

Ontario Amateur Kickboxing Council

Financial Statements
(Unaudited)

December 31, 2018



April 8, 2019

Independent Practitioner's Review Engagement Report

To the Directors of Ontario Amateur Kickboxing Council

We have reviewed the accompanying financial statements of Ontario Amateur Kickboxing Council that comprise the statement of financial position as at December 31, 2018, and the statements of operations and changes in net assets and cash flows for the year 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Ontario Amateur Kickboxing Council as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Chartered Accountants
Licensed Public Accountants**

Hamilton, Ontario

PETTINELLI MASTROLUISI LLP

CHARTERED ACCOUNTANTS

Ontario Amateur Kickboxing Council

Statement of Financial Position (Unaudited)

| | December 31 | |
|--|-----------------|------------------|
| | 2018 | 2017 |
| Asset | | |
| Current asset | | |
| Cash | \$ <u>870</u> | \$ <u>77,482</u> |
| Liability | | |
| Current liability | | |
| Accounts payable and accrued liabilities | \$ 84,145 | \$ 63,741 |
| Net assets (deficiency) | <u>(83,275)</u> | <u>13,741</u> |
| | \$ <u>870</u> | \$ <u>77,482</u> |

APPROVED BY THE BOARD:

_____ Director

_____ Director

Ontario Amateur Kickboxing Council

Statement of Operations and Changes in Net Assets (Unaudited)

| | Year ended December 31 | |
|--|------------------------|------------------|
| | 2018 | 2017 |
| Revenues | | |
| Grant income | \$ 30,000 | \$ 100,000 |
| Tournament and camp fees | 12,645 | - |
| Membership fees | 10,702 | 6,027 |
| Coaching courses | 8,650 | - |
| Club dues | <u>4,200</u> | <u>5,829</u> |
| | 66,197 | 111,856 |
| Expenditures | | |
| Executive compensation | 65,000 | - |
| Office and administration | 21,356 | 1,356 |
| Office rent | 20,340 | 20,340 |
| Professional fees | 20,310 | - |
| Provincial championship | 11,785 | 10,800 |
| Consulting - IT website development | 11,300 | 3,390 |
| Sponsorship | 5,000 | - |
| Directors and officers insurance | 2,825 | 2,825 |
| Travel and automotive | 2,140 | - |
| Workshops | 2,135 | - |
| Telephone and utilities | 949 | 1,288 |
| Interest and bank charges | <u>73</u> | <u>-</u> |
| | <u>163,213</u> | <u>39,999</u> |
| Excess (deficiency) of revenues over expenditures for the year | (97,016) | 71,857 |
| Net assets (deficiency) at beginning of the year | <u>13,741</u> | <u>(58,116)</u> |
| Net assets (deficiency) at end of the year | <u>\$ (83,275)</u> | <u>\$ 13,741</u> |

Ontario Amateur Kickboxing Council

Statement of Cash Flows (Unaudited)

| | Year ended December 31 | |
|---|------------------------|------------------|
| | 2018 | 2017 |
| Cash flows from (used in) operating activities | | |
| Excess (deficiency) of revenues over expenditures for the year | \$ (97,016) | \$ 71,857 |
| Net change in non-cash working capital balances related to operations | | |
| Increase in accounts payable and accrued liabilities | <u>20,404</u> | <u>5,625</u> |
| Net increase (decrease) in cash during the year | (76,612) | 77,482 |
| Cash at beginning of the year | <u>77,482</u> | <u>-</u> |
| Cash at end of the year | <u>\$ 870</u> | <u>\$ 77,482</u> |

Notes to Financial Statements (Unaudited)

December 31, 2018

Nature of operations

Ontario Amateur Kickboxing Council ("the Council") is a not-for-profit organization incorporated without share capital. The Council is affiliated with the Council of Amateur Sport Kickboxing.

The Council is committed to the development of amateur kickboxing in Ontario by promoting excellence in the sport through events, courses, and certification of athletes, coaches, and officials.

1. Significant accounting policies

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

Revenue recognition

The Council follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. There are no restricted contributions.

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

Financial instruments

The Council initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Council subsequently measures all its financial assets and financial liabilities at 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 net income.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Council has not designated any financial asset or financial liability to be measured at fair value.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.