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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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Draft for discussion purposes only  
Draft for discussion purposes only

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## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

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To Management of Port Coquitlam and District Hunting and Fishing Club

We have reviewed the accompanying financial statements of Port Coquitlam and District Hunting and Fishing Club (the "organization") that comprise the statement of financial position as at December 31, 2021, and the statements of changes in net assets, operation, 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 Port Coquitlam and District Hunting and Fishing Club as at December 31, 2021, 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.

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## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

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Chartered Professional Accountants

Burnaby, British Columbia

Reporting date

Draft for discussion purposes only

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 707,066	\$ 329,542
Restricted cash and cash equivalents (Note 4)	400,000	400,000
Accounts receivable	26,339	14,370
Inventory	34,884	38,714
Prepaid expenses	-	49,182
	<b>1,168,289</b>	831,808
<b>CAPITAL ASSETS (Note 5)</b>	<b>654,135</b>	686,496
	<b>\$ 1,822,424</b>	<b>\$ 1,518,304</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 51,567	\$ 43,568
Income taxes payable	-	208
Canada emergency business account loan (Note 7)	40,000	30,000
Deferred revenue	96,051	92,956
	<b>187,618</b>	166,732
<b>DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSET (Note 6)</b>	<b>34,560</b>	37,724
	<b>222,178</b>	204,456
<b>NET ASSETS</b>	<b>1,600,246</b>	1,313,848
	<b>\$ 1,822,424</b>	<b>\$ 1,518,304</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
*President*

\_\_\_\_\_  
*Treasurer*

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Invested in capital assets	Internally restricted	Unrestricted	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 648,772	\$ 400,000	\$ 265,076	\$ 1,313,848	\$ 1,206,860
Excess of revenue over expenses for the year	(30,909)	-	317,307	286,398	106,988
Purchase of capital assets	1,712	-	(1,712)	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 619,575	\$ 400,000	\$ 580,671	\$ 1,600,246	\$ 1,313,848

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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**STATEMENT OF OPERATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>REVENUES</b>		
General (Schedule 1)	\$ 510,589	\$ 442,551
Activity (Schedule 1)	72,700	31,998
Facility (Schedule 1)	227,521	210,959
	<b>810,810</b>	<b>685,508</b>
<b>EXPENSES</b>		
Accounting fees	71,341	36,856
Activity (Schedule 2)	25,057	15,729
Advertising and promotion	1,148	1,839
Amortization of capital assets	34,073	35,886
Delivery and freight	68	411
Donations	2,000	11,750
Environmental and river	12,734	6,232
Insurance	51,251	42,740
Legal fees	1,760	4,010
Membership	1,036	670
Merchandise purchase	11,718	1,339
Newsletter	7,576	14,561
Office and miscellaneous	22,282	17,398
Property taxes	71,486	78,979
Repairs and maintenance	76,849	54,197
Supplies	12,630	2,823
Telephone	3,254	4,352
Utilities	45,700	33,874
Wages and benefits (Note 9)	82,428	224,621
	<b>534,391</b>	<b>588,267</b>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	<b>276,419</b>	97,241
CANADA EMERGENCY BUSINESS ACCOUNT FORGIVEN (Note 7)	<b>10,000</b>	10,000
EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	<b>286,419</b>	107,241
INCOME TAXES (Note 8)	<b>21</b>	253
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>\$ 286,398</b>	<b>\$ 106,988</b>

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses for the year	\$ 286,398	\$ 106,988
Items not affecting cash:		
Amortization of capital assets	34,073	35,886
Amortization of deferred contributions related to capital assets	(3,164)	(3,296)
Canada emergency business account forgiven	(10,000)	(10,000)
	<b>307,307</b>	<b>129,578</b>
Changes in non-cash working capital:		
Accounts receivable	(11,969)	8,504
Inventory	3,830	(3,150)
Prepaid expenses	49,182	19,017
Accounts payable and accrued liabilities	7,999	(31,504)
Income taxes payable	(208)	(518)
Deferred revenue	3,095	(34,240)
	<b>51,929</b>	<b>(41,891)</b>
	<b>359,236</b>	<b>87,687</b>
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	(1,712)	(99,828)
<b>FINANCING ACTIVITY</b>		
Canada emergency benefit account	20,000	40,000
<b>INCREASE IN CASH FLOW</b>	<b>377,524</b>	<b>27,859</b>
Cash and cash equivalents - beginning of year	329,542	301,683
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 707,066</b>	<b>\$ 329,542</b>

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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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1. PURPOSE OF THE ORGANIZATION

The Port Coquitlam and District Hunting and Fishing Club (the "Organization"), was established in 1956, and is a not-for-profit organization incorporated under the Societies Act in the Province of British Columbia.

The purpose of the Organization is to promote sensible wildlife management and appreciation of the natural resource, to educate and train members to enforce laws pertaining to wildlife management, to promote the responsible use of firearms, and to provide a safe venue for shooting sports.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Handbook Canada - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP")

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies below:

(a) Financial instruments

i) Measurement

The Organization's financial instruments consists of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, and accounts payable. The Organization initially measures all of its financial instruments at fair value. The Organization subsequently measures all of its financial instruments at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, 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 the statement of operations in the period in which it is determined.

iii) Transaction costs

The Organization recognizes its transaction costs in the statement of operations in the period incurred. However, 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.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(c) Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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2. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(d) Capital assets

Capital assets are recorded at cost and are amortized using the declining balance method at the following annual rates:

Buildings and improvements	4%
Computer	55% and 100%
Furniture and fixtures	20%

The Organization's policy is to record a write down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributes to the Organization's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of operations and are not reversed.

(e) Revenue recognition

The Organization 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Members' dues are recognized as income in the fiscal year they pertain to, and amounts received in advance are deferred. All other revenue is recorded as earned.

Contributions received for the purchase of capital assets are amortized as revenue on the same basis as the amortization related to the acquired capital assets.

(f) Contributed services and materials

The Organization benefits from contributed services in the form of volunteer time and contributed materials. Contributed services are not recognized in the financial statements. Contributed materials are recorded at the fair market value only when a realizable value of the related benefit can be reasonably estimated and the materials are used in the normal course of operations and would otherwise have been purchased.

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent; however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable and inventory, determination of the useful lives of capital assets used for computing amortization, measurement of deferred revenue and deferred contributions related to capital assets and the amounts recorded as accrued liabilities.

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

3. FINANCIAL INSTRUMENTS RISKS

The Organization's financial instruments are described in Note 2(a). In management's opinion, the Organization is not exposed to significant credit, liquidity, market, currency, interest rate or other price risks. In addition, the Organization is not exposed to any material concentrations of risk and there has been no significant change in risk exposures from the prior year other than described below.

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 Organization's financial assets that are exposed to credit risk are cash and cash equivalents, and accounts receivable. The risk associated with cash and cash equivalents is minimized to the extent that they are placed with a major Canadian financial institution. The risk associated with accounts receivable is minimized given the small number of parties owing amounts to the Organization and its history of collecting substantially all of its outstanding receivables. There have been no significant changes to the Organization's credit risk as a result of the COVID-19 health pandemic.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable. The COVID-19 health pandemic could impact the timing of cash inflows from membership and other revenue. The Organization mitigates this risk by maintaining an appropriate cash reserve.

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 Organization is exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Organization is exposed to interest rate risk primarily through its term deposits. The Organization mitigates this risk by having short-term maturity of its term deposits. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities.

4. RESTRICTED CASH AND CASH EQUIVALENTS

This amount has been internally restricted for capital and reclamation expenditures.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Buildings and improvements	\$ 1,052,488	\$ 426,525	\$ 625,963	\$ 652,045
Computer	29,403	28,280	1,123	2,494
Furniture and fixtures	261,015	233,966	27,049	31,957
	\$ 1,342,906	\$ 688,771	\$ 654,135	\$ 686,496

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

5. CAPITAL ASSETS *(continued)*

The Province of British Columbia granted a 30 years lease for the land containing the Organization's buildings and improvements for \$1. The lease expires on February 16, 2040. The grant and term is subject to the covenants required by the lessor and the City of Coquitlam. The covenants require the Organization must use and occupy the land only in accordance with the intended purposes set out in the Management Plan. The intended purpose is to use the land for club house, rifle, shotgun, pistol, and archery range purposes. The Organization is in compliance with covenants set out in the lease agreement.

On December 9, 2019, the City of Coquitlam approved the lease for another three years. The lease is subject to review by the City of Coquitlam before the end of the three years. Should the City, as a result of their review, consider the operations negatively impacts community planning, development and safety, they may give two years notice to terminate the lease. This may impact the net recoverable amount of the buildings and improvements.

6. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2021	2020
Hatchery Fund - beginning balance	\$ 37,724	\$ 41,020
Less: amount recognized as revenue in the year	(3,164)	(3,296)
Hatchery Fund - ending balance	\$ 34,560	\$ 37,724

7. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

During the year, the Organization received a \$20,000 loan under the Canada Emergency Business Account ("CEBA") program. This is an interest-free loan to cover payroll or operating costs. Repaying the balance of the loan on or before December 31, 2023 will result in a loan forgiveness of 50% (up to \$10,000), which has been recorded as other revenue in the year ended December 31, 2021 as the Organization intends to fulfill all facets of the loan arrangement and qualify for forgiveness. The loan is guaranteed by the Government of Canada.

8. INCOME TAXES

The Organization is subject to income taxes under Income Tax Act subsection 149(5) for the interest income which is over \$2,000.

	2021	2020
Taxes on interest income	\$ -	\$ 208

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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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9. COVID-19 RISK

During March 2020, a global health pandemic was declared due to the COVID-19 health pandemic, which has had a significant impact on economic and social activity through the restrictions put in place by Canada and other countries regarding group gatherings, business operations, isolation/quarantine orders. As this time, the extent of the impact the COVID-19 health pandemic may have on the Organization is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

At this time, the Organization continues to operate by taking the necessary precautions set out by the Canadian Government and Provincial Health Services Authority. The impact of COVID-19 on the Organization's revenues have been substantial, as the operations became restricted to members and guests only. Due to restrictions on large gatherings the Organization has incurred less revenue and expenses related to events and courses. The Organization has also taken advantage of subsidies offered by the Government of Canada to organizations affected by the pandemic such as the Canada Emergency Wage Subsidy ("CEWS") and the Canada Emergency Business Account Loan ("CEBA"). Included in wages and benefits is CEWS of \$223,767 (2020 - \$41,202).

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**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB****REVENUE****(Schedule 1)****FOR THE YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>General</b>		
Membership	\$ 502,946	\$ 435,818
Range sales	7,114	4,344
Interest (Note 8)	529	2,389
	<b>510,589</b>	<b>442,551</b>
<b>Activity</b>		
Archery	8,082	3,533
Black badge	324	1,857
Black powder	1,568	1,181
CORE	1,538	-
Holster course	1,238	524
IPSC	18,537	3,338
LEAP	5,881	3,183
New member course	18,850	9,191
PoCo PPC	171	13
Pumpkin shoot	1,019	50
Range user course	6,333	3,333
Small bore	452	143
Trap and skeet	8,698	5,652
WIPL Revenue	9	-
	<b>72,700</b>	<b>31,998</b>
<b>Facility</b>		
Hall and clubhouse rentals	1,083	1,667
Hatchery fund (Note 6)	3,164	3,296
Range day cards	24,650	13,752
Range rentals	195,624	189,744
River fund	3,000	2,500
	<b>227,521</b>	<b>210,959</b>
	<b>\$ 810,810</b>	<b>\$ 685,508</b>

**PORT COQUITLAM AND DISTRICT HUNTING AND FISHING CLUB**  
**ACTIVITY EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**(Schedule 2)**

	<b>2021</b>	<b>2020</b>
Archery	\$ 959	\$ 1,504
Black badge	680	850
Black powder	715	833
Holster course	800	900
IPSC	2,336	9,307
LEAP	5,414	-
New member course	4,887	-
Pumpkin shoot	300	-
Range user course	1,575	2,048
Trap and skeet	7,391	289
	<b>\$ 25,057</b>	<b>\$ 15,731</b>

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