

SHOOTING FEDERATION OF CANADA

FINANCIAL STATEMENTS

MARCH 31, 2025

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PARKER PRINS LEBANO
Chartered Professional Accountants
Professional Corporation

INDEPENDENT AUDITORS' REPORT

To the Members of the:
SHOOTING FEDERATION OF CANADA

Qualified Opinion

We have audited the financial statements of the Shooting Federation of Canada, which comprise the Statement Of Financial Position as at March 31, 2025, and the Statements Of Operations And Changes In Net Assets, and Cash Flows for the year then ended, and Notes To The Financial Statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Shooting Federation of Canada as at March 31, 2025, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Shooting Federation of Canada derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Shooting Federation of Canada. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations, excess (deficiency) of revenues over expenses, cash flows from operations for the years ended March 31, 2025 and 2024, current assets and net assets as at March 31, 2025 and 2024.

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 the Financial Statements* section of our report. We are independent of the Shooting Federation of Canada 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.

Emphasis of Matter

The supplementary information presented on page 11 was derived from the underlying accounting and other records used to prepare the financial statements. The supplementary information is presented for the purposes of additional information is not a required part of the financial statements and is marked as unaudited. Such supplementary information is the responsibility of management.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Shooting Federation of Canada's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Shooting Federation of Canada or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Shooting Federation of Canada'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 Shooting Federation of Canada'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 Shooting Federation of Canada'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 Shooting Federation of Canada 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.



Parker Prins Lebano Chartered Professional Accountants Professional Corporation
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario
August 11, 2025

SHOOTING FEDERATION OF CANADA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT		
Cash (note 4)	\$ 345,638	\$ 235,895
Accounts receivable	68,819	27,625
Inventory	26,694	22,083
Prepaid expenses	31,781	8,528
HST receivable	2,656	3,547
Investment (note 5)	<u>269,820</u>	<u>203,124</u>
	745,408	500,802
ERNIE SOPSICH MEMORIAL FUND INVESTMENT (note 11)	15,000	-
CAPITAL ASSETS (note 6)	<u>90,434</u>	<u>92,736</u>
	<u>\$ 850,842</u>	<u>\$ 593,538</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 99,997	\$ 37,511
Accrued liabilities	68,315	48,499
Government remittances payable	4,754	9,179
Deferred revenue (note 7)	177,052	101,677
Deferred term memberships - current portion	<u>19,238</u>	<u>13,949</u>
	369,356	210,815
DEFERRED TERM MEMBERSHIPS	<u>9,502</u>	<u>9,640</u>
	378,858	220,455
NET ASSETS	<u>471,984</u>	<u>373,083</u>
	<u>\$ 850,842</u>	<u>\$ 593,538</u>

SHOOTING FEDERATION OF CANADA
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
REVENUES		
Sport Canada	\$ 464,500	\$ 442,740
Insurance and affiliation	297,934	270,030
Target sales	23,966	32,631
Membership	48,805	37,802
National team	69,734	22,252
Certification program	7,533	6,000
Coaching Association of Canada	3,833	3,833
Canadian Olympic Committee	24,971	65,914
Miscellaneous (note 8)	122,876	19,794
Return to Sport - Canadian Olympic Committee	<u>-</u>	<u>6,250</u>
	<u>1,064,152</u>	<u>907,246</u>
EXPENDITURES		
Administrative (note 9)	55,549	47,323
Amortization	22,629	25,886
Athletes with a Disability	81,372	80,641
Cost of targets	23,301	21,191
Meetings	1,337	1,922
Insurance and affiliation	122,686	113,646
National competition and sports science	198,183	248,207
Official languages	11,434	13,000
Professional fees	75,489	22,969
Salaries and benefits	300,682	298,739
Sport Programs (note 9)	<u>72,589</u>	<u>94,764</u>
	<u>965,251</u>	<u>968,288</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	98,901	(61,042)
NET ASSETS, BEGINNING OF YEAR	<u>373,083</u>	<u>434,125</u>
NET ASSETS, END OF YEAR	<u><u>\$ 471,984</u></u>	<u><u>\$ 373,083</u></u>

SHOOTING FEDERATION OF CANADA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES		
Excess (Deficiency) of revenues over expenditures	\$ 98,901	\$ (61,042)
Items not affecting cash:		
Amortization of capital assets	<u>22,629</u>	<u>25,886</u>
	121,530	(35,156)
Changes in non-cash working capital components:		
Accounts receivable	(41,194)	(13,358)
Inventory	(4,611)	10,825
Prepaid expenses	(23,253)	(6,912)
HST receivable	891	(940)
Accounts payable and accrued liabilities	77,877	23,262
Deferred revenue	75,375	(47,653)
Deferred term memberships - current portion	<u>5,289</u>	<u>1,888</u>
	<u>211,904</u>	<u>(68,044)</u>
CASH FLOWS USED FOR FINANCING ACTIVITIES		
Deferred term memberships	<u>(138)</u>	<u>(324)</u>
CASH FLOWS (USED FOR) FROM INVESTING ACTIVITIES		
(Purchase) transfer of investment	(81,696)	51,275
Purchase of capital assets	<u>(20,327)</u>	<u>-</u>
	<u>(102,023)</u>	<u>51,275</u>
INCREASE (DECREASE) IN CASH	109,743	(17,093)
CASH, BEGINNING OF YEAR	<u>235,895</u>	<u>252,988</u>
CASH, END OF YEAR	<u><u>\$ 345,638</u></u>	<u><u>\$ 235,895</u></u>

SHOOTING FEDERATION OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

1. PURPOSE OF THE ORGANIZATION

The Shooting Federation of Canada (the "Federation") is incorporated under the laws of Canada. The Federation is engaged in the promotion of the sport of shooting, the sponsorship of competitions and meets and to act as the national body. The Federation is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following policies:

USE OF ESTIMATES

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

Significant estimates include assumptions used in estimating the collectibility of accounts receivable, inventory obsolescence, the useful life and related amortization of capital assets, provisions for accrued liabilities.

GOVERNMENT ASSISTANCE

Funds are advanced by the federal government for the purpose of sponsoring specific activities during the year. Expenses are applied against contributions on the accrual basis. Any unexpended portions of Government of Canada contributions as at March 31 are refundable to the contributor and are recorded as current liabilities unless the contributor agrees to defer the contributions and are recorded as deferred revenue.

The Federation periodically applies for financial assistance under available government incentive programs for certain eligible expenditures. The Federation recognizes these incentives as Government assistance when there is reasonable assurance that the Federation has complied with the conditions for receipt of such assistance.

CAPITAL ASSETS

Capital assets includes both tangible and intangible assets. The intangible asset consists of the membership database. The policy of the Federation is to charge to operations the total cost of capital asset purchases, if less than \$200, in the year of purchase. Capital assets in excess of \$200 are capitalized and the cost is amortized. Amortization is based on the estimated useful life of the asset and is provided as follows:

Equipment	Straight-line	7 years
Computers	Straight-line	3 years
Membership database	Straight-line	7 years

DONATED MATERIAL AND SERVICES

The value of assets, materials and services donated to the Federation is not reflected in these financial statements unless the item would be otherwise purchased and the fair value of such donations is reasonably determinable.

SHOOTING FEDERATION OF CANADA

NOTES TO THE FINANCIAL STATEMENTS (continued)

MARCH 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Cost is generally determined on an average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs. Net realizable value is assessed at each balance sheet date and a write down is recorded as necessary. The amount of the write down may be reversed (up to original amount of the write down) where there is a change in the economic circumstances.

DEFERRED REVENUE

Membership fees received for terms extending beyond one year are deferred. The deferred revenue is transferred to income over the life of the membership, not to exceed five years. Membership fees for one-year terms are recognized as revenue in the year received.

REVENUE RECOGNITION

The Federation 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 reasonably assured.

FOREIGN CURRENCY TRANSACTIONS

Transactions during the year in foreign currencies have been converted in the accounts to Canadian dollars at the exchange rate effective on the transaction date. There are no monetary assets in foreign currencies at the end of the year.

3. FINANCIAL INSTRUMENTS

Financial instruments are financial assets or liabilities of the Federation where, in general, the Federation has the right to receive cash or another financial asset from another party or the Federation has the obligation to pay another party cash or other financial assets.

MEASUREMENT OF FINANCIAL INSTRUMENTS

The Federation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Federation 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 operations. Financial assets measured at amortized cost include cash, investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The Federation has no financial assets measured at fair value.

TRANSACTION COSTS

The Federation recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

SHOOTING FEDERATION OF CANADA

NOTES TO THE FINANCIAL STATEMENTS (continued)

MARCH 31, 2025

3. FINANCIAL INSTRUMENTS (continued)

IMPAIRMENT

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

The Federation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Federation's risk exposure and concentrations as at March 31, 2025.

LIQUIDITY RISK

Liquidity risk is the risk that the Federation will encounter difficulty in meeting obligations associated with financial liabilities. The Federation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

MARKET RISK

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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Federation is mainly exposed to 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 Federation is exposed to fair value risk on its investments with fixed interest rates.

CHANGES IN RISK

There have been no significant changes in the Federation's risk exposures from the previous fiscal year.

4. CASH

The Federation's bank accounts are held at one chartered bank and earn nominal interest.

5. INVESTMENT

In fiscal 2021, the Federation held a guaranteed investment certificate that earned interest at a rate of 0.65%. The certificate matured in October 2021 and the proceeds are currently held within a segregated savings account.

SHOOTING FEDERATION OF CANADA

NOTES TO THE FINANCIAL STATEMENTS (continued)

MARCH 31, 2025

6. CAPITAL ASSETS

	2025			2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 215,214	\$ 128,979	\$ 86,235	\$ 89,146
Computers	10,222	6,544	3,678	2,789
Membership database	11,337	10,816	521	801
	<u>\$ 236,773</u>	<u>\$ 146,339</u>	<u>\$ 90,434</u>	<u>\$ 92,736</u>

In fiscal 2015 the Federation received electronic targets and related equipment from the Pan AM games as a gift. The fair value of this donated asset was not determined and as such the benefit and equal offsetting expense has never been included in these financial statements other than being reflected at the nominal value of \$1. As at March 31, 2025 and March 31, 2024 these assets would be fully amortized in accordance with the Federation's policy for tangible capital assets amortization, however some may still be in use.

The cumulative cost of capital assets at March 31, 2024 was \$216,447 comprised of equipment \$196,496, computers \$8,614, and membership database \$11,337.

7. DEFERRED REVENUE

Deferred revenue is made up of the following amounts:

	2025	Received	Recognized	2025
	Opening			Closing
Insurance	\$ 92,756	\$ 382,230	\$ (297,934)	\$ 177,052
Ernie Sopsich Memorial Fund	8,921	220	(9,141)	-
	<u>\$ 101,677</u>	<u>\$ 382,450</u>	<u>\$ (307,075)</u>	<u>\$ 177,052</u>

Insurance represents amounts received in advance of the membership year that will be recognized as earned in the following fiscal year.

8. REVENUES

	2025	2024
MISCELLANEOUS		
Program revenue	\$ 79,567	\$ 2,918
Donations	22,181	2,588
Miscellaneous revenue	5,436	2,384
Interest income	10,692	11,903
Sponsorship revenue	5,000	-
	<u>\$ 122,876</u>	<u>\$ 19,794</u>

SHOOTING FEDERATION OF CANADA

NOTES TO THE FINANCIAL STATEMENTS (continued)

MARCH 31, 2025

9. EXPENDITURES

	<u>2025</u>	<u>2024</u>
ADMINISTRATION		
Office, computer, postage, etc.	\$ 17,138	\$ 9,756
Telecommunications	5,488	7,070
Bank charges	12,039	9,613
Premises	<u>20,884</u>	<u>20,884</u>
	<u>\$ 55,549</u>	<u>\$ 47,323</u>
SPORT PROGRAMS		
Coaches salaries and professional development	\$ 26,153	\$ 27,300
Sport participation development	34,743	59,964
National championship	<u>11,693</u>	<u>7,500</u>
	<u>\$ 72,589</u>	<u>\$ 94,764</u>

10. LEASE COMMITMENT

The Federation is committed to an operating lease for an office facility. The minimum payments over the next fiscal year are as follows:

2026	\$15,136
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11. ERNIE SOPSICH MEMORIAL FUND INVESTMENT

During fiscal 2025, the board of directors agreed to invest \$15,000 in a five-year term fund with the Ottawa Community Foundation (OCF) to officially establish the Ernie Sopsich Memorial Fund. The OCF will accept future donations made to the fund from persons other than the Shooting Federation of Canada. On an annual basis, the Ernie Sopsich Memorial Award will be paid from the fund to a recipient chosen by the Shooting Federation of Canada.

12. COMPARATIVE FIGURES

Certain of prior year's figures have been reclassified to conform to the current year's presentation.

SHOOTING FEDERATION OF CANADA

SCHEDULE OF SPORT CANADA REVENUE AND EXPENSES BY BUDGET CATEGORY FOR THE YEAR ENDED MARCH 31, 2025

(prepared without audit)

Budget Category	Total Revenue Claimed	Total Expenses
General administration	\$ 39,200	\$ 39,200
Staff salaries	70,000	70,000
Coaching salaries and professional development	50,000	50,000
National team programs	182,250	182,250
Official languages	13,000	13,000
Operations and programming	<u>110,050</u>	<u>110,050</u>
	<u>\$ 464,500</u>	<u>\$ 464,500</u>