guaranteed investment certificates (Note 3)	141,466	133,272
Accrued interest	1,341	1,990
Prepaid expenses	954	7,332
	238,141	219,819
Internally Restricted Funds		
Lottery account	7,047	7,170
Due from operating fund	60	-
	7,107	7,170
	245,248	226,989
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	3,000	3,081
Deferred income	7,047	17,116
Due to internally restricted fund	60	-
	10,107	20,197
NET ASSETS		
Net assets	235,141	206,792
	245,248	226,989

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended August 31	2021	2020 <i>(unaudited)</i>
Revenue		
Shooting and target event fees	10,557	2,644
O.C.S. grants	19,452	14,354
O.P.T.A. memberships	6,382	4,220
A.T.A. rebates	6,154	132
Advertising and sponsorship	2,384	500
Affiliation fees	400	220
Other income	520	-
Provincial COVID 19 relief (Note 6)	3,169	-
Affiliate club relief (Note 6)	15,540	-
Interest income	7,545	1,066
	72,103	23,136
Expenses		
Prizes, trophies, crests, awards and shoot expenses	11,057	28
Junior targets	652	-
Sponsorships	300	2,675
Administration and clerical (Note 4)	9,000	9,000
Office, postage, printing, stationery and general	1,055	2,102
Telephone, internet and website	617	1,359
O.C.S., C.T.A. and A.T.A. fees	1,819	3,175
O.P.T.A. insurance	324	324
Legal and accounting	3,390	3,503
Affiliate club relief (Note 6)	15,540	-
	43,754	22,166
Excess of Revenue over Expenses	28,349	970
Net Assets - Beginning of Year	206,792	205,822
Net Assets - End of Year	235,141	206,792

See accompanying notes

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

STATEMENT OF CASH FLOWS

For the year ended August 31	2021	2020 <i>(unaudited)</i>
Cash Flows From Operating Activities		
Excess of Revenue over Expenses	28,349	970
Net change in non-cash working capital balances related to operations:		
Accounts receivable and accrued interest	649	6,263
Prepaid expenses	6,378	(5,293)
Accounts payable and accrued liabilities	(81)	(2,217)
Deferred income	(10,069)	9,883
	25,226	9,606
Cash Flows From Investing Activities		
Increase in guaranteed investment certificates	(8,194)	14,931
Net Increase in Cash and Bank	17,032	24,537
Opening Cash and Bank	84,395	59,858
Closing Cash and Bank	101,427	84,395
Cash and Bank Comprised of:		
Cash and bank	94,380	77,225
Lottery account	7,047	7,170
	101,427	84,395

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2021

1. PURPOSE OF THE ORGANIZATION

The Ontario Provincial Trapshooting Association was incorporated without share capital under the laws of the Province of Ontario by letters patent on May 14, 1969. The Association is a non-profit organization whose goal is to provide support to its members in the province of Ontario and otherwise promote the sport of trapshooting. The Association is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting standards.

(a) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(b) **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 expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Shooting and target event fees revenue is recognized when the event occurs or the provision of services is delivered.

Membership fees are recognized as revenue proportionately over the fiscal year to which they relate.

Rebates are recognized as revenue in the period in which the rebate is received.

Lottery income is recognized as revenue in the period in which the approved expenses are incurred.

Affiliate club relief is recognized as revenue in the period in which the approved relief is paid to affiliate clubs.

Advertising and sponsorship revenue is recognized in the period in which the service is performed.

(c) **Fund Accounting**

Revenues, expenses, assets and liabilities related to Lottery operations are internally restricted and reported in Internally Restricted funds.

(d) **Property, Plant and Equipment**

In accordance with section 4433.03 of the CPA Canada Handbook, expenditures on property, plant and equipment are charged to current expenditures in the year of acquisition.

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

(e) Financial Instruments

Recognition and Measurement

The Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include guaranteed investment certificates and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

3. GUARANTEED INVESTMENT CERTIFICATES	2021	2020 <i>(unaudited)</i>
Purchased November 1, 2016; maturing November 1, 2021; .3979% compound interest	65,000	65,000
Purchased October 28, 2019; maturing December 27, 2020; 1.90% interest	-	3,272
Purchased December 6, 2019; maturing February 4, 2021; 1.95% interest	-	25,000
Purchased June 15, 2018; maturing June 15, 2021; .6633% interest	-	40,000
Purchased December 29, 2020; maturing February 27, 2022; 0.45% interest	3,345	-
Purchased February 4, 2021; maturing April 5, 2022; 0.5% interest	25,569	-
Purchased July 15, 2021; maturing July 15, 2024; 0.08% interest	47,552	-
	141,466	133,272

4. RELATED PARTY TRANSACTIONS

During the year the Ontario Provincial Trapshooting Association purchased administration and clerical services from the following individuals who are members of the board of directors.

	2021	2020 <i>(unaudited)</i>
Pam Muma	9,000	1,500
Jamie LeBlanc	-	7,500
	9,000	9,000

The related party transactions were incurred in the normal course of operations and are recorded at the exchange value. This value corresponds to the consideration agreed upon by the parties and is determined based on the costs incurred.

ONTARIO PROVINCIAL TRAPSHOOTING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended August 31, 2021

5. FINANCIAL INSTRUMENTS

The significant financial risk to which the Association is exposed is interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to interest rate risk relates to its operating bank account and investments.

6. COVID-19

During and subsequent to year end, the outbreak of a novel strain of coronavirus has resulted in the global declaration of a pandemic. Measures in place to combat the health threat of the virus have caused material disruption to businesses globally resulting in an economic slowdown. The duration and impact of the outbreak is unknown at this time, as are the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of the measures nor their impact on the future financial results and condition of the association.

During the year, the Association received \$3,169 in government assistance in the form of Provincial COVID-19 relief. In order to receive the relief, the Association had to meet certain terms and conditions and in particular had to have experienced an eligible reduction in revenue. The Association also received \$15,540 in ministry funding from the Ontario Council of Shooters. This funding was dispersed to affiliate clubs to help offset the loss of revenue for many clubs.