

**ONTARIO AMATEUR WRESTLING
ASSOCIATION**

**FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014**

ONTARIO AMATEUR WRESTLING ASSOCIATION

MARCH 31, 2015 AND 2014

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INDEPENDENT AUDITORS' REPORT

To the Members of
Ontario Amateur Wrestling Association

Report on the Financial Statements

We have audited the accompanying financial statements of **Ontario Amateur Wrestling Association**, which comprise the statement of financial position as at March 31, 2015 and 2014 and the statements of operations, changes in net assets (deficit) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. Except as explained in the following paragraph, we conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many non-profit associations, the association derives revenues from participant fees and fundraising programs, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues were limited to the amounts recorded in the records of the association and we were not able to determine whether any adjustments might be necessary to revenues, deficiency of revenue over expenses, current assets and net assets (deficit).

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Ontario Amateur Wrestling Association as at March 31, 2015 and 2014, its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Markham, Ontario
January 21, 2016

Kreston GTA LLP
Licensed Public Accountants

ONTARIO AMATEUR WRESTLING ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015 AND 2014

	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 102,097	\$ 78,095
Accounts receivable	17,899	34,414
Prepaid expenses	7,533	17,713
	\$ 127,529	\$ 130,222
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 29,151	\$ 28,966
Government remittances payable	2,920	1,673
Membership fees collected in advance (Note 3)	32,279	30,280
	64,350	60,919
NET ASSETS (DEFICIT)		
Unrestricted net assets	(34,925)	(20,707)
Externally restricted for youth and junior programs (Note 4)	25,035	18,761
Internally restricted reserve fund (Note 5)	44,403	43,362
Ontario wrestlers' education trust fund (Note 6)	28,666	27,887
	63,179	69,303
	\$ 127,529	\$ 130,222

Approved on Behalf of the Board

_____ Director

ONTARIO AMATEUR WRESTLING ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

	Unrestricted	Net assets restricted for youth and junior programs (Note 4)	Internally restricted reserve fund (Note 5)	Ontario wrestlers' educational trust fund (Note 6)	2015	2014
BALANCE, BEGINNING OF YEAR	\$ (20,707)	\$18,761	\$43,362	\$ 27,887	\$ 69,303	\$ 67,428
(Deficiency) excess of revenue over expenses	(2,951)	(4,993)	1,041	779	(6,124)	1,875
Inter-fund transfers	(11,267)	11,267	-	-	-	-
BALANCE, END OF YEAR	\$ (34,925)	\$ 25,035	\$ 44,403	\$ 28,666	\$ 63,179	\$ 69,303

The accompanying notes are an integral part of these financial statements.

ONTARIO AMATEUR WRESTLING ASSOCIATION

STATEMENT OF OPERATIONS

FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

	2015	2014
REVENUE		
Contributions	\$ 278,644	\$ 148,166
Membership fees	75,470	84,068
Fundraising programs	58,876	106,484
Grants from Ontario Ministry of Culture, Tourism, and Sport and Ontario Trillium Foundation	79,629	115,876
Interest and miscellaneous income	1,652	4,634
Participant fees and other grants	118,259	158,855
	612,530	618,083
EXPENSES		
Office and general	17,356	30,421
CAWA, insurance and other fees	45,552	56,743
Salaries and wages	91,494	88,933
Executive planning meetings	25,502	23,773
Competitor development	110,613	147,918
Human resource development	5,623	5,793
National training centres	28,115	34,313
Membership service costs	2,525	3,250
Fundraising programs	13,608	49,964
Contributions	260,759	118,170
Staff and executive travel	5,022	5,311
Competitor development - travel	11,556	49,658
Interest and bank charges	929	1,961
	618,654	616,208
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES	\$ (6,124)	\$ 1,875

The accompanying notes are an integral part of these financial statements.

ONTARIO AMATEUR WRESTLING ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

	2015	2014
OPERATING ACTIVITIES		
(Deficiency) Excess of revenue over expenses	\$ (6,124)	\$ 1,875
Changes in components of non-cash working capital items:		
Accounts receivable	16,515	(21,994)
Prepaid expenses and other assets	10,180	9,323
Accounts payable and accrued liabilities	186	(20,241)
Government remittances payable	1,247	1,673
Advances from related parties	-	(2,050)
Fees collected in advance	1,998	(10,414)
Unexpended grant from Ontario Trillium Foundation	-	(7,500)
	30,126	(51,203)
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	24,002	(49,328)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	78,095	127,423
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 102,097	\$ 78,095

The accompanying notes are an integral part of these financial statements.

ONTARIO AMATEUR WRESTLING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

I. PURPOSE OF THE ORGANIZATION

Ontario Amateur Wrestling Association (the "Association") is an Ontario corporation without share capital and is exempt from income taxes in Canada. The purpose of the Association is to promote and develop amateur wrestling in Ontario.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook, and include the following significant accounting policies:

Unrestricted net assets

The unrestricted assets accounts for the Association's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Ontario Wrestler's Educational Trust Fund

The Ontario Wrestlers' Educational Trust Fund reports resources that are to be used for assistance of graduating high school athletes attending post-secondary institutes in Ontario with training and living expenses. Interest earned on resources of the Ontario Wrestlers' Educational Trust Fund is reported in the Ontario Wrestlers' Educational Trust Fund.

Revenue recognition

The Association follows the deferral fund method of accounting for contributions. 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.

Membership fees are set annually by the board of directors and are recognized as revenue proportionately over the fiscal year to which they relate. Fees received in advance are recorded in fees collected in advance and recognized into revenue during the appropriate period.

Revenue from fundraising programs is recorded as revenue when the event is held and when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government grants are recognized as revenue in the period received. Amounts received in relation to future expenses are recorded as deferred revenue.

Participant fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

ONTARIO AMATEUR WRESTLING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Services

Certain services have been contributed to the Association to assist in its operations. Because of the difficulty of determining their fair value, these contributions are not recognized in the financial statements.

Contributed materials are recognized when fair value can be reasonably estimated and when the materials are used in the normal course of the Association's operations and would otherwise have been purchased.

Use of Estimates

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 amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates. Estimates and assumptions are periodically reviewed and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. The areas requiring significant estimates are the collectability of accounts receivable and accrued liabilities.

Financial Instruments Measurement

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

The financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittances payable and fees collected in advance.

3. MEMBERSHIP FEES COLLECTED IN ADVANCE

	2015	2014
Balance, beginning of year	\$ 30,280	\$ 40,695
Less amount recognized as revenue in the year	(30,280)	(40,695)
Add amount received related to subsequent periods	32,279	30,280
Balance, end of year	\$ 32,279	\$ 30,280
Consists of :		
Deferred membership fees	\$ 32,279	\$ 30,280
	\$ 32,279	\$ 30,280

4. EXTERNALLY RESTRICTED NET ASSETS

Operating Fund Restricted for Youth and Junior Programs consists of funds raised from bingos which are restricted for youth and junior programs.

ONTARIO AMATEUR WRESTLING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

5. INTERNALLY RESTRICTED RESERVE FUND

At the November 7, 1998 meeting, the board of directors of the Association passed a motion that the Association establish a cash reserve fund in the event that the Association fell upon financial hardship significant enough that would cause the Association to disband. As at March 31, 2015, the balance in this reserve fund is set at \$44,403 (2014 - \$43,362).

6. INTERNALLY RESTRICTED NET ASSETS

The internally restricted amounts for the Ontario Wrestlers' Educational Trust Fund are not available for unrestricted purposes without approval of the board of directors.

7. RELATED PARTY TRANSACTIONS

During the year, several members of the board of directors and management provided services to the Association to assist in its operations. As a result, the Association recorded an expense of \$18,134 (2014 - \$20,478) for their services, out of which \$NIL was payable as at March 31, 2015 (2014 - \$NIL). The transactions were in the normal course of operations and were measured at the exchange amount.

8. COMMITMENT

The Association has a lease with respect to its premises. The minimum lease payments for future fiscal years are as follows:

2016	\$10,861
2017	\$2,962

ONTARIO AMATEUR WRESTLING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014

9. FINANCIAL INSTRUMENTS

Risk Management Policy

The Association is exposed to various risks through its financial instruments. The following analysis provides the Association's exposures to significant risk at the reporting date, March 31, 2015.

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 Association is exposed to credit risk with respect to accounts receivable and grants receivable.

Liquidity risk

The Association is exposed to liquidity risk in that the Association will not have sufficient cash resources to meet its financial obligations as they come due in the normal course of business. The Association manages its liquidity risk by monitoring its operating requirements to ensure financial resources are available.

10. COMPARATIVE FIGURES

Certain figures in the 2014 financial statements have been restated to conform with the basis of presentation used in 2015.