

CANADIAN ASSOCIATION FOR LEISURE STUDIES

Financial Statements

Year Ended April 30, 2024

Draft for discussion purposes only

CANADIAN ASSOCIATION FOR LEISURE STUDIES
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Year Ended April 30, 2024

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Canadian Association for Leisure Studies

We have reviewed the accompanying financial statements of Canadian Association for Leisure Studies (the organization) that comprise the statement of financial position as at April 30, 2024, and the statements of changes in net assets, revenues and expenditures and cash flow 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 (ASNPO), 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 Canadian Association for Leisure Studies as at April 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Waterloo, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

CANADIAN ASSOCIATION FOR LEISURE STUDIES

Statement of Financial Position

April 30, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 70,607	\$ 66,376
Prepaid expenses	1,626	925
Accounts receivable	2,950	-
	<u>75,183</u>	67,301
INVESTMENTS (Note 3)	<u>130,498</u>	128,594
	<u>\$ 205,681</u>	\$ 195,895
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,501	\$ 11,669
Deferred membership dues	3,160	-
	<u>10,661</u>	11,669
LONG-TERM DEFERRED MEMBERSHIP DUES	<u>3,160</u>	-
	<u>13,821</u>	11,669
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>191,860</u>	184,226
	<u>191,860</u>	184,226
	<u>\$ 205,681</u>	\$ 195,895

The accompanying notes form an integral part of these financial statements

CANADIAN ASSOCIATION FOR LEISURE STUDIES
Statement of Changes in Net Assets
Year Ended April 30, 2024

	2024	2023
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	\$ 184,226	\$ 181,429
EXCESS OF REVENUES OVER EXPENSES	<u>7,634</u>	<u>2,797</u>
UNRESTRICTED NET ASSETS - END OF YEAR	<u>\$ 191,860</u>	<u>\$ 184,226</u>

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CANADIAN ASSOCIATION FOR LEISURE STUDIES
Statement of Revenues and Expenditures
Year Ended April 30, 2024

	2024	2023
REVENUES		
Editorial funding	\$ 17,985	\$ 17,985
Royalties	7,114	3,150
Membership dues (Note 5)	3,160	-
	<u>28,259</u>	<u>21,135</u>
EXPENSES		
Editorial expenses	12,500	13,000
Travel	3,750	4,492
Professional fees	3,708	3,750
Legacy fund expenses	3,077	1,250
Conference expenses	2,982	418
Association fees	1,452	1,404
Insurance	303	-
Investment fees	-	367
	<u>27,772</u>	<u>24,681</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>487</u>	<u>(3,546)</u>
OTHER INCOME (EXPENSES)		
Investment income	2,761	6,783
Unrealized gain on investments	4,386	1,113
Loss on disposal of investments	-	(1,553)
	<u>7,147</u>	<u>6,343</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 7,634</u>	<u>\$ 2,797</u>

The accompanying notes form an integral part of these financial statements

CANADIAN ASSOCIATION FOR LEISURE STUDIES

**Statement of Cash Flow
Year Ended April 30, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 7,634	\$ 2,797
Items not affecting cash:		
Loss on disposal of investments	-	1,553
Unrealized gain on investments	<u>(4,386)</u>	<u>(1,113)</u>
	<u>3,248</u>	<u>3,237</u>
Changes in non-cash working capital:		
Accounts receivable	(2,950)	-
Prepaid expenses	(701)	-
Accounts payable and accrued liabilities	(4,167)	4,167
Deferred membership dues	<u>6,320</u>	<u>-</u>
	<u>(1,498)</u>	<u>4,167</u>
Cash flow from operating activities	<u>1,750</u>	<u>7,404</u>
INVESTING ACTIVITIES		
Purchase of investments	(2,519)	(1,196)
Proceeds on sale of investments	<u>5,000</u>	<u>-</u>
Cash flow from (used by) investing activities	<u>2,481</u>	<u>(1,196)</u>
INCREASE IN CASH FLOW	4,231	6,208
Cash - beginning of year	<u>66,376</u>	<u>60,168</u>
CASH - END OF YEAR	\$ 70,607	\$ 66,376

The accompanying notes form an integral part of these financial statements

CANADIAN ASSOCIATION FOR LEISURE STUDIES

Notes to Financial Statements

Year Ended April 30, 2024

1. DESCRIPTION OF OPERATIONS

Canadian Association for Leisure Studies (the "association") is a not-for-profit organization chartered under the provisions of Part II of the Canada Corporations Act. The association's activities include promoting leisure research in Canada and taking responsibility for the convening of the Canada Congress on Leisure Research and awarding the host organization every three years.

Management has determined that they are exempt from income tax under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Revenue recognition

Canadian Association for Leisure Studies 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. Endowment contributions are recognized as direct increases in net assets.

Royalty revenue and editorial funding are recognized as revenue in the period to which they relate. Amounts are recorded when the revenue is earned and the amount can be reasonably estimated.

Conference registration and sponsorship income is recognized as revenue in the year in which the conference is held.

Membership dues and investment income is recognized as revenue when it is earned.

All revenues are recorded in the period to which the membership relates to.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. Transaction costs are expensed when incurred. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

(continues)

CANADIAN ASSOCIATION FOR LEISURE STUDIES

Notes to Financial Statements

Year Ended April 30, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Royalty revenue and Editorial funding is received based on the calendar year. As a result, the royalties collected each year relate to the previous calendar year. The period January to April is accrued by the association based on actual deposits received after year end.

3. INVESTMENTS

Investments consist of guaranteed investment certificates and mutual funds with a fair market value at April 30, 2024 of \$130,498 (2023 - \$128,594) and adjusted cost base of \$119,063 (2023 - \$122,427). The effective interest rate earned on investments during the year was 5.9% (2023 - 5.4%).

4. FINANCIAL INSTRUMENTS

The association's financial instruments consist of cash, loan receivable, investments and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the association is not exposed to significant currency, interest rate or credit risks arising from these financial instruments.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization is exposed to market rate risk due to the investments on purchase of mutual funds, as described in Note 3.

The extend of the association's exposure to the above risks has not changed significantly during the fiscal year.

5. MEMBERSHIP FEES

During the year the organization collected \$70,685 in registration fees on behalf of the host institution for the Canadian Congress on Leisure Research. The Canadian Association of Leisure Studies acted as an agent in this transaction, remitting all funds collected to the host institution. As such, these amounts do not appear on the organization's financial statements.

A portion of the hosting duties is to collect the organization's membership fees. A total of \$9,480 was collected and remitted to the Canadian Association of Leisure Studies, representing memberships for a triennial period, from May 1, 2023 until April 30, 2026.